



(Please use this QR Code to view the Draft Red Herring Prospectus and Draft Abridged Prospectus)



DRAFT RED HERRING PROSPECTUS

Dated: March 30, 2023

Please read Section 32 of the Companies Act, 2013

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

100% Book Built Offer

T.C. TERRYTEX LIMITED
Corporate Identity Number: U17220PB2005PLC028877

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
Village Sarsini, Amb-Chd Highway, Near Lalru, Tehsil Derabassi, Lalru, Punjab- 140 501, India.	N.A.	Ms. Tanvi Mahendru Company Secretary and Compliance Officer	E-mail: Legal@tctl.in Telephone: 01762-506607	https://tctl.in/
OUR PROMOTERS: MR. AKHIL SATIA, MR. SHRAVAN SETHI AND SHIV PARIVAR TRUST				
DETAILS OF THE OFFER TO THE PUBLIC				
TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹ 1,700 million	Up to 67,50,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	This Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"). For details in relation to share reservation amongst Qualified Institutional Buyers, Non-Institutional Bidders and Retail Individual Bidders, see "Offer Structure" on page 331.
DETAILS OF THE SELLING SHAREHOLDER, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION				
NAME OF THE SELLING SHAREHOLDER	TYPE	MAXIMUM NUMBER OF OFFERED SHARES	AGGREGATE PROCEEDS FROM OFFERED SHARES	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (₹)
Ashis Living Private Limited	Investor Selling Shareholder	Up to 67,50,000 Equity Shares of face value of ₹ 10 each	aggregating up to ₹ [●] million	14.97*
*As certified by our Statutory Auditor, M/s J Mandal & Co, pursuant to their certificate dated March 30, 2026				
RISKS IN RELATION TO THE FIRST OFFER				
This being the first public offer for sale of Equity Shares of our Company, there has been no formal market for the Equity Shares of the face value of the Equity Shares is ₹10 each of our Company. The Floor Price, Cap Price and Offer Price (as determined by our Company, in consultation with the Book Running Lead Manager ("BRLM"), in accordance with the SEBI ICDR Regulations and on the basis of the assessment of market demand for the Equity Shares of ₹10 each by way of the Book Building Process, as stated under "Basis for the Offer Price" on page 113) should not be considered to be indicative of the market price of the Equity Shares of face value ₹10 each after the Equity Shares are listed. No assurance can be given regarding an active and/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 the 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 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 contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 22.				
ISSUER'S AND 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 this Offer, which is material in the context of this 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, the Selling Shareholder accepts responsibility for and confirms only the statements specifically made or confirmed by the Selling Shareholder in this Draft Red Herring Prospectus solely in relation to itself and its portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect. The Selling Shareholder assumes no responsibility for any other statements including any of the statements made by or relating to our Company or our Company's business or any other person in this Draft Red Herring Prospectus.				
LISTING				
The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges being National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purpose of this Offer, [●] is the Designated Stock Exchange.				
BOOK RUNNING LEAD MANAGER				
Logo	Name	Contact Person	Telephone	E-mail Id
	Sobhagya Capital options Private Limited	Ms. Menka Jha/ Mr. Rishabh Singhvi	Contact No.: +91 99203 79029/ 78360 66001	E-mail: mb@sobhagyacap.com
REGISTRAR TO OFFER				
Logo	Name	Contact Person	Telephone	E-mail Id
	Skyline Financial Services Private limited	Mr. Anuj Rana	011-40450193-197	ipo@skylinerta.com
BID/OFFER PERIOD				
ANCHOR INVESTOR BID/ OFFER PERIOD	[●] ⁽¹⁾	BID/ OFFER OPENS ON	[●]	BID/ OFFER CLOSES ON [●] ^{(2)(3)*}

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

⁽²⁾Our Company may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs 1 (one) Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

⁽³⁾Our Company, in consultation with the BRLM, may consider an issue of specified securities, as may be permitted under the applicable law, aggregating up to ₹ 150.00 million prior to filing of the Red Herring Prospectus with the RoC ("Pre-IPO Placement"). The Pre-IPO Placement, if undertaken, will be at a price determined by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety) in accordance with Regulation 54 of SEBI ICDR Regulations. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus. *The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Day

**DRAFT RED HERRING PROSPECTUS**

Dated: March 30, 2026

Please read Section 32 of the Companies Act, 2013

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

100% Book Built Offer**T.C. TERRYTEX LIMITED**

Our Company was originally incorporated as 'T.C. Terrytex Limited', a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated August 30, 2005 issued by the Registrar of Companies, Punjab, H.P. & Chandigarh. For details, see *"History and Certain Corporate Matters - Amendments to our Memorandum of Association"* on page 217.

Corporate Identity Number: U17220PB2005PLC028877

Registered Office: Village Sarsini, Amb-Chd Highway, Near Lalru, Tehsil Derabassi, Lalru, Punjab- 140501, India.

Contact Person: Tanvi Mahendru, Company Secretary and Compliance Officer; Telephone: 01762-506607 E-mail: Legal@tcctl.in; Website: <https://tcctl.in/>**OUR PROMOTERS: MR. AKHIL SATIA, MR. SHRAVAN SETHI AND SHIV PARIVAR TRUST**

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF T.C. TERRYTEX LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING UP TO ₹ [●] MILLIONS (THE "OFFER"). THE OFFER COMPRISES OF A FRESH ISSUE OF UP TO [●]* EQUITY SHARES OF FACE VALUE OF ₹10 EACH BY OUR COMPANY AGGREGATING UP TO ₹1,700 MILLIONS (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 67,50,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH (THE "OFFERED SHARES") AGGREGATING UP TO ₹ [●] MILLIONS (THE "OFFER FOR SALE"), BY ASHIS LIVING PRIVATE LIMITED ("INVESTOR SELLING SHAREHOLDER").

OUR COMPANY, IN CONSULTATION WITH THE BRLM, MAY CONSIDER A PRE-IPO PLACEMENT AGGREGATING UP TO ₹150.00 MILLION, AS MAY BE PERMITTED UNDER APPLICABLE LAW, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLM. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED ("SCRR"). THE PRE-IPO PLACEMENT, IF UNDERTAKEN, SHALL NOT EXCEED 20% OF THE SIZE OF THE FRESH ISSUE. PRIOR TO THE COMPLETION OF THE OFFER, OUR COMPANY SHALL APPROPRIATELY INTIMATE THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT, PRIOR TO ALLOTMENT PURSUANT TO THE PRE-IPO PLACEMENT, THAT THERE IS NO GUARANTEE THAT OUR COMPANY MAY PROCEED WITH THE OFFER OR THE OFFER MAY BE SUCCESSFUL AND WILL RESULT INTO LISTING OF THE EQUITY SHARES ON THE STOCK EXCHANGES. FURTHER, RELEVANT DISCLOSURES IN RELATION TO SUCH INTIMATION TO THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT (IF UNDERTAKEN) SHALL BE APPROPRIATELY MADE IN THE RELEVANT SECTIONS OF THE RED HERRING PROSPECTUS AND THE PROSPECTUS AND INTIMATE THE STOCK EXCHANGES, IN ACCORDANCE WITH SEBI ICDR REGULATIONS. THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER), AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED PUNJABI DAILY REGIONAL NEWSPAPER, PUNJABI BEING THE REGIONAL LANGUAGE OF PUNJAB, WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE, AND SHALL BE MADE AVAILABLE TO THE STOCK EXCHANGES FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (SEBI ICDR REGULATIONS).

In case of any revision in the Price Band, the Bid/ Offer Period will be extended by at least 3 (three) additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 (ten) 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 1 (one) Working Day, subject to the Bid/ Offer Period not exceeding 10 (ten) 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 public notice, 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 the Sponsor Bank, as applicable.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH AND THE ISSUE OFFER IS [●] TIMES OF THE FACE VALUE

This offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. This Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs" and such portion of the "QIB Portion"), 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 SEBI ICDR Regulations ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (excluding the Anchor Investor Portion) ("Net QIB Portion"). Further, 5% of the QIB Portion (excluding the Anchor Investor 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 (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 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 Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders ("NIBs") out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹2.00 Lakhs and up to ₹10.00 Lakhs and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹10.00 Lakhs provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of NIBs and not less than 35% of the offer shall be available for allocation to Retail Individual Bidders ("RIBs") in accordance with the SEBI ICDR Regulations subject to valid Bids being received at or above the Offer Price. All Potential Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) and UPI ID in case of UPI Bidders using the UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or by the Sponsor Banks 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 335 of this Draft Red Herring Prospectus.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10 each. The Offer Price, Floor Price, Cap Price and Price Band (as determined by our Company in consultation with the Book Running Lead Manager in accordance with SEBI ICDR Regulations by way of the Book Building Process, as stated in *"Basis for Offer"* on page 113) should not be considered to be indication of the market price of the Equity Shares after the Equity Shares listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the 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 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 contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to *"Risk Factors"* on page 22..

COMPANY'S AND SELLING SHAREHOLDER'S 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.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters each dated [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be NSE. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, see *"Material Contracts and Documents for Inspection"* on page 398.

BOOK RUNNING LEAD MANAGER

Sobhagya Capital Options Private Limited
C-7 & 7A, Gate No. 01, Hosiery Complex, Phase-II Extension Noida - 201 305, Uttar Pradesh, India;
Telephone: +91 9920379029/ 7836066001;
E-mail: mb@sobhagyacap.com;
Website: www.sobhagyacapital.com;
Investor Grievance e-mail ID: delhi@sobhagyacap.com;
Contact Person: Ms. Menka Jha/ Mr. Rishabh Singhvi
SEBI Registration Number: INM000008571

REGISTRAR TO THE ISSUE

Skyline Financial Services Private Limited
D-153A, First Floor, Okhla Industrial Area, Phase-I, New Delhi 110020
Telephone: 011-40450193-197
Fax: 011-26812683
Email: ipo@skylinerta.com
Website: www.skylinerta.com
Investor Grievance Email: grievances@skylinerta.com
Contact Person: Mr. Anuj Rana
SEBI Registration Number: INR000003241

BID / OFFER PROGRAMME**ANCHOR INVESTOR BIDDING DATE: [●]*****BID / OFFER OPENS ON#: [●]****BID / OFFER CLOSES ON#: [●]****

*Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 (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 1 (one) Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

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

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATION

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, Act, regulation, rules, guidelines or our Articles of Association, Memorandum of Association, policies shall be to such legislation, Act or regulation, as amended 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 meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Further, the Offer related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document (as defined below). In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document, the definitions given below shall prevail.

Notwithstanding the foregoing, terms used in “Basis for Offer Price”, “Statement of Possible Special Tax Benefits”, “Industry Overview”, “Our Business”, “Key Regulations and Policies in India”, “Restated Financial Statement”, “Outstanding Litigations and Material Developments” and “Description of Equity Shares and Terms of Articles of Association” on pages 113, 125, 128, 174, 208, 241, 299 and 358 respectively, shall have the meaning ascribed to such terms in those respective sections.

General Terms

Term	Description
“Company” or “our Company” or “the Company” or “the Issuer” or “we” or “us” or “our” or “T.C” or “TC Terrytex”	Unless the context otherwise indicates or implies, refers to T.C Terrytex Limited, a public limited company incorporated under the provision of Companies Act, 1956, having its registered office at village Sarsini, Amb-Chd Highway, Near Lalru, Tehsil Derabassi, Lalru, Punjab- 140501, India.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company as on the date of this Draft Red Herring Prospectus.

Company Related Terms

Term	Description
“Articles of Association” or “AoA”	Articles of association of our Company, as amended from time to time.
“Audit Committee”	The Audit Committee of our Board, as described in “ Our Management – Board Committees – Audit Committee ” on page 221.
“Auditors” or “Statutory Auditors”	Statutory auditors of our Company, namely, M/s. J Mandal & Co
“Board” or “Board of Directors” or “our Board”	The Board of Directors of our Company unless otherwise specified or any committee constituted thereof.
“Bankers to our Company”	State Bank of India, Indian Bank and Indian Overseas Bank
“Chairman” or “Chairperson” or “MD”	The chairman of our Company, being Mr. Akhil Satia, as described in “ Our Management – Board of Directors ” on page 221.
“Chief Financial Officer” or “CFO”	The Chief Financial Officer of our Company, being Mr. Rajiv Chopra.
“Corporate Identification Number”/ “CIN”	U17220PB2005PLC028877
“Company Secretary and Compliance Officer”	The Company Secretary and Compliance Officer of our Company, being Tanvi Mahendru
Companies Act / Act	The Companies Act, 2013 and amendments thereto and erstwhile Companies Act 1956 as applicable.
“Director(s)”	The directors on our Board. For details see, “ Our Management ” on page 221.
“Equity Shares”	The equity shares of our Company of face value of ₹10 each, unless otherwise specified in the context thereof.
“Executive Director” or “Whole-Time Director”	The Whole-Time Director of our Company, being Mr. Parminder Singh Barnala as described in “ Our Management – Board of Directors ” on page 221.

Term	Description
“Independent Director(s) / Non-Executive Independent Director(s)”	Independent Directors on our Board, who are eligible to be appointed as independent directors under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see “ <i>Our Management</i> ” on page 221.
“ISIN”	International Securities Identification Number, being INE028001019.
“Key Managerial Personnel” or “KMP”	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and as disclosed in “ <i>Our Management – Key Managerial Personnel and Senior Management</i> ” on page 221.
“Materiality Policy”	The policy adopted by our Board pursuant to its resolution dated July 26, 2025 for identification of: (a) material outstanding litigations; and (b) material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations.
“MOA” or “Memorandum” or “Memorandum of Association” or “MoA”	The Memorandum of Association of our Company, as amended from time to time.
“Managing Director” or “MD”	The chairman of our Company, being Mr. Akhil Satia, as described in “ <i>Our Management – Board of Directors</i> ” on page 221.
“Nomination and Remuneration Committee”	The nomination and remuneration committee of our Board, as described in “ <i>Our Management – Board Committees – Nomination and Remuneration Committee</i> ” on page 221.
“Non-Executive Director(s)”	A director not being an Executive Director of our Company, as described in “ <i>Our Management – Board of Directors</i> ” on page 221.
“Promoter(s)”	The Promoters of our Company, being Mr. Akhil Satia, Mr. Shravan Sethi, M/s. Shiv Parivar Trust as disclosed in “ <i>Our Promoters and Promoter Group</i> ” on page 233.
“Promoter Group”	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in “ <i>Our Promoters and Promoter Group</i> ” on page 233.
“Registered Office”	The Registered Office of our Company, situated at Village Sarsini, Amb-Chd Highway, Near Lalru, Tehsil Derabassi, Lalru, Punjab-140501, India.
“Registrar of Companies” or “RoC”	Registrar of Companies, Chandigarh.
“Restated Financial Statements” or “Restated Financial Information”	The restated financial statements of our Company, comprising the Restated Statement of Assets and Liabilities for the Six month period ended September 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023, the restated statements of Profit and Loss (including other comprehensive income), the restated statement of changes in Equity, the Restated Cash Flow Statement for the Six month period ended September 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023 and the Summary Statement of Significant Accounting Policies, and other explanatory information prepared in terms of the requirements of sub-Section (1) of Section 26 of Part I of Chapter III of the Act; the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI, as amended from time to time. For details, see “ <i>Restated Financial Statements</i> ” on page 241.
“Senior Management Personnel” or “SMPs”	Senior Management Personnel of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in “ <i>Our Management – Key Managerial Personnel and Senior Management</i> ” on page 221.
“Shareholders” or “members”	The equity shareholders of our Company whose names are entered into (i) the register of members of our Company; or (ii) the records of a depository as a beneficial owner of Equity Shares.
“Stakeholders’ Relationship Committee”	The stakeholders’ relationship committee of our Board, as described in “ <i>Our Management – Board Committees</i> ” on page 221.

Offer Related Terms

Term	Description
“Abridged Prospectus”	Abridged Prospectus means a memorandum containing salient features of a prospectus as may be specified by the SEBI in this behalf.
“Acknowledgement Slip”	The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form.

Term	Description
“Allot” or “Allotment” or “Allotted”	Allotment of Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholder pursuant to the Offer for Sale to the successful Bidders.
“Allotment Advice”	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
“Allottee”	A successful Bidder to whom the Equity Shares are Allotted.
“Anchor Investor”	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion with a minimum Bid of ₹1,000 lakhs in accordance with the requirements specified in the SEBI ICDR Regulations and the Draft Red Herring Prospectus.
“Anchor Escrow Account(s)” or “Escrow Account(s)”	Account opened with Anchor Escrow Bank for the Offer and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS in respect of the Bid Amount when submitting a Bid.
“Anchor Investor Allocation Price”	The price at which the Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and Prospectus, which will be decided by our Company, in consultation with the BRLM, during the Anchor Investor Bidding Date.
“Anchor Investor Application Form”	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus.
“Anchor Investor Bid/Offer Period” or “Anchor Investor Bidding Date”	One Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed.
“Anchor Investor Offer Price”	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, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the BRLM.
“Anchor Investor Pay-in Date”	With respect to the Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, a date not later than 2 (two) Working Days after the Bid/ Offer Closing Date.
“Anchor Investor Portion”	Up to 60% of the QIB Portion, which may be allocated by our Company in consultation with the BRLM, to the 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 accordance with the SEBI ICDR Regulations.
“Application Supported by Blocked Amount” or “ASBA”	An application, whether physical or electronic, used by ASBA Bidders to make a Bid by authorizing an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using UPI, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism.
“ASBA Account”	A bank account maintained with an SCSB and specified in the Bid cum Application Form which will be blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by a Bidder (other than a Bid by an Anchor Investor) and includes a bank account maintained by a UPI Bidder linked to a UPI ID, which will be blocked upon acceptance of a UPI Mandate Request made by UPI Bidders using the UPI Mechanism.
“ASBA Bid”	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
“ASBA Bidders”	All Bidders except Anchor Investors.
“ASBA Form”	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus.
“Banker(s) to the Offer”	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public OFFER Account Bank(s) and Sponsor Bank.
“Basis of Allotment”	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in “ Offer Procedure ” on page 335.

Term	Description
“Bid”	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Offer Period by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. The term “Bidding” shall be construed accordingly.
“Bid Amount”	The highest value of the optional Bids as indicated in the Bid cum Application Form and payable by the Bidder or as blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Offer.
“Bid cum Application Form”	The form in terms of which the Bidder shall make a Bid and which shall be considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus, including ASBA Form.
“Bid Lot”	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
“Bid/Offer Closing Date”	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be notified in all editions of [●], English national daily newspaper, in all editions of [●], Hindi national daily newspaper, and in all editions of [●], a regional daily newspaper (Punjabi being the regional language of Punjab, where our Registered Office is located). In case of any revisions, the extended Bid/Offer Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank. Our Company, in consultation with the Book Running Lead Manager, 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.
“Bid/Offer Opening Date”	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●] which shall be notified in all editions of [●], a English national daily newspaper, [●], in all editions of [●], a Hindi national daily newspaper [●], and in all editions of [●], a Punjabi regional daily newspaper (Punjabi being the regional language of State of Punjab, where our Registered Office is located). In case of any revision, the extended Bid/Offer Opening Date will also be widely disseminated by notification the Stock Exchanges, by issuing a public notice, and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s).
“Bid/Offer Period”	Except in relation to the Anchor Investors, 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, provided that such period shall be kept open for a minimum of 3 (three) Working Days. 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.
“Bidder” or “Investor” or “Applicant”	Any prospective investor who made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied and includes an Anchor Investor.
“Bidding Centers”	Centers at which the Designated Intermediaries accepted the Bid cum Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs.
“Book Building Process”	The book building process as described in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.

Term	Description
“Book Running Lead Manager” or “BRLM”	The book running lead manager to the Offer, being Sobhagya Capital Options Private Limited, SEBI registered Category-I Merchant Banker.
“Broker Centers”	Broker centers of the Registered Brokers, where Bidders (other than Anchor Investors) submitted the ASBA Forms. The details of such Broker centers, along with the names and contact details of the Registered Brokers are available on the website of the Stock Exchanges at www.bseindia.com and www.nseindia.com
“CAN” or “Confirmation of Allocation Note”	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Offer Period.
“Cap Price”	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalized and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall not be more than 120% of the Floor Price.
“Cap Price”	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalized and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall not be more than 120% of the Floor Price.
“Cash Escrow and Sponsor Bank Agreement”	Agreement dated [●] entered into by our Company, the Registrar to the Offer, the BRLM, the Syndicate Member, and the Bankers to the Offer for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refund of the amounts collected from Bidders, on the terms and conditions thereof, in accordance with the UPI Circulars.
“Client ID”	Client identification number maintained with one of the Depositories in relation to dematerialised account.
“Collecting Depository Participant” or “CDP”	A depository participant, as defined under the Depositories Act, 1996 and registered under Section 12 (1A) of the SEBI Act and who is eligible to procure Bids at the Designated CDP Locations in terms of SEBI circular no. SEBI/HO/CFD/ DCR2/CIR/P/2019/133 dated November 8, 2019 and the UPI Circulars and as per the list available on the websites of BSE and NSE.
“Controlling Branches”	Such branches of SCSBs which coordinate Bids under the Offer with the BRLM, the Registrar and the Stock Exchanges, a list of which is available on the website of SEBI at http://www.sebi.gov.in
“Cut-off Price”	Offer Price, authorized by our Company, in consultation with the BRLM which shall be any price within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
“Demographic Details”	Details of the Bidders including the Bidder’s address, name of the Bidder’s father/husband, investor status, occupation and bank account details and UPI ID, wherever applicable.
“Depository(ies)”	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996.
“Depository Participant” or “DP”	A depository participant as defined under the Depositories Act.
“Designated CDP Locations”	Such locations of the CDPs where Bidders submitted the ASBA Forms and in case of RIIs only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
“Designated Date”	The date on which the Escrow Collection Banks transfer funds from the Escrow Accounts to the Public Offer Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, where made available, instruction issued through the Sponsor Banks) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the 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 Intermediary(ies)”	In relation to ASBA Forms submitted by RIIs and NIIs with an application size

Term	Description
	of upto ₹5.00 Lakhs (not using the UPI Mechanism) authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIIs (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate, Registered Brokers, CDPs and CRTAs.
“Designated RTA Locations”	Such locations of the CRTAs/RTAs where Bidders can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
“Designated SCSB Branches”	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
“Designated Stock Exchange”	Unless the context requires otherwise, refers to NSE
“DP ID”	DP ID Depository Participant’s identity number.
“Draft Red Herring Prospectus” or “DRHP”	This Draft Red Herring Prospectus dated March 30, 2026 filed with SEBI and the Stock Exchanges and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer and includes any addenda or corrigenda thereto.
“Eligible FPIs”	FPIs that are eligible to participate in this Offer in terms of applicable laws, other than individuals, corporate bodies and family offices.
“Eligible NRI(s)”	A non-resident Indian, under Schedule 3 and Schedule 4 of the FEMA Non-Debt Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Bid cum Application Form and the Draft Red Herring Prospectus will constitute an invitation to purchase the Equity Shares.
“Escrow Account(s)”	Account opened with the Escrow Collection Bank and in whose favor the Anchor Investors transferred money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid.
“Escrow Collection Bank(s)” or “Anchor Escrow Bank”	Banks which are clearing members and registered with SEBI as bankers to an offer under the Securities and Exchange Board of India (Bankers to an Offer) Regulations, 1994 and with whom the Escrow Accounts will be opened, in this case being [●].
“First or Sole Bidder”	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
“Floor Price”	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares.
“Fresh Issue”	The fresh issue component of the Offer comprising an issuance by our Company of up to [●]. Equity Shares of face value of ₹10/- each at ₹ [●] per Equity Share aggregating up to ₹ 1,700 million
“Fraudulent Borrower”	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
“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” or “GID”	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI

Term	Description
	Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM.
“Gross Proceed(s)”	Gross proceeds of the Offer that will be available to our Company
“Monitoring Agency”	[●], being a credit rating agency registered with SEBI
“Monitoring Agency Agreement”	Monitoring agency agreement dated [●], entered into between our Company and the Monitoring Agency
“Mobile Applications”	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 or such other website as may be updated from time to time, which may be used by RIIs to submit bids using the UPI Mechanism.
“Mutual Fund Portion”	5% of the Net QIB Portion (excluding the Anchor Investor Portion), or [●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
“Mutual Funds”	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
“Net Proceeds”	The proceeds from the Offer less the Offer related expenses applicable to the Offer. For further details regarding the use of the Net Proceeds and the Offer expenses, see “Objects of the Offer” on page 196.
“Net QIB Portion”	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
“Non-Institutional Portion”	The portion of the Net Offer being not less than 15% of the Net Offer consisting of [●]* Equity Shares, available for allocation to Non-Institutional Bidders, on a proportionate basis. The allocation to each Non-Institutional Investor shall not be less than ₹ 2.00 Lakhs subject to availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis, subject to valid Bids being received at or above the Offer Price, in accordance with the SEBI ICDR Regulations. Further, (a) one third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹2.00 Lakhs and up to ₹10.00 Lakhs; and (b) two third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹10.00 Lakhs, provided that the unsubscribed portion in either of the sub-categories specified in clause (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Investors. <i>*Subject to finalization of Basis of Allotment</i>
“Non-Institutional Investors” or “Non-Institutional Bidders” or “NIIs” or “NIBs”	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with the SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have Bid for Equity Shares for an amount of more than 2.00 Lakhs (but not including NRIs other than Eligible NRIs).
“Non-Resident Indians” or “NRI(s)”	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
“OCB” or “Overseas Corporate Body(ies)”	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 as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Offer.
Offer	The initial public offer of up to [●] Equity Shares of face value of ₹10 each for a cash price of ₹ [●] million each (including a share premium of ₹ [●] each), comprising of the Fresh Issue of up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹1,700 million and the Offer for Sale up to 67,50,000 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] million by the Investor Selling Shareholder.
Offer Agreement	The agreement dated March 27, 2026, among our Company, the Selling Shareholder and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to 67,50,000 Equity Shares aggregating up to ₹ [●] million.
Offer Price	₹ [●] per Equity Shares, being the final price within the Price Band, at which Equity Shares will be Allotted to successful Bidders, other than Anchor

Term	Description
	Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company in consultation with the BRLM on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus.
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholder. For further information about use of the Offer Proceeds, see “Objects of the Offer” on page 96.
Offered Shares	Up to 67,50,000 Equity Shares aggregating up to ₹ [●] million being offered for sale by the Selling Shareholder in the Offer for Sale.
“Person(s)”	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership firm, limited liability partnership firm, 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.
Pre- IPO Placement	Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement aggregating up to ₹150 million, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.
“Price Band”	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof. The Price Band, and the minimum Bid Lot size for the Offer will be decided by our Company in consultation with the BRLM, and will be advertised, at least 2 (two) Working Days prior to the Bid/Offer Opening Date, in [●] editions of [●], an English national daily newspaper and [●] editions of [●], a Hindi national daily newspaper and all editions of [●], a Punjabi daily newspaper, (Punjabi being the regional language of State of Punjab, where our Registered Office is located), each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
“Pricing Date”	The date on which our Company, in consultation with the BRLM, will finalize the Offer Price.
“Prospectus”	Prospectus dated [●] to be filed with the RoC for this Offer on or after the Pricing Date in accordance with Sections 26 and 32 of 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”	Bank account opened with the Public Offer Account Bank under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and ASBA Accounts on the Designated Date.
“Public Offer Account Bank(s)”	Bank(s) which are a clearing member and registered with SEBI as a banker to an offer and with whom the Public Offer Account is opened for collection of Bid Amounts from Escrow Account and ASBA Account on the Designated Date, in this case being [●].
“QIB Category” or “QIB Portion”	The portion of the Net Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer consisting of [●]* Equity Shares which shall be available for allocation to QIBs (including Anchor Investors), subject to valid

Term	Description
	Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors). <i>*Subject to finalization of Basis of Allotment</i>
“Qualified Institutional Buyers” or “QIBs” or “QIB Bidders”	Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.
“Red Herring Prospectus” or “RHP”	The Red Herring Prospectus dated [●] issued in accordance with Section 32 of the Companies Act, 2013 and the SEBI ICDR Regulations, which did not have complete particulars of the price at which the Equity Shares shall be Allotted and which was filed with the RoC at least 3 (three) Working Days before the Bid /Offer Opening Date and became the Prospectus after filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto.
“Refund Account”	The 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.
“Refund Bank”	The Banker to the Offer with whom the Refund Account has been opened, in this case being [●].
“Registered Brokers”	Stock-brokers registered with SEBI under the Securities and Exchange Board of India (Stock-Brokers) Regulations, 1992 and with the stock exchanges having nationwide terminals, other than the BRLM and the Syndicate Members and eligible to procure Bids in terms of circular number CIR / CFD / 14 / 2012 dated October 04, 2012, and other applicable circulars issued by SEBI.
“Registrar Agreement”	Agreement dated March 27, 2026 entered by and amongst our Company, the Selling Shareholders and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar pertaining to the Offer.
“Registrar and Share Transfer	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015.
Registrar and Share Transfer Agents / RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of Circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
“Registrar to the Offer” or “Registrar”	Skyline Financial Services Private Limited
“Resident Indian”	A person resident in India, as defined under FEMA
“Retail Portion”	The portion of the Net Offer being not less than 35% of the Net Offer comprising of [●]* Equity Shares of ₹10 each which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, which shall not be less than the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price. <i>*Subject to finalization of Basis of Allotment.</i>
“Retail Individual Investors” or “RIIs” or “Retail Individual Bidders” or “RIBs”	Bidders (including HUFs and Eligible NRIs) whose Bid Amount for Equity Shares in the Offer was not more than ₹2.00 lakhs in any of the bidding options in the Offer (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
“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), as applicable. QIBs bidding in the QIB Category and Non-Institutional Investors bidding in the Non- Institutional Portion are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs can revise their Bids during Bid / Offer period and withdraw their Bids until Bid / Offer Closing Date.
“SEBI ICDR Master Circular”	SEBI master circular bearing reference number HO/49/14/14(2)2026-CFD-POD2/I/4518/2026, dated February 09, 2026, as amended.
“SEBI RTA Master Circular”	SEBI RTA master circular bearing number HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 26, 2026.
“Self-Certified Syndicate Bank(s)” or “SCSB(s)”	(i) The banks registered with the SEBI which offer the facility of ASBA and the list of which is available on the website of the SEBI (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.

Term	Description
	(ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40. Applications through UPI in the Offer can be made only through the SCSBs mobile applications whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. The list is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
"Specified Locations"	Bidding centers where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form.
"Specified Securities"	Specified securities in terms of Regulation 2(1)(eee) of the SEBI ICDR Regulations.
"Sponsor Bank"	A Banker to the Offer which is registered with SEBI and is eligible to act as a Sponsor Bank in a public Offer in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the BRLM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of UPI Bidders as per the UPI Mechanism and carry out other responsibilities in terms of the UPI Circulars, in this case being [●].
"Stock Exchanges"	BSE Limited and National Stock Exchange of India Limited.
"Sub-Syndicate Members"	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms.
"Syndicate Agreement"	Agreement to be entered amongst our Company, the Selling Shareholders, the Book Running Lead Manager, the Registrar, and the Syndicate Members, in relation to collection of Bids by the Syndicate.
"Syndicate Members"	Intermediaries registered with the SEBI and permitted to carry out activities as an underwriter, in this case [●].
"Syndicate or members of the Syndicate"	Together, the BRLM and the Syndicate Members.
"Systemically Important Non-Banking Financial Company"	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
"Underwriters"	The BRLM and the Syndicate Members
"Underwriting Agreement"	The agreement to be entered between the Underwriters and our Company to be entered into on or after the Pricing Date but prior to filing of Prospectus.
"UPI"	Unified payments interface, which is an instant payment mechanism, developed by NPCI.
"UPI Bidders"	Collectively, individual investors applying as (i) Retail Individual Investors in the Retail Portion; (ii) Non-Institutional Bidders with an application size of up to ₹5.00 Lakhs in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agent. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹5.00 Lakhs shall use UPI and shall provide their UPI ID in the Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an Offer and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
"UPI Circulars"	The SEBI ICDR Master Circular, SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, 2019, SEBI master circular HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February

Term	Description
	06, 2026 (to the extent that such circulars pertain to the UPI Mechanism), NSE circulars (23/2022) dated July 22, 2022 and (25/2022) dated August 3, 2022, the BSE notices (20220722-30) dated July 22, 2022 and (20220803-40) dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or Stock Exchanges in this regard as updated from time to time.
“UPI ID”	ID created on the UPI for single-window mobile payment system developed by the NPCI.
“UPI Mandate Request”	A request (intimating the UPI Bidders, by way of a notification on the UPI application and by way of a SMS directing the UPI Bidders to such UPI application) to the UPI Bidders initiated by the Sponsor Bank to authorize blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI, and the subsequent debit of funds in case of Allotment.
“UPI Mechanism”	The Bidding mechanism that is used by Retail Individual Investors to make Bids in the Offer in accordance with the UPI Circulars to make as ABA bid in the Offer.
“Wilful Defaulter”	A wilful defaulter as defined in Regulation 2(1)(III) of the SEBI ICDR Regulations.
“UPI PIN”	Password to authenticate UPI transaction.
“Working Day”	All days on which commercial banks in Mumbai, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Offer Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India are open for business and the time period between the Bid/Offer Closing Date and listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI, including UPI Circulars

Business Related Terms

Term	Description
TCTL	T. C. Terrytex Limited
RONW	Return of net worth
ROE	Return of equity
GAAP	Generally Accepted Accounting Principles
QC	Quality Control
<i>D&B</i>	Dun and Bradstreet
<i>CARE</i>	Cooperative for Assistance and Relief Everywhere
DGFT	Directorate General of Foreign Trade
MTPA	Million tonnes per annum
ROSCTL	Rebate of State and Central Taxes and Levies
CMIE	Centre for Monitoring Indian Economy
GSM	Grams per Square Meter
ISO	International Organization for Standardization
FY	Financial year
ROCE	Return on Capital Employed
BCI	Better Cotton Initiative
ELS	Extra long staple
KMART	It is a department-store chain and online retailer in the United States and its territories.
ERP	Enterprise resource planning
GRS	Global Recycled Standard
SWOT	Strengths, Weaknesses, Opportunities, and Threats
OCS	Organic Cotton Standard
GOTS	Global Organic Textile Standard
MOQ	Minimum order quantities
R&D	Research and Development
ZLD	zero-liquid discharge
WCDL	Working Capital Demand Loan
GECL	Guaranteed Emergency Credit Line

FCL	Foreign Currency Loan
FCTL	Foreign Currency Term Loan
WCTL-ECLGS	Working Capital Term Loan under Emergency Credit Line Guarantee Scheme
PCFC	Packing Credit Loan in Foreign Currency
ESIC	Employees' State Insurance Corporation

Technical / Industry related terms

Terms	Description
CAGR	Compound Annual Growth Rate
Capex	capital expenditure
CIF	Common Infrastructure Facilities
CII	Confederation of Indian Industry
CMO	Contract Manufacturing Organizations
CPCB	Central Pollution Control Board
CPI	Consumer Price Index
DGFT	Directorate General of Foreign Trade
GDP	Gross Domestic Product
GFCF	Gross fixed capital formation
GMR	Global Manufacturing Revenue
GVA	Gross Value Added
PAN	Permanent Account Number
TAN	Tax Deduction Account Number
IIP	Index of Industrial Production
KSM	Key Starting Materials
MoEF&CC	Ministry of Environment, Forest and Climate Change
NSO	National Statistics Office
PFCE	Private Final Expenditure
PMBJP	Pradhan Mantri Bhartiya Janaushadhi Pariyojana
RBI	Reserve Bank of India
CY	Calendar year
WEO	World Economic Outlook
IMF	International Monetary Fund
MOSPI	Ministry of Statistics & Programme Implementation
FRE	First Revised Estimate
WPI	Wholesale Price Index
MMF	man-made fibre
PM-MITRA	PM-Mega Integrated Textiles and Apparel Park
Tex-RAMPS	Textiles Focused Research, Assessment, Monitoring, Planning and Start-up
PLA	Production Linked Incentive
SITP	Scheme for Integrated Textile Parks
MAI	Market Access Initiative
RoSCTL	Rebate of State and Central Taxes and Levies
LWF	Labour welfare fund

Conventional Terms / General Terms / Abbreviations

Term	Description
AGM	Annual General Meeting
Alternative Investment Funds / AIFs	Alternative Investment Fund(s) as defined in and registered with SEBI under the SEBI AIF Regulations
Arbitration Act	The Arbitration and Conciliation Act, 1996
AS or Accounting Standards	Accounting Standards as notified by Companies (Accounting Standards) Rules, 2016
CAGR	Compounded Annual Growth Rate
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations

Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
Category II FPIs	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
CCI	Competition Commission of India
CIT	Commissioner of Income Tax
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Civil Code	The Code of Civil Procedure, 1908
Companies Act, 2013 or Companies Act	The Companies Act, 2013 read with the rules, regulations, clarifications and modifications thereunder
Companies Act, 1956	The erstwhile Companies Act, 1956 read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
COPRA	The Consumer Protection Act, 1986
COVID-19	The novel coronavirus disease which was declared as a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020, by the World Health Organisation.
CSR	Corporate Social Responsibility
DDP	Delivered Duty Paid
Demat	Dematerialized
Depositories	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant’s identity number
DPIIT	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GoI
DP or Depository Participant	A depository participant as defined under the Depositories Act
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
ECB	External Commercial Borrowings
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
EPF Act	The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952
ESI Act	The Employees’ State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and the regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued by the Ministry of Finance, GoI
FOB	Free On Board
Fiscal or Financial Year(s) or Fiscal Year or Fiscal	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
EMI	Equated Monthly Investment
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GoI	Central Government / Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	The Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IEC	Import Export Code
IFRS	International Financial Reporting Standards
Income Tax Act	Income Tax Act, 1961

Ind AS / Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
Ind AS Rules	The Companies (Indian Accounting Standards) Rules, 2015
Indian GAAP / IGAAP	Accounting standards notified under Section 133 of the Companies Act, 2013 read with Companies (Accounting Standards) Rules 2006 and the Companies (Accounts) Rules, 2014 in so far as they apply to our Company, as amended
INR/ Indian Rupee / ₹	Indian Rupee, the official currency of the Republic of India
India	Republic of India
IPR	Intellectual Property Rights
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IRDAI Investment Regulations	Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT	Information Technology
KYC	Know Your Customer
MCA / Ministry of Corporate Affairs	Ministry of Corporate Affairs, GoI
Mn/mn	Million
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
NAV	Net asset value
NACH	National Automated Clearing House
NBFC	Non-banking financial company
NEFT	National Electronic Funds Transfer
NOC	No Objection Certificate
NPCI	National Payments Corporation of India
NRE	Non-Resident External Accounts
NRO	Non-Resident Ordinary Accounts
NSDL	National Securities Depository Limited
MIM	Multi Investment Manager
P&L	Profit and loss account
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
PFRDA	Pension Fund Regulatory and Development Authority
PIO	Person of India Origin
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoNW	Return on Net Worth
RoW	Rest of the World
RTGS	Real Time Gross Settlement
SBO Rules	Companies (Significant Beneficial Owners) Rules, 2018
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Offer) Regulations, 1994, as amended
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended

SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
SEBI Portfolio Manager Regulations	Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, as amended
SEBI Stock Broker Regulations	Securities and Exchange Board of India (Stock Brokers and Sub-brokers) Regulations, 1992
SEBI Takeover Regulations	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 Fund) Regulations, 1996, as amended
Stamp Act	The Indian Stamp Act, 1899
State Government	The Government of a State of India
TAN	Tax Deduction and Collection Account Number
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
TDS	Tax deducted at source
Trademarks Act	Trade Marks Act, 1999, as amended
UPI	Unified Payments Interface
USA / United States of America / U.S.	The United States of America
U.S. Securities Act	The United States Securities Act of 1933, as amended
UK	United Kingdom
VCFs	Venture Capital Funds as defined in and registered with the SEBI under the SEBI VCF Regulations
Year / calendar year	Unless context otherwise required, shall mean the twelve-month period ending December 31.

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

Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to "India" in this Draft Red Herring Prospectus are to the Republic of India 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.

All references in the Draft Red Herring Prospectus to the "U.S.", "USA" or "United States" are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("IST"). Unless 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 the context requires otherwise or as otherwise stated, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Information, for the six-month period ended September 30, 2025 and for the Fiscals 2025, 2024 and 2023, comprising the restated statement of assets and liabilities for the six-month period ended September 30, 2025 and for the Fiscals 2025, 2024 and 2023, the restated statement of profit and loss and other comprehensive income, the restated statement of cash flows and restated statement of changes in equity for the six-month period ended September 30, 2025 and for the Fiscals 2025, 2024 and 2023, the summary statement of significant accounting policies, and other explanatory information prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by the ICAI, as amended from time to time. The Restated Financial Statements has been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III to the Companies Act, as applicable to the financial statements and other relevant provisions of the Companies Act. For further information, see "Restated Financial Information" beginning on page 241.

The Restated Financial Statements for the six-month period ended September 30, 2025, and for the Fiscals 2025, 2024 and 2023 are available on our website at <https://tctl.in/>.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. Therefore, all references in this Draft Red Herring Prospectus to a particular Fiscal, Fiscal Year, Financial Year, FY, unless stated otherwise, are to the 12-month period commencing from 1st April of the immediately preceding calendar year and ending on 31st March of that particular calendar year. 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 decimals have been rounded off to two decimal points.

There are significant differences between the Ind AS, the International Financial Reporting Standards issued by the International Accounting Standard Board (the "IFRS") and the Generally Accepted Accounting Principles in the United States of America (the "U.S. GAAP"). 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 practices. Any reliance by persons not familiar with accounting standards in India, the Ind AS, the Companies Act 2013 and the SEBI ICDR Regulations, on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. We have not attempted to quantify or identify the impact of the differences between the financial data (prepared under Ind AS and IFRS/U.S. GAAP), nor have we provided a reconciliation thereof. We urge you to consult your own advisors regarding such differences and their impact on our financial data included in this Draft Red Herring Prospectus. For details see, "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP), which may be material to investors' assessments of our financial condition." on pages 259 and 22, respectively.

Unless otherwise indicated, any percentage amounts, as set forth in this Draft Red Herring Prospectus, including in the Sections titled "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 22, 174 and 259, respectively and elsewhere in this Draft Red Herring Prospectus,

have been calculated on the basis of the restated audited financial statements of our Company included in this Draft Red Herring Prospectus.

Prospective investors should consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Red Herring Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

Non-GAAP Financial Measures

Certain Non-GAAP Measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin, Gross Profit, Gross Profit Margin, PAT Margin, CAGR Net Asset Value per Equity Share, Return on Net worth, Net worth, EBIT, Capital Employed, Return on Capital Employed and others ("**Non-GAAP Measures**"), have been included in this Draft Red Herring Prospectus. We compute and disclose such Non-GAAP Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These Non-GAAP financial measures are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP financial measures should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these Non-GAAP financial measures are not standardized terms, hence a direct comparison of these Non-GAAP financial measures between companies may not be possible. These Non-GAAP Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies and hence have limited usefulness as a comparative measure. For details, see "**Risk Factors – We have in this Draft Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the industry**" and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies." on page 22.

Industry and Market Data

Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Industry Report on Home Textiles" dated December, 2025 (the "**D&B Report**") prepared and issued by Dun & Bradstreet Information Services India Private Limited ("**D&B India**"), appointed by us on April 24, 2025, which is available on the website of our Company at <https://tctl.in/> and exclusively commissioned and paid for by us in connection with the offer. D&B India is an independent agency which has no relationship with our Company, our Promoters and any of our Directors or KMPs or SMPs. The data included herein includes excerpts from the D&B Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed offer), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the D&B Report is available on the website of our Company at <https://tctl.in/> until the Bid/offer Closing Date.

Dun & Bradstreet Information Services India Private Limited is an independent agency which has no relationship with our Company, our Promoters, any of our Directors, Key Managerial Personnel, Senior Management or the Book Running Lead Managers.

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

In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the Draft Red Herring Prospectus and the recipient must rely on its own examination and the terms of the transaction, as and when discussed.

The D&B Report is subject to the following disclaimer:

"This study has been undertaken through extensive secondary research, which involves compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Dun & Bradstreet ("Dun & Bradstreet") and its assumptions are based on varying levels of quantitative and qualitative analysis including industry journals, company reports and information in the public domain.

Dun & Bradstreet has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics, and research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged.

Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.

The recipient should conduct its own investigation and analysis of all facts and information contained in this report is a part and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction."

For details of risks in relation to commissioned reports, see "Risk Factor No 51 Certain sections of this Draft Red Herring Prospectus contain information from the Dun & Bradstreet Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Offer is subject to inherent risks" on page of 22 this Draft Red Herring Prospectus. Accordingly, no investment decision should be made solely on the basis of such information.

In accordance with the SEBI (ICDR) Regulations, the section titled "Basis for Offer Price" on Page No. 113 of the Draft Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

Currency and Units of Presentation

All references to "**Rupees**", "**Rs.**", "**INR**" or "**₹**" are to Indian Rupees, the official currency of the Republic of India. All references to "**\$**", "**US\$**", "**USD**", "**U.S. \$**" or "**U.S. Dollars**" are to United States Dollars, the official currency of the United States of America.

All figures in decimals (including percentages) have been rounded off to one or two decimals, or to the nearest whole number. In this Draft Red Herring Prospectus our Company has presented certain numerical information in this Draft Red Herring Prospectus in "Lakh" units. One Lakh represents 1,00,000. The word "Lac / Lakh" means "one hundred thousand", the word "million (mn)" means "Ten Lacs / Lakhs", the word "Crore" means "one hundred lakhs" and the word "billion (bn)" means "one hundred crores". In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off. However, where any figures that may have been sourced from third party industry sources are expressed in denominations other

than Lakhs in their respective sources, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources. In this Draft Red Herring Prospectus, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Time

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year

Exchange Rates

This Draft Red Herring Prospectus may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the 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.

(in ₹)

Currency	Exchange rate as on September 30, 2025*#	Exchange rate as on March 31, 2025**	Exchange rate as on March 31, 2024*	Exchange rate as on March 31, 2023*#
1 US\$	88.84	85.58	83.37	82.22

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

*Since March 29, 2024 was a public holiday and March 30, 2024 and March 31, 2024 were Saturday and Sunday, respectively, exchange rates as of March 28, 2024 have been considered for disclosure in the aforementioned table.

**Since March 31, 2025 was a public holiday and March 29, 2025 and March 30, 2025 were Saturday and Sunday, respectively, exchange rates as of March 28, 2025 have been considered for disclosure in the aforementioned table.

Notes:

(i) Exchange rate is rounded off to two decimal point

(ii) In the event that any of the aforementioned date is a public holiday, the previous calendar day not being a public holiday has been considered.

FORWARD LOOKING STATEMENTS

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

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. This could be due to risks or uncertainties associated with expectations relating to, and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, changes in the incidence of any natural calamities and/ or violence, regulations and taxes and changes in competition in the industries in which we operate.

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

1. Our top ten customers contribute a significant portion in the revenue of our Company. Any loss of business from one or more of them may adversely affect our revenues and profitability.
2. We depend on third-party suppliers and logistics service providers and do not have long-term supply agreements, which exposes us to risks relating to availability, pricing, quality, and timely delivery of raw materials, which could adversely affect our business, results of operations, and financial condition.
3. Our Promoter Group company, Satia Synthetics Limited, whose Managing Director and Promoter is Anil Satia, the father of Akhil Satia, had defaulted on certain loan obligations in the past, and our Promoter and Managing Director, Mr. Akhil Satia, along with Mr. Ankit Satia (a member of the Promoter Group and brother of Mr. Akhil Satia), had extended personal guarantees in connection therewith; although such defaults have been resolved pursuant to a one-time settlement with an asset reconstruction company and no longer subsist as on the date of this Draft Red Herring Prospectus, any adverse developments in relation thereto, any violation of the terms and conditions of such one-time settlement, or any similar instances in the future may adversely affect our business, reputation and financial condition.
4. We have a high debt equity ratio and have incurred indebtedness, and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business, results of operations, cash flows and financial condition.
5. Any downgrade or adverse revision in our credit ratings, or in the sovereign credit ratings of India or other jurisdictions in which we operate, may have an adverse effect on our business, financial condition, results of operations and the trading price of our Equity Shares.
6. We derive a significant portion of our revenues from exports, and any adverse developments in international markets or in key export destinations may have an adverse effect on our business, financial condition, results of operations and cash flows.
7. There have been delays in payment of statutory dues by our Company. Inability to make timely payment of our statutory dues could result us into paying interest on the delay in payment of statutory dues which could adversely affect our business, financial condition, results of operations, and cash flows
8. For the six-month period ended September 30, 2025, and during Fiscal 2025, 2024 and 2023, the attrition rate of our employees was 35.35%, 66.71%, 59.02% and 57.23%, respectively. If we are unable to hire, integrate, train

and retain qualified personnel, or if we experience high attrition levels, which may be beyond our control, our business, financial condition, results of operations and cash flows could be adversely affected

9. Any disruption in our manufacturing facility, equipment or information technology systems could adversely affect our operations.
10. Our Company has not entered into any long-term contracts with any of its customers and we typically operate on the basis of purchase orders. Inability to maintain regular order flow would adversely impact our revenues and profitability.

For details regarding factors that could cause actual results to differ from expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 22, 174 and 259, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance. Our Forward-looking statements reflect current views 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 Promoters, our Directors, the BRLM nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company and the BRLM will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for the Equity shares pursuant to the Offer.

In this regard, the Promoter Selling Shareholders shall ensure that our Company and BRLM are informed of material developments in relation to the statements and undertakings specifically confirmed or undertaken by it in relation to themselves as a Promoter Selling Shareholder and its Offered Shares in this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer.

SECTION II: RISK FACTORS

An investment in equity shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described in this section are those that we consider to be the most significant to our business, results of operations, profitability and margins, cash flows and financial condition as of the date of this Draft Red Herring Prospectus. The risks described below may not be exhaustive or the only ones relevant to us, the Equity Shares or the industry segments in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently do not deem material may arise or may become material in the future. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks mentioned below. If any or a combination of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, profitability and margins, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and investors may lose all or part of their investment. The risk factors have been presented below on the basis of their materiality. Furthermore, some events may be material collectively rather than individually. Some events may not be material at present but may have a material impact in the future. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer, including the merits and risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of purchasing our Equity Shares.

This Draft Red Herring Prospectus also contains forward-looking statements that involves risks, assumptions, estimates, uncertainties and other factors, many of which are beyond our control. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For more details, see “Forward-Looking Statements” on page 20..

We have also included various financial and operational performance indicators in this Draft Red Herring Prospectus, some of which have not been derived from the Restated Financial Information. The manner of calculation and presentation of some of these financial and operational performance indicators, and the assumptions and estimates used in such calculations, may vary from that used by other companies in India and other jurisdictions. Unless the context otherwise requires, in this section, references to “we”, “us”, “our”, “our Company”, or “the Company” refers to T.C. Terrytex Limited.

*Unless otherwise indicated, industry and market data used in this section have been extracted from the report titled “Industry Report on Home Textile” dated March 20, 2026 (“**Industry Report**”) which was prepared by Dun & Bradstreet Information Services India Private Limited (the “**D&B Industry Report**”), exclusively prepared, commissioned and paid for by our Company for the purposes of the Offer and issued D&B Industry Report who were appointed by our Company pursuant to an engagement letter dated April, 24, 2025. The industry related data included in this section includes excerpts from the D&B Industry Report and may have been re-ordered by us for the purposes of presentation, however, there are no parts, data or information (which may be relevant for the Offer) that have been left out in any manner. A copy of the Industry Report is available on the Company’s website at www.tctl.in from the date of the Draft Red Herring Prospectus until the Bid/Offer Closing Date. The D&B Industry Report has also been included in “Material Contracts and Documents for Inspection – B. Material Documents” on page 398. Unless otherwise indicated, all financial, operational, industry and other related information derived from the D&B Industry Report and included herein with respect to any particular year refers to such information for the relevant Fiscal. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Also see “Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation—Industry and Market Data” on page 16 for additional details regarding the industry and market data used in this Draft Red Herring Prospectus.*

INTERNAL RISK FACTORS

BUSINESS RELATED RISK FACTORS

1. ***Our top ten customers contribute a significant portion in the revenue of our Company. Any loss of business from one or more of them may adversely affect our revenues and profitability.***

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

The table below outlines the revenue generated from our top one (1), top five (5), and top ten (10) customers for the six-month period ended September 30, 2025 and the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023:

Set forth below is the contribution of our top one (1), top five (5), and top ten (10) customers to our revenue from operations, for the periods indicated:

Particulars	Six-month period ended September 30, 2025		Fiscal Year					
			2025		2024		2023	
	Revenue from Operations (in Rs millions)	% of total Revenue from operations	Revenue from Operations (in Rs millions)	% of total Revenue from operations	Revenue from Operations (in Rs millions)	% of total Revenue from operations	Revenue from Operations (in Rs millions)	% of total Revenue from operations
Top 1*	946.67	29.17%	1,725.50	25.62%	1,803.17	27.55%	1,496.45	27.50%
Top 5	1,571.24	48.41%	3,180.02	47.22%	2,935.95	44.86%	2,384.41	43.82%
Top 10	1,987.25	61.23%	4,183.08	62.11%	3,801.68	58.09%	3,044.10	55.94%

As certified by our Statutory Auditor, M/s J Mandal & Co, pursuant to their certificate dated March 30, 2026

**Our top 1 customer is KMART Australia Ltd, names of balance customers have not been provided either because relevant consents for disclosure of their names were not available or in order to preserve confidential.*

Our top ten customers contributed approximately 61.23%, 62.11%, 58.09%, and 55.94% of our revenues for the six-month period ended September 30, 2025, and the Fiscal 2025, 2024, and 2023, respectively, based on the Restated Financial Statements. However, the composition of our top ten customers may vary from period to period depending on demand, as we continue to add new customers in the normal course of business.

Further, our top customer alone contributed approximately 29.17%, 25.62%, 27.55%, and 27.50% of our revenues for the six-month period ended September 30, 2025, and the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, respectively.

Any loss of one or more of these customers including our Top 1 customer, or a reduction in the volume of business from them, whether due to disputes, disqualifications, delayed payments, or other reasons, could adversely impact our results of operations, cash flows, and liquidity. We cannot assure you that our key customers will continue to transact with us at the same levels, or that they will meet their payment obligations in a timely manner, or at all.

While we believe we have established and maintained long-term relationships with our customers, there can be no assurance that such relationships will continue in the future. Consequently, we may not generate the same level of business, or any business at all, from these customers going forward. Any loss of business from one or more significant customers could materially affect our revenues and profitability.

Over the past three years our top ten customers have not remained consistent, and the percentage of revenue derived from them has varied. For further details, please refer to the chapter titled “Our Business” beginning on page 174 of this Draft Red Herring Prospectus.

2. ***We depend on third-party suppliers and logistics service providers and do not have long-term supply agreements, which exposes us to risks relating to availability, pricing, quality, and timely delivery of raw materials, which could adversely affect our business, results of operations, and financial condition.***

The table below outlines purchases made from our top one (1), top five (5), and top ten (10) suppliers for the six-month period ended September 30, 2025, and the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023:

Particulars	Six-month period ended September 30, 2025		Fiscal Year					
			2025		2024		2023	
	Purchases (in Rs millions)	% of Total Purchases	Purchases (in Rs millions)	% of Total Purchases	Purchases (in Rs millions)	% of Total Purchases	Purchases (in Rs millions)	% of Total Purchases
Top 1	1,080.94	54.54%	828.77	17.82%	830.91	17.98%	474.67	13.07%
Top 5	1,482.93	74.82%	2,077.42	44.67%	2,011.08	43.52%	1,550.61	42.70%
Top 10	1,900.06	95.86%	2,846.12	61.19%	2,796.95	60.52%	2,304.96	63.48%

We are dependent on a limited number of key suppliers, and any disruption in our relationship with such suppliers could adversely affect our business operations. A significant portion of our procurement is concentrated among a few suppliers. Our top ten suppliers accounted for approximately 95.86%, 61.19%, 60.52%, and 63.48% of our total purchases during the six-month period ended September 30, 2025, and Fiscal 2025, Fiscal 2024, and Fiscal 2023, respectively. Further, we are highly dependent on the procurement of key raw materials, particularly yarn, for our production and sales. Any disruption, delay, pricing volatility, quality issues, or disputes with such suppliers may adversely impact our ability to manufacture products and meet customer demand, thereby affecting our business operations and financial performance.

Further, we source all of our raw materials from third-party suppliers and rely entirely on third-party logistics (3PL) providers for inbound transportation of raw materials and outbound delivery of finished goods across domestic and international markets through road, rail, sea and air. We do not have long-term agreements with our suppliers, and procure raw materials based on quotations received from them, which exposes us to risks relating to availability, quality and price volatility. Our business is particularly dependent on cotton yarn, which constitutes a primary raw material in our manufacturing process, and fluctuations in its price or availability may adversely impact our cost structure and profitability.

Since we do not have formal or binding long-term arrangements with our suppliers, they are not contractually obligated to prioritize or continue supplies to us and may choose to supply to our competitors. Any disruption, discontinuation or delay in supply, or failure to meet required quality or quantity specifications, may adversely affect our manufacturing schedules and our ability to meet customer demand. In addition, non-availability of adequate raw materials or use of substandard quality inputs could adversely affect our product quality, sales and brand reputation.

Further, our dependence on third-party logistics providers exposes us to risks such as delays, operational inefficiencies, labour disruptions, natural disasters, port congestion and other unforeseen events, which may disrupt the timely movement of goods. Any such disruptions could lead to delays in procurement or delivery, increased transportation costs, loss of sales and adverse impact on customer relationships.

Additionally, the absence of long-term contracts at fixed prices exposes us to fluctuations in raw material prices, particularly cotton, which we may not be able to pass on to our customers without affecting demand. Any significant increase in input costs or inability to procure raw materials at commercially acceptable terms may adversely impact our margins and profitability. While we maintain contractual arrangements with logistics providers, monitoring systems and contingency measures, there can be no assurance that such measures will adequately mitigate these risks. Any significant disruption in our supply chain, whether due to supplier constraints, raw material price volatility or logistics failures, could adversely affect our business, financial condition and results of operations.

3. ***Our Promoter Group company, Satia Synthetics Limited, whose Managing Director and Promoter is Anil Satia, the father of Akhil Satia, had defaulted on certain loan obligations in the past, and our Promoter and Managing Director, Mr. Akhil Satia, along with Mr. Ankit Satia (a member of the Promoter Group and brother of Mr. Akhil Satia), had extended personal guarantees in connection therewith; although such defaults have been resolved pursuant to a one-time settlement with an asset reconstruction company and no longer subsist as on the date of this Draft Red Herring Prospectus, any adverse developments in relation thereto, any violation of the terms and conditions of such one-time settlement, or any similar instances in the future may adversely affect our business, reputation and financial condition.***

Our Promoter Group company, Satia Synthetics Limited, had in the past defaulted on certain loan obligations in relation to credit facilities availed from various lenders, including State Bank of India, Indian Overseas Bank, Canara Bank and Indian Bank, which were classified as non-performing assets (NPAs). Subsequently, such loans were assigned to an asset reconstruction company, Prudent ARC Limited. Such defaults were addressed pursuant to a one-time settlement ("OTS") sanctioned by Prudent ARC Limited vide its sanction letter dated October 29, 2024, involving an aggregate settlement amount of approximately ₹602.1 million. Pursuant to the said OTS and related arrangements, the outstanding dues have been settled, and accordingly, such historical defaults no longer subsist as on the date of this Draft Red Herring Prospectus.

Further, our Promoter and Managing Director, Mr. Akhil Satia, and Mr. Ankit Satia (a member of the Promoter Group), had extended personal guarantees in connection with such credit facilities. Pursuant to the OTS sanction and as confirmed by a letter issued by Prudent ARC Limited dated November 21, 2024, such personal guarantees have been released, subject to compliance with certain terms and conditions stipulated under the OTS and related documentation, including matters relating to proceedings before the Debt Recovery Tribunal.

While the Promoter Group company understands that the conditions stipulated under the OTS, including those relating to the release of guarantees, have been complied with, there can be no assurance that such matters will not be subject to further verification, scrutiny or interpretation by regulatory authorities or other stakeholders. Additionally, there can be no assurance that our Promoter Group entities will not face financial stress in the future or that our Promoters will not extend similar guarantees for the benefit of such entities. Any such developments may adversely affect the financial

standing, reputation or creditworthiness of our Promoter Group, which could, in turn, have a material adverse effect on our business, financial condition, results of operations and cash flows.

Further, certain proceedings initiated by lenders against Satia Synthetics Limited are pending before the Debt Recovery Tribunal, Chandigarh, including OA No. 557/2019 (State Bank of India vs. Satia Synthetics Limited), OA No. 422/2020 (Indian Overseas Bank vs. Satia Synthetics Limited), OA No. 160/2019 (Canara Bank vs. Satia Synthetics Limited), and OA No. 286/2020 (Indian Bank vs. Satia Synthetics Limited). While the Company understands that such matters are being addressed pursuant to the OTS, any adverse outcome or any action beyond the agreed settlement terms may result in additional liabilities or disruption in the operations of the Promoter Group company or the guarantors (to the extent of guarantees provided) and may adversely impact our reputation and business.

4. Any downgrade or adverse revision in our credit ratings, or in the sovereign credit ratings of India or other jurisdictions in which we operate, may have an adverse effect on our business, financial condition, results of operations and the trading price of our Equity Shares

Since the commencement of Fiscal 2023 and up to the date of this Draft Red Herring Prospectus, we have received credit ratings for our long-term debt and credit facilities from CRISIL Ratings Limited, as set out below:

Instrument or Rating Type	Amount of Facility Rated (in Million)	Date	Rating
Long term bank facilities	2500.00	September 04, 2025	Crisil BBB/Negative
Short term bank facilities		September 04, 2025	Crisil A3+ (Reaffirmed)
Long term bank facilities	2500.00	May 02, 2025	Crisil BBB/Stable
Short term bank facilities		May 02, 2025	Crisil A3+
Long term bank facilities	2500.00	September 12, 2024	Crisil BBB-/Stable
Short term bank facilities		September 12, 2024	Crisil A3 Reaffirmed
Long term bank facilities	2500.00	May 07, 2024	Crisil BBB-/Stable
Short term bank facilities		May 07, 2024	Crisil A3
Long term bank facilities	2500.00	November 16, 2023	Crisil BBB-/Stable
Short term bank facilities		November 16, 2023	Crisil A3 Reaffirmed
Long term bank facilities	2500.00	April 18, 2023	Crisil BBB-/Stable
Short term bank facilities		April 18, 2023	Crisil A3
Long term bank facilities	2500.00	August 30, 2022	Crisil BBB-/Stable
Short term bank facilities		August 30, 2022	Crisil A3

These ratings assess our overall financial capacity to meet our obligations and are indicative of our ability to service our financial commitments as they fall due. There can be no assurance that such ratings will not be revised, suspended, or withdrawn by the rating agency due to various factors, including changes in our business, financial performance, or market conditions.

We have experienced variations in our credit ratings over the past periods, including a downgrade from CRISIL BBB to CRISIL BBB- in prior periods. There can be no assurance that our credit ratings will not be downgraded in the future. Any such downgrade may lead to an increase in the interest rates applicable to our borrowings, adversely affect our ability to refinance existing debt, and impact our ability to raise additional capital on competitive terms.

Further, our borrowing costs and access to debt capital markets are influenced, among other factors, by the sovereign credit rating of India and the credit ratings of other jurisdictions in which we operate. Any adverse revision to such ratings by international rating agencies may negatively impact investor perception, increase our cost of capital, and adversely affect our ability to access funding on favourable terms. This, in turn, may have a material adverse effect on our business, financial condition, and results of operations.

5. We derive a significant portion of our revenues from exports, and any adverse developments in international markets or in key export destinations may have an adverse effect on our business, financial condition, results of operations and cash flows.

We derive a substantial portion of our revenues from exports of towels to international markets, which exposes us to geographical concentration risks. For the six-month period ended September 30, 2025 and Fiscal 2025, 2024 and 2023, exports contributed approximately 76.86%, 75.17%, 70.19% and 78.87%, respectively, of our total revenue from product sales, as per the Restated Financial Statements. Our export revenues are primarily derived from Australia (42.93%, 42.47%, 47.66% and 45.58%, respectively, for the six-month period ended September 30, 2025 and Fiscal 2025, 2024 and 2023), followed by the United States (31.51%, 40.25%, 37.07% and 35.58%, respectively), and other countries such as the United Kingdom, Canada and Germany. Our dependence on Australia and the United States, which together have contributed a significant portion of our export revenues in recent periods, increases our exposure to market-specific risks.

Any adverse developments in these markets, including changes in trade policies, imposition of tariffs, foreign exchange fluctuations, recessionary trends, supply chain disruptions, or political and regulatory uncertainties may materially affect the demand for our products. Further, recent global developments may continue to impact our export performance. In particular, changes in tariff regimes by key export markets, including the United States, have resulted in increased duties on certain textile products, which may impact the pricing competitiveness of our products and affect demand in such markets. While such measures may be subject to change based on bilateral developments and policy revisions, there can be no assurance that similar or additional trade restrictions will not be imposed in the future.

In addition, ongoing geopolitical tensions, including those in the Middle East region, have led to disruptions in global trade routes, increased freight and logistics costs, and volatility in fuel prices. Such developments may result in delays in shipments, increased operational costs, and uncertainties in supply chains. Any escalation of such geopolitical tensions may further affect global demand conditions and trade flows, which could adversely impact our export revenues and overall business performance.

Further, our dependence on Australia and USA, which together account for more than 80% of our export revenues in recent years, increases our vulnerability to market-specific risks.

The following table presents a detailed breakdown of our revenue from domestic and export sales for Fiscal Years 2025, 2024 and 2023:

(₹ in million)

Particulars	Six-month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of revenue from product sales	Amount	% of revenue from product sales	Amount	% of revenue from product sales	Amount	% of revenue from product sales
Exports	2,299.35	76.86%	4,659.05	75.17%	4,262.71	70.19%	3,934.13	78.87%
Domestic	692.21	23.14%	1,539.27	24.83%	1,810.66	29.81%	1,053.81	21.13%
Total	2,991.56	100.00%	6,198.33	100.00%	6,073.37	100%	4987.95	100%

Our export revenue is derived from the following countries:

(₹ in million)

Country	Six-month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Revenue from export	Amount	% of Revenue from export	Amount	% of Revenue from export	Amount	% of Revenue from export
Australia	987.10	42.93%	1,978.79	42.47%	2,031.66	47.66%	1,793.25	45.58%
USA	724.57	31.51%	1,875.10	40.25%	1,580.37	37.07%	1,399.74	35.58%
UK	118.95	5.17%	305.15	6.55%	150.80	3.54%	58.61	1.49%
Canada	100.07	4.35%	230.27	4.94%	123.08	2.89%	88.90	2.26%
Germany	88.54	3.85%	31.70	0.68%	29.27	0.69%	120.33	3.06%
Others*	280.12	12.18%	238.04	5.11%	347.54	8.15%	473.31	12.03%
Total Export Revenue	2,299.35	100%	4,659.05	100%	4,262.71	100%	3,934.13	100%

As certified by our Statutory Auditor, M/s J Mandal & Co, pursuant to their certificate dated March 30, 2026

*In addition to our key export markets, we have also undertaken exports to certain other countries including Argentina, Chile, Croatia, Caucedo (Dominican Republic), Norway, Japan, Colombia, Sri Lanka, Hong Kong, Israel, UAE, Dominican Republic, Philippines, Sweden, Finland, Netherlands, Turkey, New Zealand, South Africa, Singapore, Mexico, Mauritius and Qatar.

While we continue to explore new markets and diversify our customer base, there can be no assurance that we will be successful in mitigating such concentration. Any reduction in demand, tariff-related pricing pressures, ongoing conflict, delay in payments, or disruption in cross-border trade from one or more of these export destinations could materially and adversely affect our business, results of operations, cash flows and financial condition.

6. *There have been delays in payment of statutory dues by our Company. Inability to make timely payment of our statutory dues could result us into paying interest on the delay in payment of statutory dues which could adversely affect our business, financial condition, results of operations, and cash flows.*

Our Company, in the ordinary course of business, is required to comply with various statutory obligations, including payment of employee state insurance under the Employees' State Insurance Act, 1948, provident fund contributions under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, professional tax, income tax under the Income-tax Act, 1961, goods and services tax under the Central Goods and Services Tax Act, 2017, and compliances under the Companies Act, 2013.

There have been instances in the past where the Company has experienced delays in filing certain statutory returns, including GST, income tax and professional tax returns. While such delays have generally been inadvertent in nature and because of operational and technical in nature, there can be no assurance that similar delays will not occur in the future, which may adversely impact on our reputation and financial position.

The details of such delays are set out below:

In particular, during Fiscal 2025, there were delays in filing GSTR-3B returns on two occasions, each involving a delay of one day.

Goods and Services Tax

State	Financial Year	No. of times GSTR-3B to be filed	No. of time delay in filing GSTR-3B
Punjab	FY 2024-25	12	2

Further, delays in compliance with certain statutory dues, including GST, TDS, professional tax and labour welfare fund, have occurred in prior periods, as detailed below:

Fiscal/Period	Number of Instances					
	GST	ESIC	TDS	Professional Tax	EPF	LWF
Six Month ended September 30, 2025	0	0	0	0	0	0
Delay for Fiscal 2025	2	0	1	7	0	1
Delay for Fiscal 2024	0	0	2	1	0	0
Delay for Fiscal 2023	0	0	0	10	0	0

We cannot assure you that going forward we will be able to make payment of our statutory dues in a timely manner or at all, which could result in penal or other regulatory action including payment of interest on the delay in payment of statutory dues, which could adversely affect our business, financial condition, results of operations, and cash flows.

7. *For the six-month period ended September 30, 2025, and during Fiscal 2025, 2024 and 2023, the attrition rate of our employees was 35.35%, 66.71%, 59.02% and 57.23%, respectively. If we are unable to hire, integrate, train and retain qualified personnel, or if we experience high attrition levels, which may be beyond our control, our business, financial condition, results of operations and cash flows could be adversely affected.*

Our ability to provide quality services, manage the complexity of our business, and achieve sustained growth depends significantly on our ability to hire, integrate, train and retain qualified and highly skilled personnel across key functions, including management, sales and marketing, research and development, compliance, finance, human resources at factory employee. We are substantially dependent on the continued services of our skilled personnel, particularly engineering professionals, due to the complexity and domain expertise required in our offerings:

Employee Details and Attrition

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Employees at the beginning	1,630	1,677	1,471	1,447
New Joiners	675	1,056	1,135	859
Employees Left	591	1,103	929	835
Total Employees at End	1,714	1,630	1,677	1,471
Total Average employee	1,672	1,654	1,574	1,459
Attrition Rate (%)	35.35%	66.71%	59.02%	57.23%

Note: Attrition rate is calculated as employees left divided by employees at the beginning of the period.

Our workforce comprises a mix of skilled and unskilled employees engaged across our operations. The industry in which we operate is generally characterised by relatively higher attrition levels, particularly among unskilled and shop-floor employees. Such attrition may be influenced by factors including availability of alternative employment opportunities, wage variations and incentive structures offered by other employers. It is also an industry practice for certain employees to temporarily discontinue employment and subsequently rejoin the same organisation based on operational requirements. In such cases, employees who rejoin are treated as new employees for administrative, legal and accounting purposes, and full and final settlements are carried out at the time of separation in accordance with applicable laws and internal policies.

Our attrition levels during the above periods have been elevated. Such attrition may lead to increased recruitment, onboarding and training costs, disruption in operations and potential loss of experienced personnel and institutional knowledge. Further, employee turnover may impact productivity, efficiency and our ability to maintain consistent quality standards. It may also affect our ability to scale operations efficiently and place additional demands on our managerial and operational resources. While attrition levels may vary across employee categories, overall workforce attrition remains a relevant operational consideration.

There can be no assurance that we will be able to retain our existing employees or attract suitably skilled personnel in a timely manner or on commercially acceptable terms. Any inability to effectively manage attrition or retain key personnel may adversely affect our business, results of operations, cash flows and financial condition.

8. *Any disruption in our manufacturing facility, equipment or information technology systems could adversely affect our operations.*

Our manufacturing operations are concentrated at a single facility located at Village Sarsini, Ambala-Chandigarh Highway, near Lalru, Tehsil Derabassi, Lalru, Punjab -140 501, India. Our operations are dependent on the continuous functioning of this facility, which utilizes heavy machinery and equipment, as well as information technology systems operating on a semi-automated basis to manage production processes and day-to-day operations. Any disruption at this facility may have a material impact on our production and overall business operations.

The use of heavy machinery and equipment involves inherent risks, including industrial accidents, fires, explosions, equipment failures, environmental hazards (such as accidental release of pollutants or hazardous substances) and other unforeseen incidents. Such events may result in personal injury, loss of life, damage to property, environmental liabilities and interruption of operations.

In addition, our operations rely on the effective functioning of our information technology systems. Any failure to adequately maintain, upgrade or secure our IT infrastructure may lead to operational inefficiencies, process disruptions or data-related issues.

Further, our manufacturing and IT systems may be vulnerable to interruptions arising from events beyond our control, including natural disasters, acts of terrorism, telecommunications failures, cyber-attacks, computer viruses, hacking incidents or other security breaches. While we have not experienced any material injuries, fatalities or significant system failures resulting in operational disruption during the six-month period ended September 30, 2025 and in Fiscals 2025, 2024 and 2023, there can be no assurance that such events will not occur in the future.

Although we have implemented safety protocols, preventive maintenance practices, security measures and disaster recovery plans, such measures may not be sufficient or may not operate effectively at all times. Any significant disruption, equipment failure or system outage could adversely affect our operations, financial condition, results of operations, cash flows and reputation

9. *Our Company has not entered into any long-term contracts with any of its customers and we typically operate on the basis of purchase orders. Inability to maintain regular order flow would adversely impact our revenues and profitability.*

Our Company has established business relationships with certain customers and has been supplying products to them on a regular basis. However, we do not typically enter into long-term contracts with our customers and instead operate primarily on the basis of purchase orders, which are generally short-term in nature, typically covering a period of approximately two months, although such orders may be recurring.

In the absence of long-term contractual arrangements, our customers are not obligated to continue procuring products from us and may reduce, defer or discontinue their orders at their discretion. As a result, our revenues are subject to variability arising from fluctuations in customer demand and changes in purchasing patterns.

Further, the volume and continuity of orders from our customers depend on several factors, including their satisfaction with our products, pricing, quality, timely delivery, end-customer demand and their inventory management practices. Any adverse change in these factors may impact the flow of orders from our customers.

Additionally, customers may cancel or modify purchase orders, or delay acceptance and payment, which may affect our cash flows and financial performance. Even where orders are executed as scheduled, there can be no assurance that customers will make timely payments or that defaults will not occur.

While we seek to maintain strong customer relationships through consistent quality and service standards, the absence of binding long-term contracts exposes us to uncertainties relating to order visibility and revenue stability. Any significant reduction or discontinuity in order flow may adversely affect our business, financial condition, results of operations and cash flows.

10. We have selected providers of our heavy semi-automated machinery which have inbuilt technical support services for the maintenance and smooth functioning of our equipment's and machineries. This makes us heavily reliant on overseas manufacturers of all our equipment, and we rely on only limited number of overseas manufacturers.

We procure our key manufacturing equipment, including semi-automated looms, from a limited number of overseas manufacturers, primarily based in Japan, who also provide technical support services for the maintenance and efficient functioning of such machinery. As a result, we are dependent on such manufacturers for the continued operation and upkeep of our equipment.

Our manufacturing processes involve machinery that is designed with manufacturer-specific configurations. Accordingly, spare parts, upgrades and related equipment are generally compatible only with the respective manufacturer's systems, which may limit our ability to source from alternative suppliers or shift to other manufacturers without significant time and cost. Further, maintenance and servicing of such machinery are largely dependent on support from these overseas manufacturers. Any delay in the availability of spare parts or technical assistance, including due to logistical constraints or other factors beyond our control, may result in operational disruptions and increased downtime. While we have not experienced any material disruption on this account during the six-month period ended September 30, 2025 and in Fiscals 2025, 2024 and 2023, there can be no assurance that such disruptions will not occur in the future.

We cannot assure you that any disruption or inability to ensure timely maintenance and support will not adversely affect our productivity, business operations and results of operations.

11. For increasing our capacity installation, we have historically relied upon financing vide banks. There is no assurance that we will maintain our positive creditworthiness and credit ratings and continue to obtain loan financing at viable rates for increased capacity installation and maintenance or even enhancement.

Historically, we have relied on term loan financing from banks to fund our capital expenditure, including capacity expansion and installation of manufacturing equipment. Our borrowings are secured by our assets, including immovable properties and plant and machinery. Our ability to undertake further capacity expansion, maintenance and modernisation depends, in part, on our ability to maintain adequate creditworthiness and access financing on acceptable terms.

The following table sets forth the details of our installed capacity, actual production and capacity utilisation levels for our key products, namely terry towels and dyed yarn, for the periods indicated:

Particulars	Units	Six-month Period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Installed Capacity`					
Terry Towels	MTPA	4674.95	9,349.90	9,349.90	9,349.90
Dyed Yarn	MTPA	2922.50	5,845.00	5,845.00	5,845.00
Actual Production					
Terry Towels	MTPA	4106.00	8,284.14	8,252.97	8,220.20
Dyed Yarn	MTPA	2605.00	5,443.51	5,181.16	5,114.20
Capacity Utilisation (%)					
Terry Towels	%	87.83%	88.60%	88.27%	87.92%
Dyed Yarn	%	89.14%	93.13%	88.64%	87.50%
Fabric Outside of House Production*	MTPA	700.00	1800.00	1200.00	0.00

****Our Company outsources a portion of its weaving activities by supplying dyed or grey yarn to third-party weavers, as it is currently operating at near full utilization of its in-house loom capacity and is unable to fully meet existing demand. The third-party weavers undertake the fabric conversion process, after which our Company performs the subsequent processing activities.***

As certified by Chartered Engineer ER Pardeep Kumar Nanda dated March 25, 2026

Note: Subsequent to September 30, 2025, the Company procured and installed 34 additional looms, increasing its annual terry towel production capacity approximately 4,343.5 MT to 4,964.0 MT. This represents a growth of approximately 46.46% to 53.09%. The expansion is expected to reduce reliance on outsourced weaving, enhance operational efficiency, and support the Company's growth in line with rising customer demand.

Our capacity utilisation levels have remained relatively high during the above periods. Sustaining such utilisation levels and undertaking further capacity expansion may require additional capital expenditure and continued access to external funding. Subsequent to September 30, 2025, we procured and installed 34 additional looms, resulting in an increase in our terry towel production capacity. Such expansion has also been funded through bank borrowings.

While a portion of the proceeds from the Fresh Issue is proposed to be utilised towards repayment or prepayment of certain borrowings, we may continue to require additional funding in the future for expansion, modernisation, maintenance and operational requirements. However, we cannot assure that we will be able to obtain such financing in a timely manner or on commercially acceptable terms. Our ability to raise funds may be affected by factors such as our financial position, existing indebtedness, changes in interest rates, lender requirements and general economic and industry conditions. Any inability to access adequate funding, or the imposition of restrictive covenants under financing arrangements, may limit our ability to expand capacity, maintain operations or execute our growth strategy, which could adversely affect our business, financial condition, results of operations and cash flows.

12. We currently avail benefits under certain export promotion schemes and any non-compliance with the conditions thereof or changes in such schemes may adversely affect our results of operations.

We currently avail benefits under export promotion schemes notified by the Government of India, such as Remission of State and Central Taxes and Levies ("RoSCTL") and Duty Drawback, in respect of our textile and apparel exports. The availability of these incentives is subject to our compliance with prescribed eligibility criteria, including making necessary declarations in shipping bills, realisation of export proceeds within the timelines prescribed under applicable laws, including the Foreign Exchange Management Act, 1999, and adherence to conditions specified under the respective schemes. Any failure or delay in complying with such conditions, including delays in realisation of export proceeds or inaccuracies in documentation, may result in denial, withdrawal or reduction of such benefits. The total income derived from this incentive as percentage of revenue from operations during six-month period ended September 30, 2025, Fiscal 2025, Fiscal 2024, Fiscal 2024 and Fiscal 2023:

(₹ in million)

Particulars	Six-month period ended September 30, 2025		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ in million)	% of total revenues from Operation	Amount (₹ in million)	% of total revenues from Operation	Amount (₹ in million)	% of total revenues from Operation	Amount (₹ in million)	% of total revenues from Operation
Export Incentive	251.22	7.74%	516.51	7.67%	461.79	7.06%	423.34	7.78%

Further, these schemes are subject to change, modification or withdrawal by the Government of India from time to time, and we have no control over such policy decisions. Any reduction, withdrawal or discontinuation of such benefits, or any inability on our part to comply with the applicable conditions, may adversely affect our business operations, financial condition, revenue from operations and profitability.

13. Our business is significantly dependent on a limited number of product segments, particularly terry towels, which contribute a substantial majority of our revenues, and any adverse developments in these segments may materially and adversely affect our business, financial condition and results of operations.

Our Company derives a substantial portion of its revenue from operations from two principal product segments, namely terry towels and dyed yarn, which together account for substantially all of our total product sales, with other which is generally a wastage of those two segments contributing an insignificant proportion.

(₹ in million)

Product	Six-month period ended September 30, 2025	% of Total Revenue from product sale	Fiscal 2025	% of Total Revenue from product sale	Fiscal 2024	% of Total Revenue from product sale	Fiscal 2023	% of Total Revenue from product sale
Terry Towel	2,391.65	79.95%	4,697.94	75.79%	4,332.29	71.33%	3,914.35	78.48%
Dyed Yarn	532.77	17.81%	1,467.12	23.67%	1,707.98	28.12%	1,037.97	20.81%
Others	67.14	2.24%	33.26	0.54%	33.09	0.54%	35.63	0.71%
Total Revenue from sale of products	2,991.56	100.00%	6,198.33	100.00%	6,073.37	100.00%	4,987.95	100.00%

This segment is relatively commoditized and primarily caters to business-to-business customers, making it susceptible to fluctuations in demand and pricing pressures. The contribution of this segment has exhibited variability across periods, indicating its sensitivity to market conditions. Any adverse changes in demand, increase in competition, or inability to maintain pricing may negatively impact our revenues and margins.

This high degree of concentration in a limited number of product segments, particularly the increasing contribution from terry towels, exposes us to risks associated with fluctuations in demand, pricing pressures, changes in consumer preferences and industry dynamics specific to these segments. Any adverse developments affecting the terry towel segment, including reduction in demand from key export markets, slowdown in the hospitality or retail sectors, or increased competition, may have a disproportionate impact on our revenues and profitability. Further, in the event of a downturn in either of these segments, we may not have sufficient diversification in our product portfolio to mitigate such risks, which may adversely affect our business, financial condition and results of operations.

14. Our operations involve the use of dyes, chemicals and water-intensive processes, which may expose us to environmental (including water discharge and waste management) and regulatory risks.

Our manufacturing processes for dyed yarn and terry towels involve dyeing, bleaching and other processing activities that require the use of dyes, chemicals and significant quantities of water. Such operations result in the generation of wastewater, sludge and other residues, which require appropriate treatment, handling and disposal in accordance with applicable environmental regulations. Further, our manufacturing facility involves the use of machinery and equipment which may generate noise during operations and may also result in emissions associated with manufacturing processes. Prolonged exposure to such conditions may have an impact on employees if not adequately managed and may also expose us to regulatory risks.

We are required to obtain and maintain various environmental approvals, consents and permits, including those relating to water discharge and waste management, from relevant regulatory authorities. Any failure to obtain, renew or comply with the conditions of such approvals and consents may result in regulatory actions, including penalties, restrictions or suspension of operations. Further, evolving environmental laws, regulations and sustainability requirements, including those applicable in export markets, may require us to incur additional capital expenditure, including for effluent treatment and waste management systems, as well as increased operating costs.

While we undertake measures to comply with applicable environmental requirements, during the six-month period ended September 30, 2025 and Fiscals 2025, 2024 and 2023, there can be no assurance that we will be able to comply with all such requirements at all times. Any failure to comply with applicable environmental laws and regulations, or any adverse changes in such regulations, may result in penalties, legal liabilities, disruption of operations or reputational impact, which could adversely affect our business, financial condition and results of operations.

15. Demand for our terry towel products is discretionary in nature and is influenced by global economic conditions, which may result in volatility in our revenues.

Our terry towel products are largely discretionary consumer products, and their demand is influenced by factors such as global economic conditions, consumer spending patterns, lifestyle trends, and the performance of the hospitality and tourism sectors. A significant portion of our revenues is derived from export markets, where demand may be affected by economic slowdowns, inflationary pressures or reduced consumer spending. Any decline in demand for discretionary products may adversely affect our sales volumes, pricing power and profitability.

16. There are outstanding legal proceedings involving our Company and Promoters, which, if determined adversely, may adversely affect our business and financial condition.

There are outstanding litigations involving our Company, Promoters, Directors and Group Companies. Any adverse outcome in any of these proceedings may adversely affect our results of operations and financial condition. Our Company, Promoters, Directors and Group Companies are involved in certain outstanding legal proceedings, which are pending at different levels of adjudication at different fora. Brief details of such outstanding litigation are as follows:

Type of Proceedings	Number of cases	Amount* (₹ in Million)
Against our Company		
Outstanding Criminal proceedings	NIL	NIL
Actions initiated by regulatory or statutory authorities	NIL	NIL
Outstanding material civil litigation	1	8.00
Tax proceedings	2	6.46
By our Company		
Outstanding Criminal proceedings	NIL	NIL
Outstanding material civil litigation	NIL	NIL
Tax proceedings	4	7.97
Against our Promoters		
Outstanding Criminal proceedings	NIL	NIL
Actions initiated by regulatory or statutory authorities	NIL	NIL
Outstanding material civil litigation	NIL	NIL
Tax proceedings	NIL	NIL
By our Promoters		
Outstanding Criminal proceedings	NIL	NIL
Actions initiated by regulatory or statutory authorities	NIL	NIL
Outstanding material civil litigation	NIL	NIL
Tax proceedings	NIL	NIL
Against our Directors		
Outstanding Criminal proceedings	NIL	NIL
Actions initiated by regulatory or statutory authorities	Nil	Nil
Outstanding material civil litigation	Nil	Nil
Tax proceedings	Nil	Nil
By our Directors		
Outstanding Criminal proceedings	NIL	NIL
Actions initiated by regulatory or statutory authorities	NIL	NIL
Outstanding material civil litigation	NIL	NIL
Tax proceedings	NA	NA
Against our Key Managerial Personnel and members of Senior Management		
Outstanding Criminal proceedings	NIL	NIL
Actions initiated by regulatory or statutory authorities	NIL	NIL
Outstanding material civil litigation	NIL	NIL
Tax proceedings	Nil	Nil
By our Key Managerial Personnel and members of Senior Management		
Outstanding Criminal proceedings	NIL	NIL
Actions initiated by regulatory or statutory authorities	NIL	NIL
Outstanding material civil litigation	NIL	NIL
Tax proceedings	NA	NA

We cannot assure you that these ongoing matters will be decided in favour of our Company, Promoters or Directors, as applicable, or that no additional liabilities will arise out of such proceedings. Further, the amounts involved in certain of these proceedings may not be fully ascertainable or quantifiable at this stage. Additionally, we cannot assure you that no new legal or regulatory proceedings will be initiated against our Company, Promoters, Directors or Group Companies in the future. Any adverse outcome or additional liabilities arising from such proceedings may have an adverse effect on our business, financial condition and results of operations.

17. We are subject to risks resulting from foreign exchange rate fluctuations, which could adversely affect our results of operations.

A significant portion of our revenue is derived from exports, which are denominated in foreign currencies, primarily the U.S. dollar. Revenue from exports accounted for approximately 76.86%, 75.17%, 70.19% and 78.87% of our revenue

from product sales for the six-month period ended September 30, 2025 and Fiscals 2025, 2024 and 2023, respectively. Accordingly, any adverse fluctuations in exchange rates between the Indian Rupee and such foreign currencies may impact the realisation of our export proceeds and, in turn, our results of operations.

Particulars	Six-month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of revenue from product sales	Amount	% of revenue from product sales	Amount	% of revenue from product sales	Amount	% of revenue from product sales
Exports	2,299.35	76.86%	4,659.05	75.17%	4,262.71	70.19%	3,934.13	78.87%
Domestic	692.21	23.14%	1,539.27	24.83%	1,810.66	29.81%	1,053.81	21.13%
Total	2,991.56	100.00%	6,198.33	100.00%	6,073.37	100%	4987.95	100%

In addition, we are exposed to foreign currency risk in respect of certain balance sheet items, including trade receivables, advances to suppliers and borrowings denominated in foreign currency from banks in India. As a result, fluctuations in foreign exchange rates may lead to foreign exchange gains or losses, which may impact our profitability.

Particulars	As on September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency
Trade Receivable	6.92	614.44	9.64	825.84	8.46	693.81	7.47	614.23
Advance to supplier	0.04	3.18	0.01	0.60	0.01	0.61	0.01	0.70
Borrowings	6.07	539.18	8.27	706.83	5.13	427.79	4.27	351.14

While we may enter into hedging arrangements, including forward contracts, to mitigate foreign exchange risks, such arrangements may not be adequate or effective to fully offset the impact of exchange rate fluctuations. Further, any unhedged exposure or inability to hedge such risks in a timely manner or at all may increase our exposure to foreign currency volatility.

Any significant volatility in foreign exchange rates may adversely affect our business, financial condition, results of operations and cash flows. For further details, see “Restated Financial Information” on page 241.

18. *There may have been certain instances of irregularities in practice, minor discrepancies and non-compliances with respect to certain corporate actions taken by our Company in the past. Consequently, we may be subject to regulatory actions and penalties, for instance, we have failed to appoint a company secretary for certain years in past.*

Our Company was incorporated in 2005 and has, over the years, undertaken various corporate actions and statutory compliances under the provisions of the Companies Act, 1956 and the Companies Act, 2013. While our Company endeavors to comply with all applicable statutory and regulatory requirements, there have been certain instances in the past involving delays, non-filings, erroneous filings and/or non-disclosures with respect to filings required to be made with the Registrar of Companies (“RoC”). In certain instances, filings made with the RoC were not in the prescribed format, including deficiencies in letterheads and absence of requisite details such as the Name and Director Identification Number (DIN) of the signatory.

For instance, our Company had not appointed a Company Secretary for certain periods as required under applicable provisions, our Company has, on a suo moto basis, filed compounding applications on March 28, 2026, with the Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi, seeking adjudication and compounding of such non-compliances under applicable provisions of the Companies Act. Our Company is currently awaiting the outcome of such applications.

While no show cause notices have been received and no penalties or proceedings have been initiated against our Company in respect of the aforesaid matters as on the date of this Draft Red Herring Prospectus, there can be no assurance that regulatory authorities will not impose penalties, initiate proceedings or take any adverse action in the future. Any such actions may result in financial liabilities, penalties and/or reputational harm.

Further, there have been instances of delays in filing certain e-forms with the RoC, for which our Company has completed the requisite filings along with payment of additional fees, as applicable. Although we intend to ensure timely compliance with all statutory requirements going forward, we cannot assure that there will be no delays or lapses in future filings.

Any regulatory action, penalty, or adverse observation arising from past or future non-compliances, discrepancies or record deficiencies may adversely affect our business, financial condition, results of operations and reputation of company.

19. *Our business requires significant amount of working capital. If we experience insufficient cash flows from our operations or are unable to borrow funds to meet our working capital requirements, it may materially and adversely affect our business and results of operations.*

Our business requires a significant amount of working capital for carrying out our day-to-day operations, including procurement of raw materials, maintenance of inventory, and timely servicing of operational expenses. Accordingly, our ability to sustain and grow our operations depends on the availability of adequate working capital.

There may be instances where our internal accruals are insufficient to meet our working capital requirements, in which case we may be required to raise additional funds through borrowings or other external sources. Our ability to arrange such financing, and the cost thereof, is dependent on several factors, including prevailing economic conditions, availability of credit from banks and financial institutions, our credit profile, performance of our operations and other factors beyond our control. If we are unable to generate sufficient cash flows from operations or are unable to obtain additional financing on a timely basis or on commercially acceptable terms, it may impact our ability to meet our working capital requirements and discharge our obligations as they fall due. Any such inability may adversely affect our business operations, liquidity position, financial condition and results of operations.

Further, inefficient management of working capital, including higher receivable cycles or inventory holding, may increase our funding requirements and finance costs. Any adverse changes in our working capital levels may also impact our profitability.

Our net working capital levels have been significant in relation to our revenue from operations, as set out below:

Product	Six-month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Net Working Capital	2,197.59	2,339.63	2,222.13	2,235.78
Revenue from Operations	3,245.79	6,734.80	6,544.22	5,441.31
% of Revenue from Operations	67.71%	34.74%	33.96%	41.09%

Note: Net working capital calculated total current assets excludes cash and cash equivalents and current liabilities exclude borrowings

Any inability to effectively manage our working capital requirements may have a material adverse effect on our business, financial condition and results of operations.

20. *Certain Equity Shares of our Company are held in physical form and not in dematerialized form, which may affect liquidity and ease of trading*

A portion of the Equity Shares of our Company are currently held in physical form. Investors are advised that holding shares in physical form may limit the ability to trade such shares on the stock exchanges, as trading in dematerialized form is mandatory under the SEBI regulations. Investors should also note that the process of converting physical shares into dematerialized form may be time-consuming and involve procedural compliance, which could impact timely transfer or trading of such shares.

The details of Equity Shares held in physical and demat form as on the date of this Draft Red Herring Prospectus are as follows:

Particulars	No. of Shares	% of total Equity Share Capital
Equity Shares in Demat Form	12,83,77,830	99.27%
Equity Shares in Physical Form	9,40,450	0.73%
Total	12,93,18,280	100%

The details of shareholders holding Equity Shares in physical form are as follows:

Name of Shareholder	Relation	Equity Shares held in Physical Form	Reason for Shares Not Being Dematerialized
Mr. Varun Arora & Rahul Tyagi (Joint) Partner of V.R Enterprises	No relationship	5,00,000	Shares are held in the name of the partnership firm; however, as on date, the partnership firm is dissolved, and the partners are not interested or available and coordination for demat.
T C Leasing and Investment LLP (formally known as T C Leasing and Investment Private Limited)	Promoter Gorup	4,40,250	Since the company converted from a private company to an LLP, and due to name-related issues, the company is facing difficulties in dematerializing the shares. The company is continuously in touch to resolve the matter.
Rakesh Doomra	No relationship	100	Company is unable to trace this shareholder.
Shakti Singh	No relationship	100	Company is unable to trace thins shareholder.
Total		9,40,450	

Investors are advised that the shares held in physical form may have limited liquidity until they are converted into dematerialized form. The transfer of physical shares is subject to procedural requirements, which may delay trading and settlement. The Company encourages all shareholders holding shares in physical form to dematerialize their shares to facilitate smooth trading and transferability. Furthermore, the Company cannot assure that these shares will be dematerialized or that issues related to these shares with the respective shareholders will be resolved.

21. We are dependent on sustained export performance to meet future obligations, which may result in financial liabilities.

Our historical export performance forms the basis for determining our average export obligation under applicable regulatory frameworks, including benefits availed under EPCG and similar schemes. As set out in the table above, our average export obligation for the last three financial years is ₹427.68 crore (USD 52.26 million). While we have not reported any specific export obligations against other EPCG authorizations during the said period, our ability to sustain or improve our export levels remains critical. Any decline in export performance due to factors such as adverse global economic conditions, fluctuations in foreign exchange rates, changes in international trade policies, geopolitical uncertainties, or loss of key customers may adversely impact our ability to meet such export expectations. Further, in the event that we avail benefits under export promotion schemes in the future, including EPCG authorizations, we may be subject to prescribed export obligations. Any inability to fulfill such obligations within stipulated timelines could result in penalties, demand for duty saved along with applicable interest, or other regulatory actions. Accordingly, any material variation or decline in our export performance may have an adverse effect on our business, financial condition, results of operations, and compliance with applicable regulatory requirements.

22. We face significant competition in both the terry towel and dyed yarn segments, which may adversely affect our pricing power, market share and profitability.

We operate in highly competitive segments and face competition from both domestic and international manufacturers in the terry towel and dyed yarn markets. The markets in which we operate are characterised by the presence of several organised as well as unorganised players, which intensifies competitive pressures.

Such competition may lead to pricing constraints, reduced margins and potential loss of market share. In addition, our competitors may have advantages such as larger scale of operations, longer operating history, established customer relationships, greater financial resources or the ability to offer products at lower prices or with enhanced features. This may impact our ability to attract new customers and retain existing customers.

Further, customer preferences, quality expectations, delivery timelines and pricing considerations play a significant role in procurement decisions. Any failure on our part to effectively meet such requirements or to remain competitive in terms of pricing, quality and service may adversely affect our business operations.

Accordingly, any inability to effectively compete in our target markets may adversely affect our business, financial condition and results of operations.

23. We have a high debt equity ratio and have incurred indebtedness, and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business, results of operations, cash flows and financial condition.

As at September 30, 2025, we had total borrowings of ₹ 1,594.48 million. The table below sets forth certain information on our total borrowings, debt to equity ratio and finance cost as at the dates indicated:

Particular	September 30, 2025	Fiscal Year		
		2025	2024	2023
Total Borrowings ⁽¹⁾ (₹ in million)	1,594.48	1,752.00	1,936.00	2,043.90
Debt to equity ratio ⁽²⁾	0.84	0.97	1.18	1.36
Finance Costs (₹ in million)	115.24	246.32	242.14	248.17

(1) Total borrowing is calculated as the sum of current and non-current borrowings.

(2) Debt-Equity Ratio is calculated as Total Debt divided by total equity. Total Debt is calculated as the sum of (i) non-current borrowings and (ii) current borrowings (including the current maturities of non-current borrowings).

Our Company has a high debt-equity ratio, which indicates a greater reliance on borrowed funds to finance our operations and growth. A high level of debt increases our financial leverage and consequently, our exposure to risks associated with interest rate fluctuations, repayment obligations, and debt servicing costs. Further, a high debt-equity ratio may negatively influence our credit profile and lead to a downgrade in our credit rating. A lower credit rating can result in higher borrowing costs, reduced access to capital markets, and more stringent lending terms, all of which may adversely affect our financial position and results of operations. The working capital requirements of our Company are currently funded through Cash Credit (CC) and Export Packing Credit (EPC) limits, and not through long-term borrowings. These facilities are serviced through the realization of trade receivables.

Majority of our outstanding borrowings as of September 30, 2025, are secured borrowings. These borrowings are secured, *inter alia*, through a charge by way of hypothecation on our entire current assets, and, in case of our term loans, on fixed assets that includes land and building on which our processing facilities are located in favour of lenders. As some of these secured assets pertain to our processing facilities, our rights in respect of transferring or disposing of these assets are restricted. In the event we fail to service our debt obligations, the lenders have the right to enforce the security in respect of our secured borrowings and dispose of our assets to recover the amounts due from us which in turn may compel us to shut down our processing facilities would adversely affect our business, results of operations, cash flows and financial condition. Majority of loans availed by our Company are on floating interest. Although we aim to maintain adequate cash flows to service finance costs going forward, such interest rate volatility may impact our finance costs and overall profitability in the event of an upward revision in benchmark rates.

Furthermore, our loan agreements with our lenders also contain certain negative covenants, including but not limited to, effecting any change in ownership, control, constitution and operating structure capital structure or shareholding pattern and/or management of our Company, any amendment in the constitutional documents, and restrictions on fund raising. Further, except as stated below there are no consequences of default which give the lender control over the Company directly or indirectly:

1. In the event of default in repayment to the Bank or if cross default has occurred the Bank will have the right to appoint its nominee on the Board of Directors of the borrower to look after its interests.
2. In stressed situation or restructuring of debt, the regulatory guidelines provide for conversion of debt to equity. The Bank shall have the right to convert loan to equity or other capital in accordance with the regulatory guidelines.

While there has been no breach of covenants by us in the past, there is no assurance that such incident will not occur in the future. Any failure on our part to comply with these terms in our financing agreements including the security agreements would generally result in events of default under these financing agreements. In such a case, the lenders under each of these respective loan agreements may, at their discretion, accelerate payment and declare the entire outstanding amounts under these loans due and payable, and in certain instances, enforce their security which has been constituted.

24. An increase in labour costs may adversely affect our profitability and results of operations.

Our operations are labour-intensive in nature, particularly in relation to manufacturing, processing, dyeing, finishing and packaging activities for our terry towels and dyed yarn products. Any increase in labour costs, whether due to statutory revisions in minimum wages, inflationary pressures, increased competition for skilled labour, changes in labour laws or other socio-economic factors, may lead to a significant increase in our operating expenses. Additionally, any shortage of skilled or semi-skilled labour may disrupt our production schedules and reduce operational efficiency. We may not be able to fully or promptly pass on such increased costs to our customers due to competitive pressures or contractual arrangements, which may adversely affect our margins, profitability and overall financial performance.

25. *A decline or sustained downtrend in demand for our products may adversely affect our business, financial condition and results of operations.*

The demand for our products, particularly terry towels and dyed yarn, is influenced by a variety of factors, including global economic conditions, consumer spending patterns, export demand, seasonal trends and the performance of the hospitality, retail and textile sectors. A significant portion of our revenue is derived from export markets, making us susceptible to fluctuations in international demand. Any economic slowdown, inflationary environment, geopolitical developments, reduction in discretionary spending or shifts in consumer preferences may result in a decline in demand for our products. Such a decline may lead to reduced order volumes, lower capacity utilization, inventory build-up and pricing pressures, which may adversely affect our revenues, cash flows and profitability.

26. *Our profitability is exposed to volatility in the prices of yarn, which is a key raw material for our products.*

Yarn is a critical raw material for both our terry towel manufacturing and dyed yarn trading operations. The prices of yarn are subject to significant volatility due to various factors, including fluctuations in cotton prices, changes in domestic and global supply-demand dynamics, climatic conditions affecting cotton production, import-export policies and currency fluctuations. Any significant increase in yarn prices may result in higher input costs, which we may not be able to fully pass on to our customers in a competitive market environment, thereby adversely impacting our margins. Conversely, a sharp decline in yarn prices may lead to inventory valuation losses and reduced trading margins in our dyed yarn segment. Such volatility may adversely affect our profitability, working capital management and overall financial condition.

27. *Our business performance is dependent on the growth and overall performance of the textile industry.*

Our operations are closely linked to the performance of the textile and home furnishing industry, both in India and globally. Any slowdown or adverse developments in the textile industry, including reduced demand for home textiles, changes in government policies, withdrawal or reduction of export incentives, increase in input costs, technological disruptions or shifts in consumer preferences, may adversely impact the demand for our products. Further, the textile industry is subject to cyclical trends and global trade dynamics, which may impact export opportunities. Any such adverse developments in the textile industry may have a material adverse effect on our business, financial condition and results of operations.

28. *Our limited market share in the textile industry may restrict our growth prospects and expose us to competitive pressures.*

We operate in a highly fragmented and competitive textile industry, with the presence of numerous organized and unorganized players, both in domestic and international markets. Our current market share may be limited in comparison to larger and more established competitors who may have greater financial resources, broader distribution networks, stronger brand recognition and economies of scale. Our ability to grow our business depends on our capacity to expand our customer base, strengthen relationships with existing customers, introduce new products and maintain competitive pricing and quality standards. Any inability to effectively compete or increase our market share may limit our growth prospects and adversely affect our business, financial condition and results of operations.

29. *Our Company has limited presence in online or digital sales channels and any failure to effectively expand and adapt to the increasing shift toward e-commerce, including through our “Feather & Spun” brand, may adversely affect our business, growth prospects, results of operations, financial condition and cash flows.*

The textile and home furnishing industry has been experiencing a shift in consumer purchasing behaviour toward online and digital platforms, driven by increasing internet penetration, convenience, wider product availability and competitive pricing. Several of our competitors have established direct-to-consumer channels through their own websites as well as third-party e-commerce platforms, enabling them to access a broader customer base, strengthen customer engagement and enhance brand visibility.

While we have recently forayed into the online retail segment through our “Feather & Spun” brand, including through our own website, such operations are currently limited in scale and contribute a negligible portion of our revenue. As we are relatively new to this segment, there can be no assurance that our online initiatives will achieve commercial viability, scale effectively or generate sustainable returns. Any losses incurred in connection with such initiatives may adversely affect our financial performance and may also impact our ability or willingness to further expand in this segment.

Our Company is primarily engaged in business-to-business operations and has historically focused on bulk sales to institutional customers. As a result, we may be at a competitive disadvantage compared to competitors that have an established online and direct-to-consumer presence. If the industry continues to shift toward online sales channels and we are unable to effectively respond to such changes, including by developing and implementing a scalable and efficient online strategy, our growth prospects, market share and customer reach may be adversely affected.

Further, any initiatives to expand our online presence may require significant investments in technology infrastructure, digital platforms, logistics, marketing, branding and customer acquisition. There can be no assurance that such investments will be successful or yield the expected benefits within anticipated timelines, or at all.

30. *If we launch any new products which are not successful in the market as we anticipate, our business, cash flows, results of operations and financial condition may be adversely affected.*

Our results of operations are dependent on our ability to anticipate, gauge and respond to changes in the market demand and customer preference. We are focused on growth of our business to attract new customers. We cannot assure you that the products we may launch will accurately reflect the prevailing fashion trends or be well-received by our customers and the market, and in case our products are not successful with the customers then our brand reputation may adversely suffer. In the recent past we have not launched any new products except for the Feather Spun brand of towels, launched in Fiscal 2025, which has a limited exposure to domestic consumers. We are primarily manufacturers for other brands and have Business to Business customers. Further, we cannot assure you that we will be able to recover costs incurred in developing these products and brands or earn adequate profits and profit margins on such launches. This may have an adverse impact on our business, results of operations and financial conditions and also divert the attention of our management and cost us operational and financial resources.

31. *We have incurred indebtedness and are required to comply with certain covenants based on documentation entered into with the lenders. Our inability to meet our obligations, including financial and other covenants, under our financing arrangements could adversely affect our business, results of operations, financial condition and cash flows. Further, the terms of our financing arrangements contain various covenants that may limit our business activities.*

The terms of our financing arrangements contain, and our future financing arrangements with lenders may contain, various restrictive covenants that limit our management's discretion in operating our business. In particular, these agreements include, or may include, inter alia, covenants relating to limitations on amendment of memorandum of association or articles of association, change to the ownership, control, composition of the board, constitution or the management structure, including resignation of a director or key managerial personnel or senior managerial personnel, changes in capital structure, controlling interest and/or any dilution of the shareholding of principal shareholders, changes in the remuneration payable to the board of directors of our Company. In addition, our financing arrangements require us to comply with certain financial covenants as well as information covenants as well as maintain our credit ratings. Such restrictions could limit our ability to respond to market conditions, to provide for unanticipated capital investments or to take advantage of business or acquisition opportunities. Compliance with these covenants may prevent us from pursuing opportunities that we believe would benefit our business, including opportunities that we might pursue as part of our plans to expand our store base, our product offerings, and sales channels. Some of our financing agreements also contain cross-default clauses, which are triggered in the event of default of one or more terms of the respective financing agreements by our Company under the respective financing agreements. As on six-month period ended September 30, 2025, our total outstanding borrowings stood at ₹1594.48 million.

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

We have created charges over our movable and immovable properties in favour of our lenders in respect of loans and credit facilities availed by us from banks and financial institutions. As on December 31, 2025, the total amount outstanding in respect of our funded borrowings was ₹1,709.75 million and our non-funded facilities aggregated to ₹246.50 million. In the event of any default in repayment of such borrowings or in servicing interest thereon, our lenders may enforce their security interests over the charged assets, which may include taking possession of such assets or initiating recovery proceedings. Any such action may adversely affect our ability to continue our operations and could have a material adverse effect on our business, financial condition and results of operations. For further information, see "Financial Indebtedness" on page 244.

33. *We have certain contingent liabilities that have been disclosed in the Restated Financial Information, which if they materialize, may adversely affect our business, results of operations, financial condition and cash flows.*

Our contingent liabilities as per our Restated Financial Information for the Fiscals and period indicated are as follows:

Particulars	As at September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
(a) Claims against the Group not acknowledged as debts				
Service tax matters	4.18	4.18	4.18	4.18
TDS Defaults	2.28	1.18	1.15	1.07
(b) Other Commitments				
Pending litigation	10.33	10.33	9.20	9.20

Most of the liabilities have been incurred in the normal course of business. If these contingent liabilities were to fully materialize, or materialize at a level higher than anticipated, they could materially and adversely affect our business, results of operations, and financial condition. For further details, please refer to “Restated Financial Information on page 241.

34. Our Promoters have extended personal guarantees in connection with the debt facilities availed by our Company. They have also provided their personal properties as collateral for secured lending facilities. There can be no assurance that such personal guarantee(s) and personal property provided as collateral will be continued to be provided by our Promoters in future or can the same be invoked at any time, affecting our financial arrangements.

Our Company has availed various fund-based and non-fund-based credit facilities, including working capital facilities, term loans (including GECL/ECLGS loans), machinery loans and vehicle loans, from multiple banks and financial institutions. A substantial portion of these borrowings are secured and are supported, inter alia, by personal guarantees extended by our Promoters and members of our Promoter Group, and in certain cases, collateral security in the form of their personal assets. These guarantees and securities are continuing as on date and details thereof have been disclosed in the chapter titled “Financial Indebtedness” on page 244.

In the event of any default under any of the aforesaid facilities, the relevant lenders may invoke the personal guarantees provided by our Promoters or enforce their rights against the collateral provided by them. Further, lenders may require additional guarantees, enhanced collateral security or impose more stringent terms as a condition for continuing or renewing such facilities. If our Promoters withdraw or are unable to continue to provide such guarantees or collateral support in the future, we may be required to arrange alternative credit support or seek additional financing, which may not be available on commercially acceptable terms or at all.

Additionally, invocation of such guarantees may adversely affect the financial position of our Promoters and could result in the liquidation of their shareholding in our Company to meet such obligations, which may lead to dilution of promoter shareholding and may impact management control. Further, any inability to maintain such credit support arrangements may restrict our ability to avail or renew existing credit facilities, thereby affecting our liquidity and operational flexibility.

Accordingly, any revocation, non-availability or invocation of personal guarantees and collateral provided by our Promoters in connection with our Company’s borrowings may have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

Further, our Company may, from time to time, extend corporate guarantees in relation to facilities availed by our Promoters or group entities. Any crystallization of such obligations may also have a material adverse impact on our financial condition.

35. One of our Promoters lacks prior experience in the specific business activities currently undertaken by our Company, which may impact their ability to provide industry-specific strategic guidance.

One of our Promoters, Mr. Shravan Sethi, holds a bachelor’s degree in Business Administration from Amity University and is at an early stage of his professional career. He has not been engaged in business activities or operational roles in the industry in which our Company operates and, accordingly, does not have prior experience or a track record in the specific business activities undertaken by our Company.

Mr. Shravan Sethi is not involved in the day-to-day operations or management of our Company. He has been classified as a Promoter on account of his association as trustee of Shiv Parivar Trust, which holds approximately 38.49% of our pre-IPO shareholding, and his ability to exercise indirect influence over the affairs of our Company as of the date of this Draft Red Herring Prospectus.

As a result, his limited exposure to our line of business may restrict the level of industry-specific insights available in relation to strategic, operational and market-related decisions. While we benefit from the collective experience and expertise of our other Promoters, Directors and senior management personnel, any limitations in industry-specific experience of certain members of our Promoter group may affect the overall depth of strategic guidance available to us.

Further, any perceived lack of experience among certain members of our Promoter group may influence stakeholder perception, including that of customers, employees or business partners. However, we seek to mitigate such risks through the involvement of experienced members of our management team.

Any inability to adequately address such gaps in experience or to supplement the same through appropriate managerial support could have a material adverse effect on our business, financial condition, results of operations and cash flows.

36. *Our Directors, Promoters and members of the Promoter Group members may enter into ventures that may lead to real or potential conflicts of interest with our business.*

The interests of our Directors, Promoters and members of the Promoter Group may conflict with the interests of our other Shareholders due to their involvement in other ventures that may compete with our business or may benefit from preferential treatments when doing business with our Company, which may materially adversely impact our business, financial condition, results of operations and cash flows. Although, as on date of this Draft Red Herring Prospectus, the aforesaid Promoter Group entities are not engaged in the same business segment as our Company, conflicts of interests may arise in allocating business opportunities among our Company and the aforesaid Promoter Group entities in circumstances where our respective interests diverge. There can be no assurance that our Directors, Promoters or any company/ firm controlled by our Promoters, members of the promoter group, will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations, cash flows and financial condition.

37. *We are excessively dependent on our Promoters, Directors, Key Managerial Personnel and Senior Managerial Personnel, and the loss of, or our inability to hire, train and retain qualified personnel could adversely affect our business, results of operations, and financial condition.*

Our ability to operate and grow our business is dependent on the continued services, experience and expertise of our Promoters, Directors, Key Managerial Personnel and Senior Management. In particular, we rely on the leadership and strategic guidance of our Promoters, including Mr. Akhil Satia, who has played a significant role in the growth and development of our Company.

We believe that the experience, industry knowledge and relationships of our Directors and Key Managerial Personnel are critical to our operations, business development and strategic decision-making. The loss of the services of any of our key personnel, or our inability to attract, integrate and retain suitably qualified personnel in a timely manner or at all, could adversely affect our operations and growth prospects.

Further, competition for skilled personnel in our industry is significant, and we may not be able to retain our existing personnel or recruit new personnel with the requisite expertise on acceptable terms.

For further details on our Promoters, Directors, Key Managerial Personnel and Senior Management, see “Our Management” and “Our Promoters and Promoter Group” on pages 221 and 233, respectively.

38. *Our Promoters will continue to retain significant shareholding in our Company after the Offer, which will allow them to exercise control over us.*

After the completion of the Offer, our Promoters will hold [●]% of our Equity Shares on a fully diluted basis. Accordingly, post completion of the Offer, our Promoters is expected to retain majority shareholding in our Company will continue to exercise control over our business and all matters requiring shareholders’ approval, including the composition of our Board of Directors, the adoption of amendments to our charter documents, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. There can be no assurance that our Promoters will exercise its rights as a Shareholder to the benefit and best interests of our Company. The interests of our Promoters, as our Company’s significant Shareholder and exercising control over our Company, could be different from the interests of our other Shareholders and their influence may result in change of management or control of our Company, even if such a transaction may not be beneficial to our other Shareholders.

39. *We are required to obtain, renew or maintain certain statutory and regulatory permits and approvals to operate our business, and if we fail to do so in a timely manner or at all, then our business, financial conditions, results of operations, and cash flows may be adversely affected.*

We are subject to laws and government regulations, including in relation to safety, health, environmental protection and labour wherein we are required to obtain and maintain various regulatory approvals and registrations for our operations, including consents from the local pollution control board in India to establish and operate manufacturing facilities in India. Further, we also hold the Importer Exporter Code issued by the Ministry of Commerce & Industry, Government of India. Certain of these approvals, are granted for a limited duration, and are required to be renewed or extended from time to time upon expiry.

There can be no assurance that the relevant authorities will issue such permits or approvals, or renewals thereof, within the time frame anticipated by us, or that any application submitted will be approved. Any delay or failure in obtaining or renewing such statutory approvals could disrupt our operations, result in the imposition of monetary penalties, lead to adverse regulatory actions, or restrict our ability to carry on our business activities and future expansion plans. Further,

any non-compliance, or even the perception of non-compliance, with applicable laws may also adversely impact our reputation and, consequently, our business, financial condition, results of operations and cash flows. For further information, see "Government and Other Approvals" on page 305.

40. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

We have not declared any dividend during the current Fiscal and in the last three Fiscals. For further information, see the chapter titled "Dividend Policy" beginning on page 240 of this Draft Red Herring Prospectus. Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. The declaration and payment of dividends will be recommended by the Board and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend distribution policy of our Company was approved and adopted by our Board on July 26, 2025. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

41. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have, in the course of our business, entered into, and will continue to enter into, several transactions with our related parties, which include purchases, sales, loans, advances and guarantees given by our Company. For further details, please see "Note – Related Party Transactions" in the chapter titled "Restated Financial Statements" on page 241 of this Draft Red Herring Prospectus. Below table describes the related party transactions as percentage of revenue of operations:

Particulars	Six-month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in million)	% of Total revenues	Amount (₹ in million)	% of Total revenues	Amount (₹ in million)	% of Total revenues	Amount (₹ in million)	% of Total revenues
Related Party Transactions	20.21	0.62%	41.64	0.62%	40.62	0.62%	44.46	0.82%

We cannot assure you that we will receive similar terms in our related party transactions in the future. While we believe that all such related party transactions that we have entered into are legitimate business transactions conducted on an arms' length basis, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Any further transactions with our related parties could involve conflicts of interest. Further, we cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on business and financial results, including because of potential conflicts of interest or otherwise.

The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework including specific compliance requirements such as obtaining prior approval from the audit committee, board of directors and shareholders for certain related party transactions. The related party transactions of our Company in the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 and as at and for the six months period ended September 30, 2025 have been conducted and shall be conducted on an arm's length basis and are in compliance with the applicable accounting standards, provisions of Companies Act, 2013, as amended, provisions under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and other applicable law. Our Company has granted loans to certain Directors. In connection with such loans, there may be defaults and we cannot assure you that we will be able to recover the dues from such related parties, which shall adversely impact Company's financial condition and results of operations. We cannot assure you that in the future related party transactions, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects, including as a result of potential conflicts of interest or otherwise.

42. We have experienced negative cash flows in relation to our investing and financing activities in the last three fiscals. Any negative cash flows in the future would adversely affect our results of operations and financial condition.

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we

are not able to generate sufficient cash flow, it may adversely affect our business and financial operations. We experienced negative cash flows in the following periods as indicated in the table below:

(₹ in million)				
Particulars	Six-month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Net cash generated from operating activities	298.87	552.36	507.10	392.43
Net cash (used in)/generated from investing activities	(28.96)	(149.67)	(185.09)	(86.90)
Net cash (used in) financing activities	(272.99)	(402.37)	(335.92)	(318.92)

While our Company has consistently generated positive cash flows from operating activities, amounting to ₹298.87 million for the six-month period ended September 30, 2025 and ₹552.36 million, ₹507.10 million and ₹392.43 million, for Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively, we have experienced negative cash flows from investing and financing activities in certain periods.

Our cash flows from investing activities were negative at ₹28.96 million for the six-month period ended September 30, 2025, ₹149.67 million for Fiscal 2025, ₹185.09 million for Fiscal 2024, ₹86.90 million for Fiscal 2023. Further, our cash flows from financing activities have been negative across all the periods presented, amounting to ₹272.99 million, ₹402.37 million, ₹335.92 million and ₹318.92 million for the six-month period ended September 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively.

Negative cash flows from investing activities are primarily attributable to capital expenditure and other investment-related outflows, while negative cash flows from financing activities are largely due to repayment of borrowings and servicing of finance costs. Such outflows may reduce the cash available for other business purposes, including working capital requirements and future expansion plans.

Although our operating activities have generated positive cash flows, there can be no assurance that we will continue to do so in future periods. Our cash flows are subject to various factors, including changes in working capital requirements, timing of collections from customers, capital expenditure plans, and repayment obligations.

Any sustained mismatch between cash inflows and outflows, or any significant negative cash flows in the future, could adversely affect our liquidity position and our ability to fund our operations and growth strategies. As a result, our business, financial condition, results of operations and cash flows could be materially and adversely affected.

For further details, see “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 241 and 259 respectively.

43. Applicability of higher tax rate on our Company could provide a competitive advantage to our new competitors.

From assessment year beginning on or after April 1, 2020, the Government of India, in order to incentivize manufacturing businesses in India has provided an option to the domestic companies to opt for a reduced income-tax rate of 15% in case they fulfil the conditions specified in Section 115BAB of the Income Tax Act, 1961. The main condition being our Company must be incorporated on or after October 1, 2019 and that company is engaged in no other business other than business of manufacturing or production of any article or thing.

We have opted for the tax rate of 22% specified under Section 115BAA of the Income Tax Act, 1961. The abovementioned new Section 115BAB of the Income Tax Act, 1961 having 15% tax rate is not applicable on us as we do not fulfil the condition of a newly set up manufacturing unit. This difference in tax rates specified in Section 115BAA and Section 115BAB could in future, provide a tax advantage to our competitors who set up their businesses on or after October 1, 2019 and opt for reduced income-tax rate of 15%. Thus, this could adversely affect the competitiveness of our Company.

44. Pricing pressure from our competitors may affect our ability to maintain or increase our product prices and, in turn, our revenue from product sale, gross margin and profitability, which may materially and adversely affect our business, cash flows, results of operations and financial condition.

In the recent past many companies in the textile industry have ramped up their capacities to encash opportunities arising from favourable regulatory changes such as incentives under the textile policies in India, under mega integrated textile parks, textile clusters developers scheme etc. Additional capacities coming up are expected to increase competition amongst players in the textile industry and we may face pressures on pricing, product quality, turnaround time, order size etc., which may put strain on our profit margins. We arrive at a pricing for each of our products a detailed mechanism that

takes into consideration, a range of factors, including costs incurred in connection with procurement, exclusive availability of the product and other ancillary expenses. We strive to ensure that our products remain in line with current market trends yet affordable for our customers. We manage and regulate the prices at which our products are sold. Competitive pricing by our competitors may manifest in various forms, including, among others, through our competitors lowering their prices for similar products. This may lead to a decrease in our revenues and profits. We may seek to reduce the price of our raw materials and production through negotiations with our suppliers, respectively, and streamline product designs to offset the impact of pricing pressure.

We cannot assure you that we will be able to avoid future pricing pressure from our competitors or offset the impact of any price reductions through continued technological improvements, improved operational efficiencies, cost-effective sourcing alternatives, new manufacturing processes, or other cost reductions through other productivity initiatives. If we were to face competitive pricing from our competitors, and the aforementioned measures or other steps we take fail to maintain or increase our margins and revenues from product sales, our business, results of operations and financial condition may be adversely affected.

45. Our inability to collect receivables and default in payment from our customers could result in the reduction of our profits and affect our cash flows.

We sell a majority of our products on standard terms, with payment due before dispatch, and also conduct business on the basis of milestone payments. A small portion of our sales are made to customers on an open credit basis, generally with payment terms ranging from 30 to 90 days. While we monitor the creditworthiness of our customers and limit the credit extended based on an assessment of their financial condition and payment history, there can be no assurance that all customers will make payments on time or at all. Consequently, despite maintaining what we believe to be a reasonable allowance for doubtful receivables based on historical trends and available information, there is a risk that our estimates may not accurately reflect potential credit losses.

The table below sets forth our trade receivables, along with the provision for doubtful debts, for the relevant periods, noting that no disputed trade receivables have been recorded:

Particulars	Six-month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in million)	% of total revenue from operations	Amount (₹ in million)	% of total revenue from operations	Amount (₹ in million)	% of total revenue from operations	Amount (₹ in million)	% of total revenue from operations
Trade Receivables (gross)	1,212.46	37.35%	1,102.07	16.36%	1,085.64	16.59%	1,032.04	18.97%
Provision for doubtful debts	0.19	0.01%	0.42	0.01%	0.23	0.00%	0.05	0.00%

Any increase in our receivable turnover days could have a negative impact on our business. Our trade receivables, as a percentage of revenue from operations, have remained relatively consistent at 37.35%, 16.36%, 16.59% and 18.97% for half year ended September 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. However, if we are unable to efficiently collect receivables from our customers, or if our provisions for doubtful receivables prove inadequate, it could have a material adverse effect on our business, results of operations, and financial condition.

Macroeconomic conditions may also lead to financial difficulties, including insolvency or bankruptcy, for some of our customers, potentially resulting in delayed payments, requests for extended credit terms, or defaults on payment obligations. Such circumstances could further increase our trade receivables and adversely affect our working capital requirements. Any rise in bad debts or defaults by customers may require us to allocate additional working capital and incur higher financing costs, thereby negatively affecting our cash flows and results of operations.

46. Our failure to compete effectively in the highly competitive industry could have an adverse effect on our business, results of operations, financial condition and future prospects.

There is intense competition in the global textiles market. The challenges posed by low-cost manufacturing countries, such as Bangladesh create pressure on the Indian market and manufactures. To overcome these problems new strategies of production of low-cost manufacturing is to be formulated.

We need to compete on a global scale to gain and retain market share. Competition amongst other players in the industry may result in pricing pressures, reduced profit margins, less market share, or a failure to grow or maintain our market share, which may substantially harm our business and results of operations. We also face competition from new entrants

who may have more flexibility in responding to changing business and economic conditions. Competition in our business can be based on, among other things, pricing, innovation, greater access to capital, perceived value, brand recognition, advertising, new product introductions and other activities. Many of our competitors operating in same/similar industry may have significant competitive advantages in that particular product segment, including longer operating histories, larger and broader customer bases, more established relationships with a broader set of third-party suppliers, lower cost of raw materials and sale of finished products at lower prices, and greater financial, store development, marketing, distribution, and other resources than we have.

Failure to continuously adhere to good standard in quality, cost and delivery parameters could result in adverse customer perception thereby resulting in a reduction, or cancellation of our orders. These competitive pressures may increase as more companies come up with similar strategies to enter and capture market share. Therefore, we will not be able to assure you that we will be able to compete successfully in the future against our existing or potential competitors in the market, or that our business and results of operations will not be adversely affected by increased competition in the offline and online channels. Also see “Industry Overview” on page 128.

47. *We are subject to a number of markets, business, financial, legal and regulatory risks and uncertainties with respect to our international sales that could have a material impact on our business, financial condition or results of operations.*

Revenue generated from sale outside India represented around 76.86%, 75.17%, 70.19%, 78.87 % in six month period ended September 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023 respectively. An important part of our strategy is to continue pursuing growth opportunities and market share outside of India by expanding global presence. Our international sales are subject to a number of markets, business and financial risks and uncertainties, including those related to our use of distribution partners, geopolitical and economic instability, natural calamities, civil disruptions, foreign currency exchange and interest rate fluctuations, competitive product offerings, local product preferences and requirements and longer accounts receivable cycles. These factors may cause us to experience more uncertainty, risk, expense and delay in commercializing products in certain foreign jurisdictions, which could affect our ability to sale our products in those jurisdictions and adversely impact our sales, market share and operating profits from our international operations. In addition, our international operations are subject to other established and developing legal and regulatory requirements, including with respect to foreign import and export controls and licensing requirements, trade protection and embargo measures and customs laws. Changes or uncertainty in international trade policies or tariffs could impact our global operations, as well as our customers. We may be required to incur additional costs to manufacture and distribute certain of our products. This could adversely impact our business and results of operations. Any alleged or actual failure to comply with legal and regulatory requirements may subject us to government scrutiny, civil and/or criminal proceedings, sanctions and other liabilities, which may have a material adverse effect on our international operations, financial condition, results of operations and/or liquidity.

In addition, our ability to sell to certain foreign customers depends on the various certifications and reports that we obtained from different agencies based upon the tests and inspections carried-out at our manufacturing units. For further information, see the chapter titled “**Government and Other Approvals**” beginning on page 305 of this Draft Red Herring Prospectus. In the event we are unable to renew or maintain these certifications, it may adversely impact our ability to sell our products to our foreign customers.

Such risks and uncertainties may adversely impact our ability to implement our growth strategy in foreign markets and, as a result, our sales growth, market share and operating profits from our international sales may be adversely affected.

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

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

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

Further, our operations are subject to anti-corruption laws and regulations. These laws generally prohibit us and our employees and intermediaries from bribing, being bribed or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage. We participate in collaborations and relationships with third parties whose actions could potentially subject us to liability under these laws or other local anti-corruption laws. While our code of conduct requires our employees and intermediaries to comply with all applicable laws, and we continue to enhance our policies and procedures in an effort to ensure compliance with applicable anti-corruption laws and regulations, these measures may not prevent the breach of such anti-corruption laws, as there are risks of such breaches in emerging markets. If we are not in compliance with applicable anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, financial condition, results of operations and liquidity. Likewise, any investigation of any potential violations of anti-corruption laws by the relevant authorities could also have an adverse impact on our business and reputation. As we continue to grow, there can be no assurance that there will be no other instances of such inadvertent non-compliance with statutory requirements, which may subject us to regulatory action, including monetary penalties, which may adversely affect our business and reputation.

49. *We have in this Draft Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the industry.*

This DRHP includes certain non-GAAP financial measures, financial and operational performance indicators and other industry measures related to our operations and financial performance. The non GAAP financial measures and industry measures may vary from any standard methodology that is applicable across the Indian alternative asset management industry and, therefore, may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this DRHP. We compute and disclose such non-GAAP financial measures, financial and operational performance indicators and other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used to evaluate the operational performance of entities in the alternative asset management industry, many of which provide such non-GAAP financial measures, financial and operational performance indicators and other industry related statistical information. These non-GAAP financial measures, financial and operational performance indicators and other industry related statistical information relating to our operations and financial performance may not necessarily be defined under, or presented in accordance with, Ind AS and may not have been derived from the Restated Financial Information. These non-GAAP financial measures, financial and operational performance indicators and other industry related statistical information may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies in India and other jurisdictions. Such supplemental financial and operational information is therefore of limited utility as an analytical tool and should not be viewed as substitutes for performance or profitability measures under Ind AS or as indicators of our operating performance, financial condition, cash flows, liquidity or profitability. Investors are cautioned against considering such information either in isolation, or as a substitute for an analysis, of the Restated Financial Information.

50. *Non-compliance with MSME-related payment obligations may expose us to statutory interest liabilities, penalties, disputes, litigations, higher finance costs, and could adversely affect our business, financial condition, and results of operations*

We procure a portion of our raw materials and supplies from vendors registered as Micro, Small and Medium Enterprises (“MSMEs”). Under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006, payments to MSME suppliers are required to be made within prescribed timelines, failing which we may become liable to pay interest at a statutory rate in addition to the principal amount.

To ensure timely payments, we utilise overdraft (“OD”) facilities, and bill discounting facilities which are linked with the Trade Receivables e-Discounting System (“TReDS”). These arrangements are intended to support our working capital management and facilitate prompt payments to MSME vendors. However, utilisation of these facilities results in additional finance costs, including interest and bank charges. Any delay in making payments outside these arrangements, or any failure of these systems, may expose us to claims, disputes, or litigations, and could adversely affect our relationships with key vendors. Persistent delays or defaults may also attract scrutiny from regulatory authorities and may result in penalties or other adverse actions.

Since uninterrupted procurement of raw materials is critical for our operations, any disputes with MSME vendors or non-compliance with statutory obligations could disrupt our supply chain, increase our reliance on external borrowings (leading to higher finance costs), and materially and adversely affect our business operations, financial condition, results of operations, and cash flows.

The table below sets forth our outstanding dues to MSME and other creditors:

Particulars	As on September 30, 2025	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023
Total outstanding dues of micro and small enterprises	58.85	33.76	30.93	23.75
Total outstanding dues of creditors other than micro and small enterprises	879.66	795.72	670.18	435.88

51. *If our Company is unable to protect its intellectual property, or if our Company infringes on the intellectual property rights of others, our business may be adversely affected.*

Our Company owns and utilises certain intellectual property rights, including trademarks, in connection with its business operations. As on the date of this Draft Red Herring Prospectus, we have four registered trademarks (for details, see the section titled “Intellectual Property” under “Our Business”). Further, we have applied for registration of a trademark

bearing application no. 6716614 – “FEATHER & SPUN” **Feather & Spun**, the status of which is currently “Formalities Check Pass”, and the registration is yet to be granted.

The details of our registered trademarks and pending trademark application are disclosed in the section titled “Government and Other Approvals – Intellectual Property Rights” on page 305 of this Draft Red Herring Prospectus. Any failure to obtain registration of the pending trademark application or to adequately protect our existing intellectual property rights may adversely affect our competitive position, brand value, business, results of operations and financial condition.

Despite our efforts to safeguard our intellectual property, we may not always be aware of the intellectual property rights of third parties, particularly as we expand into new markets or introduce new products. We may be subject to claims alleging infringement of third-party intellectual property rights, which could result in costly litigation, damages, or injunctive relief. Any successful claim against us may lead to significant financial liabilities, including legal costs, statutory damages and royalty payments. Further, any injunction restraining us from using our trademarks, including our key trademarks, may disrupt our operations and adversely impact our reputation. In the event of an adverse ruling, we may be required to rebrand our products, redesign our offerings, or modify our business practices, which could be time-consuming, expensive and may materially and adversely affect our business, profitability and overall financial condition.

52. *The industry-related information included in this Draft Red Herring Prospectus is based on third-party reports and industry sources, which may not be current or accurate, and reliance on such information involves inherent risks*

This Draft Red Herring Prospectus contains information from industry sources, including the industry report commissioned by the Company from Dun & Bradstreet (the “D&B Report”). The D&B Report titled “*Report on Home Textiles*” dated March 20, 2026, has been prepared exclusively for the purposes of this Offer and has been used for industry-related data disclosed in this Draft Red Herring Prospectus. Our Company, our Promoters, Promoter Group, Directors, Key Managerial Personnel, and Senior Management are not related to Dun & Bradstreet Information Services India Private Limited.

The D&B Report relies on certain methodologies, assumptions, estimates, projections, and forecasts specified therein, which may prove to be incorrect. The Report is based on industry information as of specific dates and may not reflect current conditions or trends. While Dun & Bradstreet has taken reasonable care to ensure the accuracy and completeness of the Report, it does not purport to be exhaustive, and the results derived from the Report are subject to assumptions and conditions specified therein. The D&B Report is not, and should not be construed as, a recommendation to invest or disinvest in the Company or any other entity.

Accordingly, prospective investors should not rely solely on the information contained in, or derived from, the D&B Report when making an investment decision in the Offer. Investors should independently evaluate the industry-related disclosures in this Draft Red Herring Prospectus, consult their own advisors, and undertake such investigations as they deem necessary before making any investment decision. In view of the foregoing, investors may not be able to seek legal recourse for any losses arising from reliance on information obtained from, or derived from, the D&B Report.

For further disclaimers associated with the D&B Report, see the section titled “*Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data*” on page 16 of this Draft Red Herring Prospectus.

53. Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval, which may restrict our ability to respond to any change in our business or financial condition and thereby, may adversely affect our business and results of operations.

Our Company intends to use Net Proceeds raised pursuant to the Offer in the manner set out in the chapter titled "Objects of the Offer" beginning on page 96 of this Draft Red Herring Prospectus. In accordance with Section 27 of the Companies Act, we cannot undertake any variation in the utilisation of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the approval of Shareholders of our Company through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the approval of the Shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the Shareholders of our Company may adversely affect our business or operations. In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

54. Our Company will not receive proceeds from the Offer for Sale.

The Offer comprises an Offer for Sale aggregating up to 67,50,000 Equity Shares having a face value of ₹10 each, aggregating up to ₹[●] million, by the Selling Shareholder. The Selling Shareholder will receive the entire proceeds from the Offer for Sale (after deducting the applicable Offer Expenses), and our Company will not receive any proceeds of the Offer. Accordingly, the Company will not derive any financial benefit from the Offer for Sale portion of the Offer.

The table below sets forth details of the Selling Shareholder:

Name of Selling Share holder	PAN	Shared Hold as on date of DRHP
ASHIS LIVING PRIVATE LIMITED	AASCA9572C	105,21,500

The expenses of the Selling Shareholder will, at the outset, be borne by our Company, and the Selling Shareholder will reimburse the Company for such expenses (inclusive of taxes) incurred on behalf of the Selling Shareholder, in relation to the Offer, in the manner prescribed under applicable law and as mutually agreed between our Company and the Selling Shareholder, irrespective of the listing of the Company. Further, all Offer-related expenses proportionately borne by the Selling Shareholder shall be deducted from the proceeds of the Offer for Sale, and the balance amount will be paid to the Selling Shareholder.

Investors are advised that since the Company will not receive any proceeds from the Offer for Sale, the Offer proceeds available to the Company for funding its operations, business growth, or other purposes will be limited to the proceeds from the fresh issue portion, if any.

55. We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurance. We cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies.

Our Company has obtained insurance coverage in respect of certain risks associated with its operations; however, such coverage may not be adequate to protect us against all potential losses. Our operations are subject to various risks inherent in the towel manufacturing industry, including defects, product liability, damage to property, machinery breakdown, fire, riots, strikes, explosions, loss in transit, accidents, personal injury or death, environmental risks and natural disasters.

We have obtained and maintain various insurance policies to mitigate such risks, including Marine Cargo Turnover Policy, Burglary Insurance Policy, Boiler & Pressure Plant Insurance, Money Policy, Fire Policy, Group Health Insurance, Group Term Insurance Plus, Group Personal Accident Policy, Public Liability Insurance and Multi Buyer Exposure Policy, primarily from SBI General Insurance Company Limited, Star Union Dai-ichi Life Insurance Company Limited and ECGC Limited. The aggregate sum insured under certain key policies includes, inter alia, ₹6,000.00 million under Marine Cargo Turnover Policy, ₹6,765.00 million under Fire Policy, ₹1.56 million under Group Health Insurance, ₹1,800.00 million under Burglary Insurance Policy, ₹240.74 million under Group Term Insurance Plus, ₹105.68 million under Boiler & Pressure Plant Insurance, ₹40.00 million under Money Policy, ₹2,218.00 million under Group Personal Accident Policy, ₹100.00 million under Public Liability Insurance and ₹6.09 million under Multi Buyer Exposure Policy. These insurance policies are renewed periodically in line with our business requirements.

While we believe that we maintain insurance coverage in amounts that are generally consistent with the size and nature of our operations, there can be no assurance that such insurance coverage will be sufficient to cover all losses that we may incur. In the event that any claim under our insurance policies is disputed, delayed or not accepted, or if any insured loss

exceeds the coverage limits, we may be required to bear such losses, which could materially and adversely affect our business, cash flows, financial condition and results of operations.

Further, there can be no assurance that we will be able to continue to obtain or maintain adequate insurance coverage on commercially reasonable terms in the future. Any significant uninsured or underinsured loss, or a series of losses, could have a material adverse effect on our operations and profitability. Additionally, as our business expands, we may be exposed to new risks and liabilities which may not be fully covered under our existing insurance policies.

For further details of our insurance policies, please refer to the section titled **“Our Business”** on page 174 of this Draft Red Herring Prospectus.

56. Our manufacturing unit and other operations are geographically located in Dera Bassi. Any unscheduled or prolonged disruption of our manufacturing operations or the under-utilization of our manufacturing Unit could materially and adversely affect our business, financial condition, results of operations and cash flows.

Our manufacturing units are based in Dera Bassi, Punjab, and we rely on said manufacturing facilities for manufacturing, product assembly and storage. Any unscheduled or prolonged disruption of our manufacturing operations, including power failure, fire and unexpected mechanical failure of equipment, obsolescence, labour disputes, strikes, lock-outs, earthquakes and other natural disasters, industrial accidents or any significant social, political or economic disturbances, could reduce our ability to manufacture our products and adversely affect sales and revenues from operations in such period, requiring us to either stop our operations or repeat activities that may involve additional time and increase our costs. Our customers and distributors rely on the timely delivery of our products and our ability to provide an uninterrupted supply of our products is critical to our business. We may be subject to manufacturing disruptions due to contraventions by us of any of the conditions of our regulatory approvals, which may require our manufacturing facilities to cease, or limit, production until the disputes concerning such approvals are resolved. As regulatory approvals are site specific, we may be unable to transfer manufacturing activities to another location immediately. Catastrophic events may also destroy any inventory located in our facilities. The occurrence of such an event could materially and adversely affect our business.

Our business is dependent upon our ability to efficiently manage our one and only manufacturing facility, which is subject to various operating risks, including productivity of our workforce, increase in employee costs, compliance with regulatory requirements and circumstances beyond our control, such as the breakdown and failure of equipment or industrial accidents, severe weather conditions, natural disasters and infectious disease outbreaks such as the COVID- 19 pandemic. Any malfunction or breakdown of our machinery may require significant repair costs and consequently cause delays in our operations. We may also face protests from local citizens at our existing manufacturing facilities or while setting up new facilities, which may delay or halt our operations. There are no instances of unplanned slowdowns or shutdowns in the manufacturing operations of our Company in the last three Fiscals and in the current Fiscal until the date of this Draft Red Herring Prospectus, except for instances due to COVID-19.

Any interruption in the continuous supply electricity may negatively impact the quality of the final product manufactured by us, which may result in delays in delivery of our products or non-delivery, resulting in loss of revenue and adversely affecting our reputation or customer relationships. A prolonged interruption of electricity supply can also result in manufacturing slowdown, increased costs associated with restarting manufacturing and the loss of manufacturing in progress. The occurrence of any such event in the future could have an adverse effect on our business, results of operations, financial condition, cash flows and future prospects. Our inability to effectively respond to any shutdown or slowdown and rectify any disruption, in a timely manner and at an acceptable cost, could lead to an inability to comply with our customers’ requirements and result in us breaching our contractual obligations

57. Our Company depends on timely identification of evolving fashion trends and creating new designs of our products. Any lag on the part of our Company in this regard may adversely affect our business operations

The key success factor in the textiles business is in creating appealing designs and colour combinations to create buyer appeal. In order to be in line with this success factor, we maintain a team of in-house designers who design and develop the products as per customer’s needs. This team works on the development of designs by analyzing the needs of clients by parameters like latest dyeing combinations, new printing techniques & patterns and most importantly the feedback gained from the sales of the similar products that were designed earlier. Our inability to tap the changing fashion can lead to rejection of our textiles thus damaging goodwill, business operations and financial conditions. We also depend upon export of our products to our clients located outside India. It is very important for the designing team and also our Company’s management to have a good understanding of the trends prevailing in that particular country. It is necessary to study the evolving trends in each country / region to gain acceptance of our products. Further, we envisage to expanding our international reach to different regions of world and for this we have to study and understand the trends and likes & dislikes of that region before entering the said markets. Any failure to update ourselves or understand the trends in different regions of the world may result in reduction of our export sales, adversely affecting our financial condition.

58. *We may not be able to sustain effective implementation of our business and growth strategies*

The success of our business will depend greatly on our ability to effectively implement our business and growth strategies. We may not be able to execute our strategies in the future. Further, our growth strategies could place significant demand on our management team and other resources and would require us to continuously develop and improve our operational, financial and other controls, none of which can be assured. Any failure on our part to scale up our infrastructure and management could cause disruptions to our business and could be detrimental to our long-term business outlook. Further, we operate in a highly dynamic industry, and on account of changes in market conditions, industry dynamics, technological improvements or changes and any other relevant factors, our growth strategy and plans may undergo changes or modifications, and such changes or modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so demands. Our inability to implement our business strategies and sustain our growth may impair our financial growth and thus result in an adverse impact on Equity Share price of our Company.

59. *Changes in technology may render our current technologies obsolete or require us to make substantial capital investments*

Modernization and technology upgradation are essential to reduce costs and increase the output. Our technology and machineries may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although we believe that we have installed latest technology and that the chances of a technological innovation are not very high in our sector we shall continue to strive to keep our technology, plant and machinery in line with the latest technological standards. In case of newly found technology in the textile processing business, we may be required to implement new technology or upgrade the machineries and other equipment's employed by us.

We are dependent on information technology system in connection with carrying out our business activities and such systems form an integral part of our business. Any failure of our information technology systems could result in business interruptions, including the loss of our customers, loss of reputation and weakening of our competitive position, and could have a material adverse effect on our business, financial condition and results of operations. Additionally, our information technology systems, specifically our software may be vulnerable to computer viruses, piracy, hacking or similar disruptive problems. Computer viruses or problems caused by third parties could lead to disruptions in our business activities. Fixing such problems caused by computer viruses or security breaches may require interruptions, delays or temporary suspension of our business activities, which could adversely affect our operations. Breaches of our information technology systems may result in unauthorized access to confidential information. Such breaches of our information technology systems may require us to incur further expenditure to put in place advanced security systems to prevent any unauthorized access to our networks. Further, the commercial success of our business is highly dependent on the developmental and innovative breakthroughs of our design division. In the event, any breach of our systems or software leads to the leaking of our designs or any inventive design techniques devised by our Company, it might lead to loss of our originality in the market and increase the chance of our products being substituted by the products of our competitors. Additionally, the government authorities may require adherence with certain technologies, and we cannot assure you that we would be able to implement such technologies in a timely manner or at all. The cost of upgrading or implementing new technologies or upgrading our existing equipment or expanding our capacity could be significant, less cost effective and therefore could negatively impact our profitability, results of operations, financial condition as well as our future prospects.

60. *We face competition in our business from organized and unorganized players, which may adversely affect our business operation and financial condition*

The state of Punjab is a national hub for the textile industry and this has resulted in huge competitive pressures even from global suppliers of terry towels. We may have to confront pressures in respect of pricing; product quality etc. from the clients and such pressures may put strain on our profit margins which may consequently affect the financial position of our Company. Our products compete with international retailers, non-branded products, economy brands and products of other established brands. Competition emerges not only from the organized sector but also from the unorganized sector and from both small and big players. We are also in direct competition with the leading textile processing units in India as well as the local units. Our competitiveness is also measured by the technology we adopt as the textile industry is rapidly growing in India and in international markets. Some of our clients are based outside India which in turn compel us to meet international standards also. Our inability to compete with this intense competition; local, national and international will have material adverse impact on our Company's financial position. For further details, see the chapter titled "Industry Overview" beginning on page 128 of this Draft Red Herring Prospectus.

61. The success of our business and operations are dependent upon certain quality certifications which are valid for a limited time period. An inability to renew such certifications in a timely manner, or at all, may adversely affect our business and prospects.

Our manufacturing facilities are certified from most reputed global certification agencies for our quality, environment consciousness, labor practices, our processes and customer services such as OEKO-TEX®, Global Recycled Standard (GRS), Recycled Claim Standard (RCS), Organic Content Standard ISO 9001:2015 etc. For further information, see the chapter titled “Government and other Approvals” beginning on page 305 of this Draft Red Herring Prospectus. Receipt of certifications under the quality, environment consciousness, labour practices, our processes and customer services are important for the success and wide acceptability of our products to our customers outside India. As a trend in international market, our international customers purchase products from manufacturers based upon their certifications granted by global certification agencies. If we fail to comply with the requirements for applicable certifications, or if we are otherwise unable to obtain or renew such certifications in the future, in a timely manner, or at all, we may fail to retain purchase orders from our international customers which may lead to loss of our business, financial condition and revenue.

Our manufacturing facilities are subject to inspections and quality audits by global certification agencies and any failure on our part to meet their expectations or to comply with the standards set out by global certification agencies, could result in rejection of our product lot(s) and/or the termination of our purchase orders which may adversely affect our business, results of operations, financial condition and cash flows. Certain of our clients regularly examine our manufacturing

62. Any failure in our quality control processes may adversely affect our business, results of operations and financial condition.

We may face product liability claims and legal proceedings if the quality of our products does not meet our customers’ expectations. Our products might have certain quality issues or undetected errors, due to defects in manufacture of products or raw materials which are used in the products. Any shortcoming in the raw materials procured by us or in the production of our products due to failure of our quality control procedures, negligence, human error or otherwise, may damage our products and result in deficient products. It is imperative for us to meet the international quality standard asset by our international customers and agencies as deviation from the same may cause them to reject our products and cause damage to our reputation, market standing and brand value. In the event the quality of our products is sub-standard or our products suffer from defects and are returned by our customers due to quality complaints, we may be compelled to take back the sub-standard products and reimburse the cost paid by our customers. Further, in instances where we do not incur prohibitive costs to recover our rejected shipments, we face loss of products as these are disposed off by our customers. Our customers may lose faith in the quality of our products and could in turn refuse to further deal in our products, which may have a severe impact on our revenue and business operations. We also face the risk of legal proceedings and product liability claims being brought against us by our customers for defective products sold. We cannot assure you that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims. A product liability claim may adversely affect our reputation and image, as well as entail significant costs.

63. In the event our marketing initiatives do not yield intended results our business and results of operations may be adversely affected.

We believe that our marketing initiatives have contributed to the growth of our business. We intend to continue to market our products domestically and internationally through the use of marketing and public relations initiatives. In order to maintain and enhance such recognition and reputation of our products, we may be required to invest significant resources towards marketing, specifically with respect to new products we launch or for geographic markets where we intend to expand our operations.

Below table states the amount spent on selling our products:

Particulars	Six-month Period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Commission on Sales	10.13	19.12	31.18	24.78
Selling Expenses	62.40	137.74	105.27	86.87

If we incur advertising and marketing expenses to maintain and enhance recognition and reputation of our products, and in the event, they do not yield their intended results, or we are required to incur additional expenditures than anticipated, our business and results of operations might be adversely affected.

64. *Our Company's sole object of the Offer is repayment and/or prepayment of certain outstanding borrowings, and we may not derive the intended benefits from such utilization of proceeds.*

The Net Proceeds of the Offer are proposed to be utilized entirely towards repayment and/or prepayment, in full or in part, of certain of our outstanding borrowings aggregating to ₹1200 million, out of our total borrowings of approximately ₹1,709.75 million as at December 31, 2025. While such repayment is expected to reduce our indebtedness and associated finance costs, the actual benefits may not materialize as anticipated. The extent of reduction in finance costs will depend on the interest rates applicable to the loans being repaid, the timing of such repayments and the proportion of high-cost debt that is extinguished. Further, as the Offer proceeds are not being utilized towards business expansion, capital expenditure, technological upgradation, brand development or enhancement of manufacturing capacity of our dyed yarn and terry towel products, we may not experience any immediate or direct increase in our revenues, operating margins or profitability. Consequently, our financial performance post-Offer may not improve in proportion to investor expectations, which could adversely affect the market perception and trading price of our Equity Shares.

65. *We may not be able to utilize the Net Proceeds towards repayment or prepayment of borrowings in the manner or within the timeline currently envisaged.*

Our ability to utilize the Net Proceeds for repayment or prepayment of borrowings is subject to several factors, including compliance with the terms and conditions of our financing arrangements, obtaining prior approvals or no-objection certificates from lenders, and adherence to applicable regulatory and statutory requirements. Certain of our borrowing arrangements may include restrictions on prepayment, lock-in periods, or conditions requiring lender consent prior to repayment. Additionally, administrative delays, procedural requirements, or delays in receipt of Offer proceeds may impact the timing and manner of such repayments. Any deviation from the proposed schedule of utilization of proceeds may result in continued accrual of interest costs and may adversely affect our financial condition, liquidity and results of operations.

66. *Our Company may incur prepayment penalties, foreclosure charges or other costs associated with repayment of borrowings, which may reduce the net financial benefit expected from the Offer.*

Certain of our existing loan agreements provide for prepayment penalties, foreclosure charges, or other fees in the event of early repayment, prepayment, or restructuring of debt. Consequently, our Company may incur additional costs in connection with any repayment or prepayment of such borrowings. The magnitude of such charges may be significant depending on the terms of the respective loan agreements and the timing of repayment.

Any such additional financial outflows may reduce the net savings in interest costs that we expect to achieve through the utilization of the Offer proceeds and may limit the overall financial benefit derived from such debt reduction. For further details, see the section titled "Objects of the Offer" on page 96 of this Draft Red Herring Prospectus.

67. *Our ability to service our remaining indebtedness is dependent on our ability to generate sufficient cash flows from operations, which are subject to various risks.*

Our ability to meet our ongoing debt servicing obligations is dependent on our capacity to generate sufficient cash flows from our operations, primarily from the manufacture and sale of dyed yarn and terry towels. Our business is exposed to various operational and market risks, including fluctuations in raw material prices such as cotton and yarn, volatility in demand from domestic and export markets, pricing pressures due to competition, changes in consumer preferences and operational inefficiencies. Any adverse developments in these factors may reduce our revenues or margins, thereby affecting our cash flows. If we are unable to generate adequate cash flows, we may face difficulties in servicing our debt obligations, which could lead to defaults, imposition of penalties, downgrading of creditworthiness or enforcement of security by lenders.

68. *Our existing financing arrangements may contain restrictive covenants that could limit our operational and financial flexibility even after partial repayment of borrowings.*

Our financing arrangements with lenders may contain covenants that impose restrictions on our operations and financial decisions, including limitations on incurring additional indebtedness, creating security over our assets, undertaking mergers, acquisitions or restructuring, making capital expenditure or distributing dividends. Even after repayment of a portion of our borrowings using the Net Proceeds, such covenants may continue to apply to the remaining outstanding debt. Any breach of these covenants may result in adverse consequences, including acceleration of repayment obligations, imposition of penalties or enforcement of security interests by lenders. These restrictions may limit our ability to operate our business efficiently or pursue growth opportunities in our dyed yarn and terry towel segment.

69. *We may require additional financing in the future, and any such financing may offset the benefits derived from repayment of borrowings.*

While the Offer proceeds are being utilized for repayment of existing borrowings, we may require additional funds in the future for working capital requirements, modernization of manufacturing facilities, capacity expansion, or other general corporate purposes. Such funding requirements may be met through additional borrowings, issuance of equity or other financial instruments. There can be no assurance that such financing will be available on favorable terms or at all. Any additional indebtedness incurred in the future may offset the benefits of the repayment of existing borrowings and may increase our leverage, thereby exposing us to higher financial risks.

70. *Fluctuations in interest rates may impact the extent of financial benefit derived from repayment of borrowings.*

The extent of savings in finance costs resulting from repayment of borrowings depends on prevailing interest rates. If interest rates decline after we have repaid our existing borrowings, the relative benefit of such repayment may be reduced, as the cost of borrowing would have decreased in any case. Conversely, if interest rates increase in the future, our remaining or future borrowings may carry higher interest costs, thereby offsetting the benefits of repayment. Interest rate movements are influenced by various macroeconomic factors, including inflation, monetary policy and global economic conditions, which are beyond our control.

71. *Our credit profile and financial ratios may not improve significantly despite repayment of borrowings.*

Although repayment of borrowings is expected to improve certain financial metrics, such as our debt-to-equity ratio and interest coverage ratio, the extent of such improvement may be limited and dependent on our overall financial performance. Credit rating agencies and financial institutions consider multiple factors, including operational performance, industry outlook, management quality and macroeconomic conditions, in addition to leverage levels. If our operating performance does not improve or if external conditions deteriorate, our credit profile may not improve as expected, which may adversely affect our ability to raise funds in the future or increase our cost of borrowing.

72. *Adverse macroeconomic and industry conditions may limit the effectiveness of repayment of borrowings and adversely affect our financial condition.*

The benefits of debt reduction are dependent not only on internal factors but also on external economic and industry conditions. Any slowdown in the textile industry, decline in demand for dyed yarn and terry towels, volatility in raw material prices, changes in export-import regulations, currency fluctuations or inflationary pressures may adversely affect our business performance. In such circumstances, the reduction in debt may not translate into improved profitability, cash flows or financial stability, thereby limiting the effectiveness of the Offer proceeds.

73. *Changes in regulatory, banking or fiscal policies may impact our ability to manage, repay or refinance our borrowings.*

Our operations are subject to policies and regulations issued by the Reserve Bank of India, Government of India and other regulatory authorities. Any changes in lending norms, interest rate policies, restructuring frameworks or availability of credit may impact our ability to repay, refinance or manage our borrowings. Tightening of credit conditions or increase in borrowing costs may adversely affect our liquidity and financial flexibility, even after utilization of the Offer proceeds.

EXTERNAL RISK FACTORS

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

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in India as well as other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general.

In addition to the above, our Company is incorporated in India and its assets are located in India. Consequently, our performance and the market price of the Equity Shares may be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;

- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
 - prevailing income conditions among Indian consumers and Indian corporations;
 - epidemic, pandemic or any other public health in India or in countries in the region or globally, including in India's various neighbouring countries, such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 pandemic;
 - volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
 - terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
 - occurrence of natural or man-made disasters (such as typhoons, flooding, earthquakes and fires) which may cause us to suspend our operations;
 - prevailing regional or global economic conditions, including in India's principal export markets;
 - other significant regulatory or economic developments in or affecting India or its consumption sector;
 - international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
 - protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
 - logistical and communications challenges;
 - downgrading of India's sovereign debt rating by rating agencies;
 - difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms or on a timely basis; and
 - being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.
- Any slowdown or perceived slowdown in the economy or financial markets could have an adverse effect on our business, financial condition and results of operations, and may negatively impact our future financial performance, shareholders' equity and the price of our Equity Shares.

75. A downgrade in ratings of India, may affect the trading price of the Equity Shares.

Our borrowing costs and our access to the capital markets may depend significantly on the credit ratings of India. India's sovereign rating was revised in September 2025 from BBB to BBB+ with a "stable" outlook by Rating and Investment Information, Inc. (R&I), Japan. Any further adverse revisions to India's credit ratings by international rating agencies may adversely affect our ratings or terms on which we are able to raise additional finances or refinance any existing indebtedness. This may have an adverse impact on our business and financial performance, shareholders equity and the price of Equity shares.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Following the United Kingdom's exit from the European Union ("Brexit"), there remains significant uncertainty around the terms of their future relationship with the European Union and, more generally, as to the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets. For example, Brexit could give rise to increased volatility in foreign exchange rate movements and the value of equity and debt investments.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have

a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

77. Changes or uncertainty in international trade policies or tariffs could disrupt our export sales outside India or negatively impact our financial results.

Our export sales outside India expose us to number of risks related to trade protection laws, tariffs, excise or other border taxes on products exported to certain countries. Changes or uncertainty in international trade policies or tariffs could impact our global operations, as well as our customers. We may be required to incur additional costs to manufacture and distribute certain of our products. This could adversely impact our business and results of operations.

78. If inflation rises in India, increased costs may result in a decline in profits. Inflation rates in India have been volatile in recent years, and such volatility may continue.

India has experienced high inflation in the recent past. Increasing inflation in India could cause a rise in the costs of rent, wages, raw materials and other expenses. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs.

Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our clients. Additionally, if we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows.

Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

79. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.

The Competition Act regulates practices having an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and results in the imposition of substantial monetary penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services by way of allocation of geographical area, type of goods or services or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise. The Competition Act aims to, among others, prohibit all agreements and transactions which may have an appreciable adverse effect on competition in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. However, we cannot predict the impact of the provisions of the Competition Act on the agreements entered into by us at this stage. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations and prospects.

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. The Central Government has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Further, our business is also impacted by regulation and conditions in the various states in India where we operate. Our business, and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in central or state Government policies, taxation and other political, economic or other developments in or affecting India. Since 1991, successive Central Governments have pursued policies of economic liberalization and financial sector reforms. Any slowdown in these demand drivers or change in Government policies may adversely impact our business and operations. Generally, a significant adverse change in the Central Government's policies could adversely affect our business, financial condition and results of operations and could cause the trading price of our Equity Shares to decline.

80. Investors may have difficulty in enforcing foreign judgments against our Company or our management.

Our Company is a company incorporated under the laws of India. All Directors on the Board of Directors of our Company and our employees are residents of India and substantial portion of our assets and such persons are located in India. As a

result, it may not be possible for prospective investors outside India to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or would enforce foreign judgments if that court was of the view that the number of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered. Further, any judgment or award denominated in a foreign currency would be converted into Indian Rupees on the date of such judgment or award and not on the date of payment.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 (“CPC”). Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except (a) where the judgment has not been pronounced by a court of competent jurisdiction; (b) where the judgment has not been given on the merits of the case; (c) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable; (d) where the proceedings in which the judgment was obtained were opposed to natural justice; (e) where the judgment has been obtained by fraud; and (f) where the judgment sustains a claim founded on a breach of any law then in force in India. Further, India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the CPC. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the United States, cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India. The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment.

81. *Fluctuation in foreign exchange rates may adversely affect the value of our Equity Shares and returns to investors.*

Our Equity Shares will be listed and traded in Indian Rupees on the Stock Exchanges, and any dividends declared by our Company will be paid in Indian Rupees. Accordingly, investors who hold or trade our Equity Shares in currencies other than Indian Rupees may be subject to risks relating to fluctuations in exchange rates between the Indian Rupee and their respective foreign currencies. Any adverse movement in exchange rates during the period between the declaration of dividends and their conversion into foreign currency may reduce the net dividend received by foreign investors. Similarly, any adverse movement in exchange rates during the period required to repatriate proceeds from the sale of Equity Shares outside India, including delays arising from regulatory approvals, may reduce the effective value of such proceeds. Historically, the exchange rate between the Indian Rupee and major global currencies, including the U.S. Dollar and Euro, has been subject to significant volatility and may continue to fluctuate substantially in the future. Such fluctuations may be influenced by factors such as changes in India’s foreign exchange reserves, trade deficits, inflation, interest rates, capital flows and global economic conditions. As a result, exchange rate volatility may adversely affect the market price of our Equity Shares and returns to investors, independent of our operating performance.

82. *Significant differences exist between Indian Accounting Standards and other accounting principles, which investors may be more familiar with and consider material to their assessment of our financial condition.*

Our Restated Financial Statements included in this Draft Red Herring Prospectus have been prepared in accordance with Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013, read with the applicable rules thereunder and in accordance with the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the Institute of Chartered Accountants of India. Ind AS differs in certain significant respects from other internationally recognized accounting frameworks, including International Financial Reporting Standards (IFRS) and United States Generally Accepted Accounting Principles (US GAAP). We have not attempted to quantify the impact of IFRS, US GAAP or any other accounting principles on the financial data included in this Draft Red Herring Prospectus, nor have we provided a reconciliation of our financial statements to such standards. Accordingly, the degree to which our financial statements provide meaningful information is dependent on the reader’s familiarity with Ind AS and applicable Indian regulatory requirements. Investors unfamiliar with Indian accounting practices may find it difficult to interpret our financial disclosures or compare our financial performance with that of companies reporting under other accounting standards, which may affect their assessment of our financial condition and results of operations.

83. *Changes in laws, rules and regulations and legal uncertainties, including adverse application or interpretation of tax and other laws, may adversely affect our business, prospects and results of operations.*

The regulatory and policy environment in India is evolving and subject to change, and we are required to comply with a wide range of laws and regulations applicable to our business, including those relating to taxation, labour, environmental protection, foreign investment, industrial operations and corporate governance. As a company engaged in the manufacture and sale of dyed yarn and terry towels, we are particularly subject to regulations relating to textile manufacturing, environmental compliance, including effluent discharge and chemical usage, and labour laws. Any unfavourable changes in, or interpretations of, existing laws, or the introduction of new laws, rules and regulations may require us to obtain additional approvals, modify our operations or incur increased compliance costs. In addition, uncertainty in the applicability, interpretation or enforcement of laws due to the absence or limited body of administrative or judicial precedent may result in increased time and cost to resolve legal or regulatory issues. Any failure to comply with applicable laws or inability to adapt to regulatory changes in a timely manner may result in penalties, restrictions on our operations, reputational damage and a material adverse effect on our business, financial condition, results of operations and prospects.

84. *Restrictions on raising foreign capital under Indian law may constrain our ability to obtain financing on competitive terms and adversely affect our business.*

As an Indian company, we are subject to foreign exchange controls and regulations that govern our ability to raise capital from international markets. These include restrictions on external commercial borrowings, foreign currency convertible instruments and other forms of foreign currency financing, which are regulated by the Reserve Bank of India and the Government of India. Such regulations may impose limits on the amount, maturity, end-use and cost of foreign borrowings, and may require prior approvals in certain cases. These restrictions may limit our ability to access foreign capital markets to fund our operations, working capital requirements, capital expenditure or expansion plans, particularly in connection with investments in manufacturing facilities, machinery and technology required for our dyed yarn and terry towel operations. In addition, any inability to obtain regulatory approvals or comply with applicable conditions may delay or restrict our access to financing. These factors may increase our reliance on domestic financing sources, which may be more expensive or limited, thereby adversely affecting our business, financial condition and results of operations.

85. *Differences in shareholder rights under Indian law compared to other jurisdictions may limit the protections available to investors.*

We are incorporated under the laws of India and our corporate governance practices are governed by Indian laws, including the Companies Act, 2013 and the SEBI Listing Regulations. The rights of shareholders under Indian law may differ in certain respects from those available to shareholders of companies incorporated in other jurisdictions such as the United States or European countries. These differences may relate to, among other things, the ability to initiate class action suits, derivative actions, enforcement of fiduciary duties, minority shareholder protections and disclosure requirements. While Indian laws provide mechanisms for shareholder protection, such protections may not be as extensive or may operate differently compared to those available in other jurisdictions. As a result, investors may face difficulties in enforcing their rights, seeking remedies against us or our management or participating in certain corporate actions, which may adversely affect their investment decisions.

86. *Natural calamities could have a negative impact on the Indian economy and may adversely affect our business, financial condition and results of operations.*

India has experienced natural calamities such as floods, earthquakes, cyclones, droughts and other extreme weather conditions in recent years, and the frequency and severity of such events may increase due to climate change. The extent and severity of such natural disasters determine their impact on the Indian economy, including disruption to infrastructure, supply chains, agricultural output and industrial production. As a company engaged in the manufacture of dyed yarn and terry towels, our operations are dependent on uninterrupted availability of raw materials, stable power and water supply and efficient logistics. Any natural calamity may disrupt these factors, increase operational costs, delay production and distribution and adversely affect demand for our products. Consequently, such events may have a material adverse effect on our business, financial condition, results of operations and cash flows.

87. *Foreign investment restrictions under Indian law may limit our ability to attract foreign investors and adversely affect the liquidity and trading price of our Equity Shares.*

Under the foreign exchange regulations currently in force in India, investments by foreign investors are subject to various conditions, including sectoral caps, pricing guidelines, reporting requirements and, in certain cases, prior approval from the Government of India or the Reserve Bank of India. In particular, investments from countries sharing land borders with India are subject to mandatory government approval. Additionally, shareholders seeking to convert Indian Rupee proceeds from the sale of Equity Shares into foreign currency and repatriate such funds outside India are required to comply with applicable regulatory requirements, including obtaining tax clearance certificates from the income tax authorities. Any

failure to comply with such requirements or delays in obtaining necessary approvals may restrict the ability of foreign investors to invest in or exit from our Company. These restrictions may limit foreign investor participation, reduce liquidity in our Equity Shares and adversely affect their market price.

88. *The occurrence of natural or man-made disasters, including pandemics, may adversely affect our business, financial condition, results of operations and cash flows.*

Our business operations may be adversely affected by the occurrence of natural or man-made disasters, including floods, earthquakes, fires, explosions, pandemics, acts of terrorism and military conflicts. Such events may result in temporary or prolonged disruption of our manufacturing facilities, damage to plant and machinery, interruption in supply of raw materials, disruption in logistics and distribution networks and reduced availability of workforce. In addition, pandemics or widespread public health emergencies may result in lockdowns, restrictions on movement, reduced consumer demand and overall economic slowdown. Further, deterioration in geopolitical relations between India and neighbouring countries may create uncertainty in the region and adversely affect investor confidence and financial markets. The potential impact of such events is uncertain and depends on various factors, and their occurrence may have a material adverse effect on our business, financial condition, results of operations and cash flows.

89. *Post listing, a third party could be prevented from acquiring control of us because of anti-takeover provisions under Indian law.*

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our Shareholders, such a takeover may not be attempted or consummated because of SEBI (SAST) Regulations, 2011.

RISKS RELATING TO EQUITY SHARES

90. *The trading volume and market price of the Equity Shares may be volatile following the Offer.*

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

91. *The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.*

The Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLM through the Book Building Process. This price will be based on numerous factors, as described under the chapter "Basis for Offer Price" beginning on page 113 of this Draft Red Herring Prospectus and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer and may decline below the Offer Price. We cannot assure you that you will be able to resell their Equity Shares at or above the Offer Price.

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

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the stock exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and volatility in the Stock Exchanges and securities markets elsewhere in the world. There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Issue could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Draft Red Herring Prospectus. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. A securities transaction tax ("STT") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long term capital gains tax in India at the specified rates depending on certain factors, such as STT is paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. The Government of India has announced the union budget for Fiscal 2022, and the Finance Act, 2021 has received assent from the President of India on March 28, 2021. There is no certainty on the impact that the Finance Act, 2021 may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act, 2021 would have an adverse effect on our business, financial condition and results of operations. Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our Company's business, financial condition, results of operations and cash flows.

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

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by the Promoters or members of the Promoter Group may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares. Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed by the GoI in the Consolidated FDI Policy dated October 15, 2020. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on

any particular terms or at all. For further information, see the chapter titled “Restrictions on Foreign Ownership of Indian Securities” beginning on page 356 of this Draft Red Herring Prospectus.

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

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution. However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor’s benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

96. *The requirements of being a publicly listed company may strain our resources.*

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations, which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management’s attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely manner.

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

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

98. *The average cost of acquisition of Equity Shares by the Selling Shareholder may be less than the Offer Price.*

The average cost of acquisition of Equity Shares by the Selling Shareholder may be less than the Offer Price, which will be determined by our Company in consultation with the Book Running Lead Managers. Investors should note that the Selling Shareholder may receive a higher price than the price at which they acquired such Equity Shares and, consequently, may earn a profit on the sale of such Equity Shares in the Offer.

The details of the average cost of acquisition of Equity Shares held by the Selling Shareholder are as follows:

Selling Shareholder	No of Equity Share held	Average Cost of Acquisition
ASHIS LIVING PRIVATE LIMITED	105,21,500	14.96

Investors are advised to consider that any realization of gains by the Selling Shareholder from the Offer for Sale may not be indicative of the future performance of the Equity Shares offered in the Issue. The trading price of the Equity Shares in the market following the Offer may fluctuate due to various factors, including market demand and other conditions, and investors may not be able to sell their Equity Shares at a price equal to or higher than the Offer Price.

99. Investors will not have the option of getting the allotment of Equity Shares in physical form.

In accordance with the SEBI ICDR Regulations, the Equity Shares shall be issued only in dematerialized form. Investors will not have the option of getting the allotment of Equity Shares in physical form. The Equity Shares Allotted to the Applicants who do not have demat accounts or who have not specified their demat details, will be kept in abeyance till receipt of the details of the demat account of such Applicants. For details, see the chapter titled “Terms of the Offer” beginning on page 323 of this Draft Red Herring Prospectus. This may impact the ability of our shareholders to receive the Equity Shares in the Issue.

SECTION III: INTRODUCTION

THE OFFER

The following table sets forth details of the Offer:

Particulars	Details of Equity Shares
Offer of Equity Shares ⁽¹⁾	Up to [●] Equity Shares aggregating up to ₹ [●] millions
Fresh Issue ⁽¹⁾	Up to [●] Equity Shares aggregating up to ₹ 1,700 millions
Offer for Sale ⁽²⁾	Up to 67,50,000 Equity Shares aggregating up to ₹ [●] millions by the Selling Shareholder
The Offer comprises of:	
QIB Portion ⁽³⁾⁽⁴⁾	Not less than [●] Equity Shares of face value of ₹ 10 each, aggregating up to ₹ [●]
<i>Of which:</i>	
(i) Anchor Investor Portion	Up to [●] Equity Shares of face value of ₹ 10 each
(ii) Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	[●] Equity Shares of face value of ₹10 each
<i>Of which:</i>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares of face value of ₹10 each
(b) Balance of the Net QIB Portion for all QIBs, including Mutual Funds	[●] Equity Shares of face value of ₹10 each
Non- Institutional Portion ⁽⁵⁾⁽⁶⁾⁽⁷⁾	Not more than [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●]
<i>Of which:</i>	
(a) One-third available for allocation to Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million	[●] Equity Shares of face value of ₹10 each
(b) Two-third available for allocation to Bidders with an application size of more than ₹1.00 million	[●] Equity Shares of face value of ₹10 each
Retail Portion ⁽²⁾⁽⁵⁾	Not more than [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●]
Pre-Offer and post- Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as on the date of this Draft Red Herring Prospectus)	[●] Equity Shares of face value of ₹10 each
Equity Shares outstanding after the Offer*	[●] Equity Shares of face value of ₹10 each
Utilization of Net Proceeds	
	See “Objects of the Offer” on page 96 for information about the use of the Net Proceeds.

* To be updated upon finalization of the Offer Price.

- ⁽¹⁾ The Offer has been authorized by a resolution of our Board dated January 30, 2026, and by our Shareholders pursuant to a special resolution dated March 26, 2026. Further, our Board has taken on record the participation of the Selling Shareholder in the Offer for Sale pursuant to a resolution dated January 30, 2026.
- ⁽²⁾ For details on authorization of the Selling Shareholder in relation to the Offered Shares, see “The Offer” and “Other Regulatory and Statutory Disclosures” on pages 61 and 310.
- ⁽³⁾ The Selling Shareholder has specifically confirmed that the Offered Shares are eligible to be offered for sale in the Offer in accordance with the SEBI ICDR Regulations as stated below:

Sr. No.	Name of the Selling Shareholder	Date of consent letter	Number of Offered shares
1.	Ashis Living Private Limited	January 30, 2026	67,50,000

The Selling Shareholder confirms compliance with and will comply with the conditions specified in Regulation 8A of the SEBI ICDR Regulations, to the extent applicable. Selling Shareholder has authorized the inclusion of their respective portion

of the Offered Shares in the Offer for Sale. For more details, see “Capital Structure” and “Other Regulatory and Statutory Disclosures” beginning on page 79 and 310, respectively.

- (4) Our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. 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 Net QIB Portion. 5% 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 (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, 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 details, see “Offer Procedure” on page on page 335.
- (5) 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 at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. In the event of an under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Offer and compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, the Allotment for the valid Bids will be made in the first instance towards subscription for 90% of the Offer. Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please see section “Offer Procedure” on page on page 335.
- (6) Not more than 15% of the Offer shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹2,00,000 and up to ₹10,00,000 and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹10,00,000 and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion.
- (7) Allocation to Bidders in all categories, except the Retail Portion and Anchor Investor Portion, if any, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The Allocation to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be Allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. The allocation to each Non-Institutional Investor shall not be less than ₹2,00,000, subject to the availability of Equity Shares in Non-Institutional Investors’ category, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis.
- (8) SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹200,000 and up to ₹500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Allocation to Bidders in all categories, except the Anchor Investor Portion, Non-Institutional Investor Portion and the Retail Portion, if any, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be Allocated on a proportionate basis. The allocation to each Non-Institutional Investor shall not be less than [●], subject to the availability of Equity Shares in Non-Institutional Investors’ category, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis in accordance with the SEBI ICDR Regulations. For further details, please see the section entitled “Offer Procedure” on page on page 335.

For further details, see “Offer Structure”, “Offer Procedure” and “Terms of the Offer” on pages on page 331, on page 335 and on page 323, respectively.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from the Restated Financial Information. The summary financial information presented below should be read in conjunction with “*Restated Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 241 and 259, respectively.

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in millions, unless otherwise stated)

Particulars	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Assets				
Non-current assets				
Property, plant and equipment	1,111.38	1,173.00	1,251.40	1,041.82
Capital work-in-progress	12.53	-	31.01	170.76
Financial assets				
- Investments	19.74	18.76	16.84	17.19
- Other financial assets	48.08	80.59	87.92	79.76
Other non-current assets	201.85	44.24	43.40	46.58
Total non-current assets	1,393.58	1,316.59	1,430.57	1,356.11
Current assets				
Inventories	1,803.69	1,861.32	1,732.04	1,655.10
Financial assets				
(i) Trade receivables	1,212.27	1,101.65	1,085.41	1,031.99
(ii) Cash and cash equivalents	5.05	8.12	7.80	21.72
(iii) Bank balances other than (ii) above	76.95	179.16	26.48	19.32
(iv) Other financial assets	0.99	2.61	2.11	2.29
Current Tax Asset (Net)	162.59	139.88	111.79	49.30
Other current assets	650.76	254.94	310.40	296.60
Total current assets	3,912.30	3,547.68	3,276.03	3,076.32
Total assets	5,305.88	4,864.27	4,706.60	4,432.42
Equity and liabilities				
Equity				
Equity share capital	1,293.18	1,293.18	1,293.18	1,293.18
Other equity	596.25	519.87	348.27	211.16
Total equity	1,889.43	1,813.05	1,641.45	1,504.34
Liabilities				
Non- current liabilities				
Financial liabilities				
- Borrowings	328.74	280.46	518.90	646.36
Provisions	52.53	46.73	42.80	37.51
Deferred tax liabilities (net)	56.78	49.04	38.00	24.77
Other non-current liabilities	3.00	3.52	2.25	3.09
Total non-current liabilities	441.05	379.74	601.95	711.73
Current liabilities				
Financial liabilities				
(i) Borrowings	1,265.74	1,471.54	1,417.10	1,397.54
(ii) Trade payables				
-total outstanding dues of micro and small enterprises	58.85	33.76	30.93	23.75
-total outstanding dues of creditors other than micro and small enterprises	879.66	795.72	670.18	435.88
(iii) other financial liability	543.43	222.50	225.95	223.06

Other current liabilities	167.25	69.19	64.39	95.33
Provisions	60.46	78.76	54.65	40.79
Total current liabilities	2,975.40	2,671.48	2,463.20	2,216.35
Total liabilities	3,416.45	3,051.22	3,065.15	2,928.08
Total equity and liabilities	5,305.88	4,864.27	4,706.60	4,432.42

RESTATED STATEMENT OF PROFIT AND LOSS

(₹ in millions, unless otherwise stated)

Particulars	For the period ended 30 Sep 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Income				
Revenue from operations	3,245.79	6,734.80	6,544.22	5,441.31
Other income	3.24	6.07	27.32	3.94
Total income (I + II)	3,249.03	6,740.87	6,571.54	5,445.25
Expenses				
Cost of materials consumed	2,043.28	4,622.01	4,595.92	3,642.25
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(4.00)	(101.29)	(41.99)	(18.96)
Employee benefits expense	218.99	440.55	381.97	356.13
Finance costs	115.24	246.32	242.14	248.17
Depreciation and amortization expense	57.42	119.81	110.82	108.40
Other expenses	715.53	1,183.12	1,104.69	1,009.53
Total expenses (IV)	3,146.45	6,510.51	6,393.54	5,345.52
Profit before tax (III-IV)	102.58	230.36	178.00	99.73
Tax expense:				
Current tax (previous year)	-	13.26	1.69	0.58
Current tax	16.11	62.37	42.09	30.79
Deferred tax charge	7.74	(15.28)	(0.18)	(21.91)
Total tax expense	23.85	60.34	43.60	9.45
Profit for the period/year (V-VI)	78.73	170.01	134.40	90.28
Other comprehensive income/(loss)				
Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit obligation	(2.35)	1.59	2.72	3.73
Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
Total other comprehensive (loss)/income for the period/year (net of tax)	(2.35)	1.59	2.72	3.73
Total comprehensive income for the period/year (VII+VIII)	76.37	171.60	137.11	94.00
Earnings per equity share				
Basic and diluted [nominal value of INR 10 per share]	0.61	1.31	1.04	0.70

RESTATED STATEMENT OF CASH FLOWS

(₹ in millions, unless otherwise stated)

Particulars	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
A. Cash flows from operating activities				
Profit before Tax	102.58	230.36	178.00	99.73
Adjustments for:				
Depreciation and amortization expense	57.42	119.81	110.82	108.40
Foreign Exchange Fluctuation (Gain)	2.69	(19.62)	(9.05)	(26.85)
Fair valuation gain on mutual fund	(0.98)	(1.41)	(1.12)	(0.04)
Actuarial Gain/(Loss)	(2.35)	1.59	2.72	3.73
Hedging gain	(5.02)	-	-	-
Finance costs	112.26	239.26	236.23	245.65
Interest income	(2.26)	(7.42)	(6.23)	(4.71)
Operating cash flows before working capital changes	264.33	562.56	511.36	425.92
Working capital adjustments				
(Increase)/decrease in inventories	57.63	(129.28)	(76.94)	(9.17)
(Increase) / decrease in trade receivables	(110.62)	(16.24)	(53.42)	(25.21)
Increase /(decrease) in trade payables	109.03	128.37	241.48	(30.83)
Decrease / (increase) in other financial assets	6.64	(0.50)	0.18	2.11
(Increase) / decrease in Current Tax Asset (Net)	(22.71)	(28.09)	(62.49)	79.51
(Increase) / decrease in other current assets	(395.82)	55.46	(13.80)	(63.10)
Increase / (decrease) in other current liabilities	98.06	4.80	(30.94)	31.36
Increase / (decrease) in other financial liabilities	320.93	(3.45)	2.89	(10.75)
Increase / (decrease) in provisions	(12.50)	28.04	19.15	23.37
Cash generated from operating activities	314.99	601.66	537.47	423.21
Income tax paid (net)	16.11	49.30	30.38	30.79
Net cash generated from operating activities (A)	298.87	552.36	507.10	392.43
B. Cash flows from investing activities				
Purchase of property, plant and equipment and intangible assets	4.20	(41.40)	(320.40)	(80.99)
Capital advance to suppliers towards WIP	(170.14)	30.17	142.93	(17.70)
Investment in bonds & mutual funds	-	(0.50)	1.46	(2.20)

Investment in Fixed Deposits	134.72	(145.35)	(15.32)	9.29
Interest income	2.26	7.42	6.23	4.71
Net cash (used in) investing activities (B)	(28.96)	(149.67)	(185.09)	(86.90)
C. Cash flows from financing activities				
Interest paid	(112.26)	(239.26)	(236.23)	(245.65)
Foreign Exchange Fluctuation (Gain)	(2.69)	19.62	9.05	26.85
Change in Other Non-Current Liabilities	(0.52)	1.27	(0.84)	(6.69)
Proceeds/(Repayment) of borrowings	(157.52)	(184.00)	(107.90)	(93.43)
Issue of Equity				
Net cash (used in) financing activities (C)	(272.99)	(402.37)	(335.92)	(318.92)
Net increase in cash and cash equivalents (A+B+C)	(3.07)	0.32	(13.92)	(13.38)
Cash and cash equivalents acquired				
- on acquisition of business on account of slump sale				
- on acquisition of subsidiary				
Opening Cash and cash equivalents	8.12	7.80	21.72	35.10
Closing Cash and cash equivalents	5.05	8.12	7.80	21.72

SUMMARY OF CONTINGENT LIABILITIES OF THE COMPANY

The following is a summary table of our contingent liabilities for Fiscal 2025, 2024, 2023 and for the six months ended September 30, 2025, as per IND AS 37 – Provisions, Contingent Liabilities and Contingent Assets, derived from the Restated Financial Information:

Particulars	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
(a) Claims against the Group not acknowledged as debts				
Service tax matters	4.18	4.18	4.18	4.18
TDS Defaults	2.28	1.18	1.15	1.07
(b) Other Commitments				
Pending litigation	10.33	10.33	9.20	9.20

For further details, see “Financial Statements – Restated Financial Information – Note 38 – Contingent Liabilities” and “Risk Factor – We have certain contingent liabilities that have been disclosed in the Restated Financial Information, which if they materialize, may adversely affect our business, results of operations, financial condition and cash flows” on pages 241 and 22 respectively.

SUMMARY OF RELATED PARTY TRANSACTIONS

A summary of related party transactions entered into by our Company with related parties for the six months period ended September 30, 2025, Fiscal 2025, 2024, 2023 and as per Ind AS 24 – Related Party Disclosures and as reported in the Restated Financial Information is set forth below:

(₹ in millions, except percentages)

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Nature of transaction	Relationship with the company	As at 30 Sep 2025	As a % of Revenue from Operations	As at 31 March 2025	As a % of Revenue from Operations	As at 31 March 2024	As a % of Revenue from Operations	As at 31 March 2023	As a % of Revenue from Operations
Payment made		5.06	0.16%	9.77	0.15%	11.50	0.18%	15.31	0.28%
Sabhyata Satia (imprest)	Relative of Managing Director (i.e wife of Mr. Akhil Satia)	0.35	0.01%	1.12	0.02%	0.36	0.01%	0.51	0.01%
Mr. Akhil Satia(imprest)	Managing Director	4.67	0.14%	7.44	0.11%	10.73	0.16%	13.89	0.26%
Mr. Rajiv Chopra (imprest)	Chief Financial Officer	-	0.00%	0.46	0.01%	0.00	0.00%	0.01	0.00%
P S Barnala (imprest)	Whole-Time Director	0.00	0.00%	0.00	0.00%	0.05	0.00%	0.75	0.01%
Mr. Akhil Satia (Tour and Travel)	Managing Director	-	0.00%	0.64	0.01%	0.03	0.00%	0.00	0.00%
Sunil Kaura (imprest)	Whole-Time Director	0.04	0.00%	0.09	0.00%	0.32	0.00%	0.16	0.00%
Amount Received		3.74	0.12%	9.22	0.14%	11.94	0.18%	14.79	0.27%
Sabhyata Satia (imprest)	Relative of Managing Director (i.e wife of Mr. Akhil Satia)	0.35	0.01%	0.77	0.01%	0.36	0.01%	0.51	0.01%
Mr. Akhil Satia(imprest)	Managing Director	3.35	0.10%	7.44	0.11%	11.06	0.17%	13.56	0.25%
P S Barnala (imprest)	Whole-Time Director	0.00	0.00%	0.07	0.00%	0.20	0.00%	0.54	0.01%
Sunil Kaura (processing charges)	Whole-Time Director	-	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Sunil Kaura (imprest)	Whole-Time Director	0.04	0.00%	0.09	0.00%	0.32	0.00%	0.18	0.00%
Mr. Rajiv Chopra (imprest)	Chief Financial Officer	-	0.00%	0.00	0.00%	0.00	0.00%	0.01	0.00%
Mr. Akhil Satia(Tour and Travel)	Managing Director	-	0.00%	0.83	0.01%	0.00	0.00%	0.00	0.00%
Rent		1.30	0.04%	2.60	0.04%	2.10	0.03%	1.10	0.02%

Isha Satia	Relative of Managing Director (i.e sister-in-law of Mr. Akhil Satia)	0.55	0.02%	1.10	0.02%	1.10	0.02%	1.10	0.02%
Sabhyata Satia	Relative of Managing Director (i.e wife of Mr. Akhil Satia)	0.75	0.02%	1.50	0.02%	1.00	0.02%	0.00	0.00%
Employee benefits expenses		10.11	0.31%	14.82	0.22%	15.09	0.23%	13.26	0.24%
Mr. Akhil Satia	Managing Director	3.97	0.12%	7.91	0.12%	7.56	0.12%	7.20	0.13%
Sunil Kaura	Whole-Time Director	0.73	0.02%	1.45	0.02%	1.96	0.03%	2.10	0.04%
Rajeev Chopra	Chief Financial Officer	0.67	0.02%	1.43	0.02%	1.80	0.03%	1.44	0.03%
Mrs.Sabhyata Satia	Relative of Managing Director (i.e wife of Mr. Akhil Satia)	1.39	0.04%	2.77	0.04%	2.65	0.04%	2.52	0.05%
Mr. Pukhraj Kaura	Relative of Whole Time Director (i.e son of Mr. Sunil Kaura)	0.49	0.02%	0.97	0.01%	0.86	0.01%	0.00	0.00%
Mr. P.S. Barnala	Whole-Time Director	1.50	0.05%	3.00	0.04%	0.00	0.00%	0.00	0.00%
Mrs. Reetu Barnala	Relative of Whole Time Director (i.e Wife of Mr. Parminder Singh Barnala)	0.84	0.03%	1.64	0.02%	0.00	0.00%	0.00	0.00%
Ms. Bhavya Chopra	Relative of Chief Financial Officer (i.e son of Mr. Rajiv Chopra)	0.36	0.01%	0.60	0.01%	0.00	0.00%	0.00	0.00%
Mrs. Tanvi Mahendru CS	Company Secretary	0.17	0.01%	0.29	0.00%	0.26	0.00%	0.00	0.00%

GENERAL INFORMATION

Our Company was incorporated as '*T.C. Terrytex Limited*' vide Certificate of Incorporation dated August 30, 2005, issued by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh.

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

Corporate Identity Number: U17220PB2005PLC028877

Registration Number: 028877

Registered and Corporate Office of our Company

Village Sarsini, AMB-CHD Highway,

Near Lalru, Tehsil Derabassi,

Lalru, Punjab – 140501, India

Telephone: +91-01762-506606

Email: cs@tctl.in

Website: www.tctl.in

For further details and details of changes in the registered office of our company, please refer to the chapter titled “History and Certain Corporate Matters” beginning on page 217 of this Draft Red Herring Prospectus.

Address of Registrar of Companies

Our Company is registered with the ROC located at the following address:

Registrar of Companies

1st Floor, Corporate Bhawan,

Plot No. 4 B, Sector 27-B,

Chandigarh -160 019, India.

Email: roc.chandigarh@mca.gov.in

Website: www.mca.gov.in

Board of Directors of our Company

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

Name of Director	Designation	DIN	Address
Mr. Akhil Satia	<i>Managing Director</i>	01138038	House No. 44, Sector- 8A, Near Gurudwara Sahib Chandigarh, Sector 18, Chandigarh- 160018, Punjab, India.
Mr. Parminder Singh Barnala	<i>Whole-time Director</i>	10578371	Kalal Majra, Kalamajra, Barnala- 148104, Punjab, India
Ms. Aishwaria Sethi	<i>Chairman and Non-Executive Director</i>	11136468	10, Maqbool Road, Amritsar- I, Amritsar -143001, Punjab, India
Mr. Tanuj Gaba	<i>Independent Director</i>	11137519	17, Royal Estate Near Punjabi Bagh, Nabha, Patiala- 147201, Punjab, India
Mr. Sourabh Kansal	<i>Independent Director</i>	11137445	Makan No. 733/7, gali no. 6, Arya UP Nagar, Narwana, Jind-126116, Haryana, India
Mr. Jagjit Singh	<i>Independent Director</i>	11119861	H. No. 3A, Sector 53 S.A.S. Nagar (Mohali), Sector 59, S.A.S. Nagar (Mohali)- 160059, Punjab, India

For brief profile and further details of our Board of Directors, see “*Our Management*” beginning on page 221.

Company Secretary and Compliance Officer

Ms. Tanvi Mahendru

The Village Sarsini, AMB-CHD Highway,

Near Lalru, Tehsil Derabassi,

Lalru- 140501,

Punjab, India.

Telephone: 01762-506606-08

Email: cs@tctl.in

Website: <https://tctl.in/>

Chief Financial Officer

Mr. Rajiv Chopra

T.C. Terrytex Limited, Village Sarsini,
Amb-Chd Highway, Near Lalru, Tehsil Derabassi, Lalru,
Punjab – 140501. India.

Telephone: 01762-506606-08

Email: accounts@tctl.in

Website: <https://tctl.in/>

Investor Grievances

Investors can contact our 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 problems, redressals of complaints, 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.

All Offer related grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediaries in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

In terms of the SEBI Master Circular no. SEBI Master Circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 (to the extent applicable), 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. In terms of the SEBI Master Circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024(to the extent applicable), SCSBs are required to compensate the investor immediately on the receipt of complaint. Further, the BRLM are required to compensate the investor for delays in grievance redressal from the date on which the grievance was received until the actual date of unblock.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the 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, 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.

Book Running Lead Manager

Sobhagya Capital Options Private Limited

C-7 & 7A, Gate No-01, Hosiery Complex,
Phase-II Extension, Noida-201305

Tel: +91-11-48016991

E-mail: cs@sobhagyacap.com

Website: : www.sobhagyacapital.com

Investor Grievance E-mail: delhi@sobhagyacap.com

Contact Person: Ms. Menka Jha/Mr. Rishabh Singhvi

SEBI Registration No: MB/INM00000857

Statement of responsibilities

Sobhagya Capital Options Private Limited is the sole Book Running Lead Manager to the Offer and all the responsibilities relating 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.

Legal Counsel to the Offer as per Indian Law

MV Kini Law Firm

Address: Kini House, Near Citibank,
D.N. Road, Fort, Mumbai - 400001,
Maharashtra, India

Contact Person: Ms. Vidisha Krishan

Email: vidisha@mvkini.com

Website: <https://www.mvkini.com/>

Telephone: 022 - 2261 2527/28/29

Registrar to the Offer

Skyline Financial Services Private Limited

Telephone: +91-11-40450193-97

Email: ipo@skylinerta.com

Investor grievance email: grievances@skylinerta.com

Contact person: Mr. Anuj Kumar

Website: www.skylinerta.com

SEBI Registration no.: INR000003241

Statutory Auditor to our Company

M/s J Mandal & Co LLP

27, First Floor, Babar Lane, Bengali Market, New Delhi – 110001

Telephone: +91-9876953443

Email: caatulgoyal@gmail.com

Firm registration number: 302100E/N500422

Peer review number: 018427

Contact Person: Pusph Garg

Membership Number: 573222

Changes in Auditors

There has been no change in the statutory auditors of our Company in the last three years preceding the date of this Draft Red Herring Prospectus.

Bankers to the Offer / Refund Bank / Sponsor Bank

The Bankers to the Offer / Refund Bank / Sponsor Bank will be appointed prior to filing of the Red Herring Prospectus with the RoC.

Bankers to our Company

State Bank of India

Industrial Finance Branch, Golden Tower,
Dholewal Chowk, Ludhiana-141001

Telephone: 0161-2530415

Contact person: Avdhesh Kumar Tejan

Website: <https://sbi.co.in/>

Email: sbi.04046@sbi.co.in

Indian Bank

SCO 49-50, sector-17B,
Bank Square, Post Box21,
Chandigarh

Telephone: 0172-5025208

Contact Person: Sanjeev Kumar
Website: www.indianbank.bank.in
Email: c538@indianbank.co.in

Indian Overseas Bank

Kacheri Road Branch,
Sainik Rest House,
1st Floor, Clock Tower, Ludhiyana
Telephone: 0161-2743610
Contact Person: Arun Kumar Ahlawat
Website: www.iob.bank.in
Email: iob0047@iob.in

Bankers to Offer, Escrow Collection Bank, Public Offer Bank, Refund Bank and Sponsor Bank

The Bankers to the Offer will be appointed prior to filing of the Red Herring Prospectus with the RoC.

Syndicate Members

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

Designated Intermediaries

Self-Certified Syndicate Banks

The banks registered with SEBI, which offer the facility of ASBA services in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time and at such other websites 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 RIB using the UPI Mechanism), not Bidding through Syndicate / Sub Syndicate or through a Registered Broker, RTA or CDP may submit the ASBA Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> and at such other websites as may be prescribed by SEBI from time to time. Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Bidders (other than RIBs) is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time. Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at www.sebi.gov.in.

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

In accordance with SEBI Master Circular no. SEBI/HO/CFD/PoD 1/P/CIR/2024/0154 dated November 11, 2024 (to the extent applicable) issued by the SEBI, UPI Bidders using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI Mechanism is provided on the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, respectively.

Syndicate SCSB Branches

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

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, i.e., through the

Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

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 websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/Rtadp.aspx and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm respectively, or such other websites as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/Rtadp.aspx and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or such other websites as updated from time to time.

Grading of the Offer

No credit agency registered with SEBI has been appointed for grading for the Offer.

Expert

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

Our Company has received written consent dated March 30, 2026 from our Statutory Auditors, M/s J Mandal & Co., Chartered Accountants to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of Examination Report dated March 28, 2026 on our Restated Financial Statement and their report dated March 28, 2026 on the Statement of Tax Benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of filing of this Draft Red Herring Prospectus.

Our Company has received written consent dated March 25, 2026, from the independent chartered engineer, namely March, 25, 2026, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, in relation to their certificate dated March 25, 2026 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

However, the term “expert” and the consent thereof shall not be construed to mean an “expert” or consent within the meaning under the U.S. Securities Act, as amended (the “**U.S. Securities Act**”).

Monitoring Agency

Our Company shall, in compliance with Regulation 41 of the SEBI ICDR Regulations, appoint a monitoring agency for the monitoring of the utilisation of the Gross Proceeds and proceeds of the pre-IPO placement (if consummated), prior to filing of the Red Herring Prospectus. For further details in relation to the proposed utilisation of the Gross Proceeds, please see “Objects of the Offer” on page 96.

Appraising Entity

Our Company has not appointed any appraising agency.

Credit Rating

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

Green Shoe Option

No green shoe option is contemplated under the Offer.

Debenture trustees

As the Offer is of Equity Shares, the appointment of debenture trustees is not required.

Filing of Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus

A copy of this Draft Red Herring Prospectus has been uploaded on the SEBI Intermediary Portal at <https://siportal.sebi.gov.in>, in accordance with regulation 25 (8) of SEBI ICDR Regulations and SEBI ICDR Master Circular no. SEBI/HO/CFD/PoD2/I/4518/2026 Dated February 9, 2026 and shall be submitted to SEBI on cfdil@sebi.gov.in in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to “Easing of Operational Procedure – Division of Issues and Listing – CFD”. Further, physical copies of this Draft Red Herring Prospectus may be filed with the Securities and Exchange Board of India at the following address:

Securities and Exchange Board of India

Corporation Finance Department Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, ‘G’ Block
Bandra Kurla Complex, Bandra (E)
Mumbai 400 051, Maharashtra, India

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

Book Building process

“Book building” refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid Lot and Employee Discount (if any) will be decided by our Company in consultation with the BRLM, and advertised in all editions of [●], a English national daily newspaper, all editions of [●], a Hindi national daily newspaper and all editions of [●], a Punjabi regional daily newspaper (Punjabi being the regional language of Punjab, India wherein our Registered Office is located) each with wide, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their website. The Offer Price shall be determined by our Company in consultation with the BRLM, after the Bid/ Offer Closing Date. For details, see “*Offer Procedure*” on page 335.

All Bidders, other than Anchor Investors, shall participate in the Offer mandatorily through the ASBA process by providing the details of their respective ASBA Accounts in which the corresponding Bid Amount will be blocked by the SCSBs and Sponsor Banks, as the case may be. Anchor Investors are not permitted to participate in the Offer through the ASBA process. UPI Bidders may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, (b) through the UPI Mechanism. Non-Institutional Investors with an application size of up to ₹ 5,00,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 , all individual bidders in initial public offerings whose application sizes are up to ₹ 5,00,000 shall use the UPI Mechanism.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the Net QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders other Eligible Employees Bidding in the Employee Reservation Portion (subject to the Bid Amount being up to ₹0.20 million) bidding in the Employee Reservation Portion (if any) can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis and allocation to Anchor Investors in the Anchor Investor Portion will be on a discretionary basis. The allocation to each Retail Individual Bidder and Non-Institutional Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

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

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. In this regard, our Company has appointed the BRLM to manage this Offer and procure Bids for this Offer.

The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

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

For further details, see “*Terms of the Offere*”, “*Offer Structure*” and “*Offer Procedure*” on pages 323, 331 and 335 respectively.

Illustration of Book Building Process and the Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see “*Terms of the Offer*” and “*Offer Procedure*” on page 323 and 335.

Underwriting Agreement

Our Company intends to, prior to the filing of the Prospectus with the RoC, enter into an Underwriting Agreement with the Underwriters for the Equity Shares of face value of Rs. 10/- each proposed to be issued in the Offer.

The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters will be several and will be subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares which they shall subscribe to on account of rejection of bids, either by themselves or by procuring subscription, at a price which shall not be less than the Offer Price, pursuant to the Underwriting Agreement.

(The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus. This portion has been intentionally left blank and will be filled in before, and this portion will be applicable upon the execution of the Underwriting Agreement and filing of the Prospectus with the RoC, as applicable.)

Name, address, telephone and e-mail of Underwriters	Indicative number of Equity Shares to be Underwritten	Amount Underwritten (₹ in million)	% of the Total Issue Size Underwritten
[●]	[●]	[●]	[●]

The abovementioned underwriting commitments are indicative and will be finalised after determination of the Offer Price and Basis of Allotment and the allocation of Equity Shares, subject to and in accordance with the provisions of the SEBI ICDR Regulations.

In the opinion of the Board of Directors (based on representations made to our Company by the Underwriters), the resources of each of the abovementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The abovementioned Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). The Board of Directors, at its meeting held on [●], 2026, has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments set forth in the table above.

CAPITAL STRUCTURE

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

S. No.	Particulars	(Amount in ₹ except share data)	
		Aggregate nominal value	Aggregate value at Offer Price*
A.	AUTHORISED SHARE CAPITAL ⁽¹⁾		
	19,30,00,000 Equity Shares of ₹10/- each	19,30,00,00,000	
	20,00,000 Preference Shares of face value of ₹10 each	2,00,00,000	
B.	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER		
	12,93,18,280 Equity Shares of ₹10/- each	1,29,31,82,800	
C.	PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS ⁽²⁾⁽³⁾⁽⁴⁾		
	Offer of up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹ [●] millions ⁽¹⁾ which includes:	[●]	[●]
	Fresh offer of up to [●] Equity Shares of face value of ₹10/- each aggregating up to ₹1,700 million	[●]	[●]
	Offer for Sale of up to 67,50,000 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] ⁽²⁾⁽³⁾	[●]	[●]
D.	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER*[#]		
	[●] Equity Shares of face value of ₹10/- each	[●]	[●]
E.	SECURITIES PREMIUM ACCOUNT		
	Before the Offer	Nil	
	After the Offer*	[●]	

*Subject to finalisation of Basis of Allotment and the Offer Price;

⁽¹⁾ For details of changes in the authorised share capital of our Company since incorporation, see “History and Certain Corporate Matters – Amendments to our Memorandum of Association” on page 217.

⁽²⁾ The Offer has been authorized by the Board of Directors vide a resolution passed at its meeting held on January 30 2026, and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)I of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on March 26, 2026. Further, our Board has taken on record the participation of the Selling Shareholder in the Offer for Sale pursuant to a resolution dated January 30, 2026.

⁽³⁾ The Equity Shares being offered by the selling shareholder are eligible to be offered for sale pursuant to the Offer for Sale in terms of the SEBI ICDR Regulations. The Selling Shareholder has, consented to the sale of the Offered Shares in the Offer for Sale. The Selling Shareholder confirms that the Equity Shares being offered by it are eligible for being offered for sale pursuant to the Offer in terms of Regulation 8 of SEBI ICDR Regulations. For further details on the authorizations of the Selling Shareholder in relation to the Offered Shares, see the sections titled “The Offer” and “Other Regulatory and Statutory Disclosures” on pages 61 and 310, respectively.

⁽⁴⁾ Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement for an amount aggregating up to ₹150.00 million as may be permitted under applicable law at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

Notes to Capital Structure

1. Share Capital History of our Company

Our Company has only one class of share capital i.e., Equity Shares of face value of ₹10 each. All the issued Equity Shares are fully paid-up.

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Number of Allotees	Name of allottees
At the time of Incorporation	50,000	10	10	Cash	Initial subscription to the MoA	50,000	500,000	7	Allotment of 25,400 Equity Shares to Anil Satia, 100 Equity Shares to Saloni Satia, 24,100 Equity Shares to Mr. Akhil Satia, 100 Equity Shares to Ankit Satia, 100 Equity Shares to Krishna Satia, 100 Equity Shares to Shakti Singh and 100 Equity Shares to Rakesh Doomra
October 03, 2007,	14,950,000	10	10	Cash	Further Issue	15,000,000	150,000,000	3	Allotment of 6,000,000 Equity Shares to Anil Satia, 4,000,000 Equity Shares to Saloni Satia and 4,950,000 Equity Shares to Mr. Akhil Satia
April 01, 2008	20,050,000	10	10	Cash	Further Issue	35,050,000	350,500,000	3	Allotment of 17,040,000 Equity Shares to Anil Satia, 160,000 Equity Shares to Saloni Satia and 2,850,000 Equity Shares to Mr. Akhil Satia
November 03, 2009	16,404,000	10	10	Cash	Further Issue	51,454,000	514,540,000	3	Allotment of 14,055,000 Equity Shares to Anil Satia, 1,908,750 Equity Shares to Ajay Satia and 440,250 Equity Shares to T.C. Leasing &

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Number of Allottees	Name of allottees
									Investment Pvt Ltd.
February 04, 2011	9,600,000	10	10	Cash	Further Issue	61,054,000	610,540,000	1	Allotment of 9,600,000 Equity Shares to Anil Satia
February 21, 2011	19,50,000	10	10	Cash	Further Issue	63,004,000	630,040,000	1	Allotment of 19,50,000 Equity Shares to Anil Satia.
April 25, 2012	2,590,000	10	10	Cash	Preferential Issue	65,594,000	655,940,000	1	Allotment of 2,590,000 Equity Shares to Mr. Akhil Satia
September 06, 2012	12,000,000	10	10	Cash	Preferential Issue	77,594,000	775,940,000	1	Allotment of 12,000,000 Equity Shares to Mr. Akhil Satia
November 05, 2012	9,624,280	10	10	Cash	Preferential Issue	87,218,280	872,182,800	1	Allotment of 9,624,280 Equity Shares to Mr. Akhil Satia
March 01, 2013	7,000,000	10	10	Cash	Preferential Issue	94,218,280	942,182,800	1	Allotment of 7,000,000 Equity Shares to Mr. Akhil Satia
January 16, 2014	1,100,000	10	10	Cash	Preferential Issue	95,318,280	953,182,800	1	Allotment of 1,100,000 Equity Shares to Anil Satia.
May 15, 2015	500,000	10	10	Cash	Preferential Issue	95,818,280	958,182,800	1	Allotment of 500,000 Equity Shares to Mr. Akhil Satia
May 19, 2015	500,000	10	10	Cash	Preferential Issue	96,318,280	963,182,800	1	Allotment of 500,000 Equity Shares to Mr. Akhil Satia
May 23, 2015	1,500,000	10	10	Cash	Preferential Issue	97,818,280	978,182,800	1	Allotment of 1,500,000 Equity Shares to Mr. Akhil Satia

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Number of Allotees	Name of allottees
August 29, 2015	500,000	10	10	Cash	Private Placement	98,318,280	983,182,800	1	Allotment of 500,000 Equity Shares to Mr. Akhil Satia
September 01, 2015	500,000	10	10	Cash	Private Placement	98,818,280	988,182,800	1	Allotment of 500,000 Equity Shares to Mr. Akhil Satia
October 13, 2015	500,000	10	10	Cash	Private Placement	99,318,280	993,182,800	1	Allotment of 500,000 Equity Shares to Mr. Akhil Satia
April 27, 2016	1,000,000	10	10	Cash	Private Placement	100,318,280	1,003,182,800	1	Allotment of 1,000,000 Equity Shares to Mr. Akhil Satia
April 28, 2016	2,000,000	10	10	Cash	Private Placement	102,318,280	1,023,182,800	1	Allotment of 2,000,000 Equity Shares to Mr. Akhil Satia
April 22, 2017	5,000,000	10	10	Cash	Right Issue	107,318,280	1,073,182,800	1	Allotment of 5,000,000 Equity Shares to Mr. Akhil Satia
July 14, 2017	500,000	10	10	Cash	Private Placement	107,818,280	1,078,182,800	1	Allotment of 500,000 Equity Shares to Varun Arora and Rahul Tyagi (Joint)
August 21, 2017	1,000,000	10	10	Cash	Private Placement	108,818,280	1,088,182,800	1	Allotment of 1,000,000 Equity Shares to Mr. Akhil Satia
August 29, 2017	1,000,000	10	10	Cash	Private Placement	109,818,280	1,098,182,800	1	Allotment of 1,000,000 Equity Shares to Mr. Akhil Satia
August 31, 2017	500,000	10	10	Cash	Private Placement	110,318,280	1,103,182,800	1	Allotment of 500,000 Equity Shares to Mr. Akhil Satia
December	500,000	10	10	Cash	Private	110,818,280	1,108,182,800	1	Allotment of 500,000 Equity

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Number of Allotees	Name of allottees
01, 2017					Placement				Shares to Mr. Akhil Satia
December 04, 2017	500,000	10	10	Cash	Private Placement	111,318,280	1,113,182,800	1	Allotment of 500,000 Equity Shares to Mr. Akhil Satia
December 04, 2017	500,000	10	10	Cash	Private Placement	111,818,280	1,118,182,800	1	Allotment of 500,000 Equity Shares to Mr. Akhil Satia
December 05, 2017	500,000	10	10	Cash	Private Placement	112,318,280	1,123,182,800	1	Allotment of 500,000 Equity Shares to Mr. Akhil Satia
December 18, 2017	500,000	10	10	Cash	Private Placement	112,818,280	1,128,182,800	1	Allotment of 500,000 Equity Shares to Mr. Akhil Satia
December 22, 2017	500,000	10	10	Cash	Private Placement	113,318,280	1,133,182,800	1	Allotment of 500,000 Equity Shares to Mr. Akhil Satia
December 29, 2017	500,000	10	10	Cash	Private Placement	113,818,280	1,138,182,800	1	Allotment of 500,000 Equity Shares to Mr. Akhil Satia
December 30, 2017	500,000	10	10	Cash	Private Placement	114,318,280	1,143,182,800	1	Allotment of 500,000 Equity Shares to Mr. Akhil Satia
January 01, 2018	1,000,000	10	10	Cash	Private Placement	115,318,280	1,153,182,800	1	Allotment of 10,00,000 Equity Shares to Mr. Akhil Satia
January 01, 2018	500,000	10	10	Cash	Private Placement	115,818,280	1,158,182,800	1	Allotment of 5,00,000 Equity Shares to Mr. Akhil Satia
January 02, 2018	500,000	10	10	Cash	Private Placement	116,318,280	1,163,182,800	1	Allotment of 500,000 Equity Shares to Mr. Akhil Satia.

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Number of Allotees	Name of allottees
January 03, 2018	1,000,000	10	10	Cash	Private Placement	117,318,280	1,173,182,800	1	Allotment of 1,000,000 Equity Shares to Mr. Akhil Satia.
March 12, 2018	1,000,000	10	10	Cash	Private Placement	118,318,280	1,183,182,800	1	Allotment of 1,000,000 Equity Shares to Mr. Akhil Satia
May 19, 2018	2,000,000	10	10	Cash	Private Placement	120,318,280	1,203,182,800	1	Allotment of 2,000,000 Equity Shares to Mr. Akhil Satia
May 21, 2018	1,500,000	10	10	Cash	Private Placement	121,818,280	1,218,182,800	1	Allotment of 1,500,000 Equity Shares to Mr. Akhil Satia
May 28, 2018	1,000,000	10	10	Cash	Private Placement	122,818,280	1,228,182,800	1	Allotment of 1,000,000 Equity Shares to Mr. Akhil Satia
June 01, 2018	500,000	10	10	Cash	Private Placement	123,318,280	1,233,182,800	1	Allotment of 500,000 Equity Shares to Mr. Akhil Satia
October 24, 2018	30,00,000	10	10	Cash	Right Issue in the ratio of 1:1 i.e.1 fully paid -up Equity shares against 1 existing fully paid-up Equity Shares held by the existing Shareholders.	126,318,280	1,263,182,800	1	Allotment of 30,00,000 Equity Shares to Mr. Akhil Satia
January 06, 2021	30,00,000	10	10	Cash	Right Issue	129,318,280	1,293,182,800	1	Allotment of 30,00,000 Equity Shares to Mr. Akhil Satia

2. Preference Share Capital

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

Date of allotment/ acquisition/ transfer	Number of Equity Shares allotted/ transferred	Face value per Equity Share (₹)	Issue Price/ Consideration per Equity Share (₹)	Nature of considerati on	Nature of allotment/ transfer
February 04, 2011	2,000,000	10	10	Cash	Preferential Issue
June 10, 2017	2,000,000	10	10	Cash	Transfer of Preference Shares from Mr. Anil Satia to Mr. Akhil Satia
October 27, 2021	(2,000,000)	10	10	Cash	Redemption

All the above-mentioned preference shares were redeemed by our Company on October 27, 2021, and accordingly, no preference share capital remains outstanding as on the date of this Draft Red Herring Prospectus.

3. Issue of shares for consideration other than cash or out of revaluation of reserves or by way of Bonus.

Our Company has not issued any Equity Shares for consideration other than cash or out of revaluation of reserves at any time since incorporation.

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

Our Company has not issued any Equity Shares pursuant to any scheme of arrangement approved under sections 391-394 of the Companies Act, 1956 or section 230-234 of the Companies Act, 2013, as applicable.

5. Issue or transfer of Equity Shares under employee stock option schemes.

Our Company does not have any employee stock option schemes under which any equity shares of our Company is granted. Accordingly, no Equity Shares have been issued or transferred by our Company pursuant to the exercise of any employee stock options.

6. Issue of Equity Shares at a price lower than the Offer price during the preceding one (1) year.

Our Company has not issued any Equity Shares by way of bonus issue or at a price lower than the Issue Price during a period of one year preceding the date of this Draft Red Herring Prospectus. For details of the allotments made in the last one year, see “*Capital Structure – Share Capital History of Our Company – Equity Share capital*” on page 79 of this Draft Red Herring Prospectus.

7. Shareholding Pattern of our Company

The table below presents the equity shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus.

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid up Equity Shares held (IV)	No. of partly paid- up Equity Shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)= (IV + (V)+(VI)	Shareholding as a % total No. of shares (calculated as per SCRR, 1957 (VII) As a % of A+B+C2)	Number of voting rights held in each class of securities (IX)				No. of shares underlying outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	No. of locked in shares (XII)		No. of shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialised form (XIV)
								No. of voting Rights			Total as a % of A+B+C			No. (a)	As a % of total shares	No. (a)	As a % of total	
								Class (Equity)	Class (Others)	Total								
(A)	Promoter & Promoter Group	4	11,72,95,280	-	-	11,72,95,280	90.70	Equity Shares	-	11,72,95,280	90.70	-	90.70	-	-	-	-	11.68,55,030
(B)	Public	15	1,20,23,000	-	-	1,20,23,000	9.30	Equity Shares	-	1,20,23,000	9.30	-	9.30	-	-	-	-	1,15,22,800
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A)+(B)+ (C)	19	12,93,18,280	-	-	12,93,18,280	100.00	Equity Shares	-	12,93,18,280	100.00	-	100.00	-	-	-	-	12,83,77,830

8. Other details of shareholding of our Company

As on the date of the filing of this Draft Red Herring Prospectus, our Company has 19 Shareholders.

Set forth below are the details of the build-up of our Promoters' shareholding in our Company since incorporation:

Date of allotment/acquisition/transfer	Number of Equity Shares allotted/transferred	Face value per Equity Share (₹)	Issue Price/Consideration per Equity Share (₹)	Nature of consideration	Nature of allotment/transfer	Cumulative number of Equity Shares	% of Pre-Issue capital (₹)*	% of Post-Issue capital (₹)
Mr. Akhil Satia								
At the time of incorporation	24,100	10	10	Cash	Initial subscription of the MoA	24,100	0.01	[●]
October 03, 2007	49,50,000	10	10	Cash	Further Issue	4,974,100	3.83	[●]
April 01, 2008	28,50,000	10	10	Cash	Further Issue	7,824,100	2.20	[●]
April 25, 2012	25,90,000	10	10	Cash	Preferential Issue	10,414,100	2.00	[●]
September 06, 2012	1,20,00,000	10	10	Cash	Preferential Issue	22,414,100	9.28	[●]
November 05, 2012	96,24,280	10	10	Cash	Preferential Issue	32,038,380	7.44	[●]
March 01, 2013	70,00,000	10	10	Cash	Preferential Issue	39,038,380	5.41	[●]
May 15, 2015	5,00,000	10	10	Cash	Preferential Issue	39,538,380	0.39	[●]
May 19, 2015	5,00,000	10	10	Cash	Preferential Issue	40,038,380	0.39	[●]
May 23, 2015	15,00,000	10	10	Cash	Preferential Issue	41,538,380	1.16	[●]
August 29, 2015	5,00,000	10	10	Cash	Private Placement	42,038,380	0.39	[●]
September 01, 2015	5,00,000	10	10	Cash	Private Placement	42,538,380	0.39	[●]
October 13, 2015	5,00,000	10	10	Cash	Private Placement	43,038,380	0.39	[●]
April 27, 2016	10,00,000	10	10	Cash	Private Placement	44,038,380	0.77	[●]
April 28, 2016	20,00,000	10	10	Cash	Private Placement	46,038,380	1.55	[●]
April 22, 2017	50,00,000	10	10	Cash	Right Issue	51,038,380	3.87	[●]
June 02, 2017	41,58,900	10	N. A	N. A	Transfer from Saloni Satia by way of Gift	55,197,280	3.22	[●]
June 02, 2017	19,08,750	10	N. A	N. A	Transfer from Ankit Satia by way of Gift	57,106,030	1.48	[●]
August 21, 2017	10,00,000	10	10	Cash	Private Placement	58,106,030	0.77	[●]

August 29, 2017	10,00,000	10	10	Cash	Private Placement	59,106,030	0.77	[●]
August 31, 2017	5,00,000	10	10	Cash	Private Placement	59,606,030	0.39	[●]
December 01, 2017	5,00,000	10	10	Cash	Private Placement	60,106,030	0.39	[●]
December 04, 2017	5,00,000	10	10	Cash	Private Placement	60,606,030	0.39	[●]
December 04, 2017	500,000	10	10	Cash	Private Placement	61,106,030	0.39	[●]
December 05, 2017	5,00,000	10	10	Cash	Private Placement	61,606,030	0.39	[●]
December 18, 2017	5,00,000	10	10	Cash	Private Placement	62,106,030	0.39	[●]
December 22, 2017	5,00,000	10	10	Cash	Private Placement	62,606,030	0.39	[●]
December 29, 2017	5,00,000	10	10	Cash	Private Placement	63,106,030	0.39	[●]
December 30, 2017	5,00,000	10	10	Cash	Private Placement	63,606,030	0.39	[●]
January 01, 2018	10,00,000	10	10	Cash	Private Placement	64,606,030	0.77	[●]
January 01, 2018	5,00,000	10	10	Cash	Private Placement	65,106,030	0.77	[●]
January 02, 2018	5,00,000	10	10	Cash	Private Placement	65,606,030	0.77	[●]
January 03, 2018	10,00,000	10	10	Cash	Private Placement	66,606,030	0.77	[●]
January 03, 2018	100	10	10	Cash	Transfer from Krishna Satia	66,606,130	Negligible	[●]
March 12, 2018	10,00,000	10	10	Cash	Private Placement	67,606,130	0.77	[●]
May 19, 2018	20,00,000	10	10	Cash	Private Placement	69,606,130	1.55	[●]
May 21, 2018	15,00,000	10	10	Cash	Private Placement	71,106,130	1.16	[●]
May 28, 2018	10,00,000	10	10	Cash	Private Placement	72,106,130	0.77	[●]
June 01, 2018	5,00,000	10	10	Cash	Private Placement	72,606,130	0.39	[●]
October 24, 2018	30,00,000	10	10	Cash	Right Issue	75,606,130	2.32	[●]
January 06, 2021	30,00,000	10	10	Cash	Right Issue	78,606,130	2.32	[●]
September 17, 2022	(10,00,000)	10	10	Cash	Transfer to Ashis living Private Limited	7,76,06,130	0.77	[●]
October 21, 2022	(15,00,000)	10	10	Cash	Transfer to Ashis living Private	7,61,06,130	1.15	[●]

					Limited			
May 03, 2023	(10,00,000)	10	10	Cash	Transfer to Ashis living Private Limited	7,51,06,130	0.77	[●]
November 17, 2023	(20,00,000)	10	10	Cash	Transfer to Ashis living Private Limited	7,31,06,130	1.54	[●]
July 22, 2024	(10,00,000)	10	10	Cash	Transfer to Ashis living Private Limited	7,21,06,130	0.77	[●]
November 12, 2024	(12,50,000)	10	10	Cash	Transfer to Ashis living Private Limited	7,08,56,130	0.96	[●]
January 27, 2026	(60,00,000)	10	10	N.A	Transfer from Sabhyata Satia by way of Gift	6,48,56,130	-4.64	[●]
Total (A)	6,48,56,130						50.15	[●]
Date of allotment/ acquisition/ transfer	Number of Equity Shares allotted/ transferred	Face value per Equity Share (₹)	Issue Price/Consideration per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	% of Pre-Issue capital (₹)*	% of Post-Issue capital (₹)
Mr. Shravan Sethi								
Nil								
Total (B)					Nil			
Date of allotment/ acquisition/ transfer	Number of Equity Shares allotted/ transferred	Face value per Equity Share (₹)	Issue Price/Consideration per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	% of Pre-Issue capital (₹)*	% of Post-Issue capital (₹)
Shiv Parivar Trust								
March 31, 2015	4,97,70,400	10	NA	NA	Transfer from Anil Satia to Anil Satia Trust through its Trustee Yudhvie Ahuja by way of Gift	4,97,70,400	38.49	[●]
Total (C)	4,97,70,400						38.49	[●]
Total (A+B+C)	11,46,26,530						88.64	[●]

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

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

Date of transfer	Transferor	Name of allottee/ transferee	No. of Equity shares transferred	Face value of Equity shares	Price per Equity Share	Nature of Transaction	Nature of consideration
March 31, 2015	Anil Satia	Anil Satia Trust through its Trustee Yudhvie Ahuja	4,97,70,400	10	NA	Gift	NA
October 05, 2016	Ajay Satia	Mr. Akhil Satia	19,08,750	10	10	Transfer	Cash
June 02, 2017	Saloni Satia	Mr. Akhil Satia	41,58,900	10	NA	Gift	NA
June 02, 2017	Saloni Satia	Ravinder Kumar	100	10	10	Transfer	Cash
June 02, 2017	Saloni Satia	Sunil Kaura	1000	10	10	Transfer	Cash
June 02, 2017	Saloni Satia	Mayank Malhotra	100	10	10	Transfer	Cash
June 02, 2017	Ankit Satia	Akhil Sathia	19,08,750	10	NA	Gift	NA
June 02, 2017	Ankit Satia	Mr. Rajiv Chopra	100	10	10	Transfer	Cash
January 03, 2018	Krishna Satia	Mr. Akhil Satia	100	10	10	Transfer	Cash
September 17, 2022	Mr. Akhil Satia	Ashis Living Private Limited	10,00,000	10	10	Transfer	Cash
October 17, 2022	Mr. Akhil Satia	Ashis Living Private Limited	15,00,000	10	10	Transfer	Cash
October 21, 2023	Mr. Akhil Satia	Ashis Living Private Limited	10,00,000	10	10	Transfer	Cash
May 3, 2023	Mr. Akhil Satia	Ashis Living Private Limited	20,00,000	10	10	Transfer	Cash
November 17, 2023	Mr. Akhil Satia	Ashis living Private Limited	1,000,000	10	16	Transfer	Cash
July 22,	Mr. Akhil	Ashis living	1,000,000	10	16	Transfer	Cash

Date of transfer	Transferor	Name of allottee/ transferee	No. of Equity shares transferred	Face value of Equity shares	Price per Equity Share	Nature of Transaction	Nature of consideration
2024	Satia	Private Limited					
November 12, 2024	Mr. Akhil Satia	Ashis living Private Limited	1,250,000	10	16	Transfer	Cash
January 30, 2025	Ashis living Private Limited	NNM Securities Private Limited	666,667	10	15	Transfer	Cash
March 11, 2025	Ashis living Private Limited	NNM Securities Private Limited	333,333	10	15	Transfer	Cash
January 27, 2026	Mr. Akhil Satia	Sabhyata Satia	60,00,000	10	NA	Gift	NA
February 24, 2026	Sabhyata Satia	Ashis living Private Limited	2,406,500	10	20	Transfer	Cash
March 25, 2026	Sabhyata Satia	Ashis living Private Limited	1,365,000	10	20	Transfer	Cash

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, as on the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%)*
1.	Mr. Akhil Satia	6,48,56,130	50.15
2.	Shiv Parivar Trust	4,97,70,400	38.49
3.	Ashis Living Private Limited	1,05,21,500	8.14
4.	Sabhyata Satia	22,28,500	1.72
Total		12,73,76,530	98.5

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, as of 10 days prior to the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%)*
1.	Mr. Akhil Satia	6,48,56,130	50.15
2.	Shiv Parivar Trust	4,97,70,400	38.49
3.	Ashis Living Private Limited	91,56,500	7.08
4.	Sabhyata Satia	35,93,500	2.78
Total		12,73,76,530	98.5

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, on a fully diluted basis, as of one year prior to the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%)*

1.	Mr. Akhil Satia	7,08,56,130	54.79
2.	Shiv Parivar Trust	4,97,70,400	38.49
3.	Ashis Living Private Limited	67,50,000	5.21
Total		12,73,76,530	98.49

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, on a fully diluted basis, as of two years prior to the date of this Draft Red Herring Prospectus

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%)*
1.	Mr. Akhil Satia	7,31,06,130	56.53
2	Shiv Parivar Trust	4,97,70,400	38.49
3.	Ashis Living Private Limited	55,00,000	4.25
Total		7,31,06,130	99.27

None of the Equity Shares being offered for sale through the Offer for Sale are pledged or otherwise encumbered, as on the date of this Draft Red Herring Prospectus.

The aggregate shareholding of the Promoters and Promoter Group

Sr. No.	Particulars	No. of Equity Shares held (Pre-Offer)	Percentage of the pre-Offer paid-up Equity Share capital	No. of Equity Shares held (Post-Issue)*	Percentage of the post-Offer paid-up Equity Share capital
(A) Promoters					
1	Mr. Akhil Satia	6,48,56,130	50.15	[●]	[●]
2	Mr. Shravan Sethi	Nil	Nil	Nil	Nil
3	Shiv Parivar Trust	4,97,70,400	38.49	[●]	[●]
Sub-Total (A)		11,46,26,530	88.64	[●]	[●]
(B) Promoter Group (other than our Promoters)					
1	Sabhyata Satia	22,28,500	1.72	[●]	[●]
2	T C Leasing And Investment LLP (formally known as T C Leasing and Investment Private Limited)	4,40,250	0.34	[●]	[●]
Sub-Total (B)		26,68,750	2.06	[●]	[●]
Total (A+B)		11,72,95,280	90.70	[●]	[●]

The number of specified securities purchased or sold by the Promoter Group and/ or by the Directors of our Company and their relatives in the preceding six months.

None of the members of our Promoter Group, our Promoters, our Directors, or any of their respective relatives, as applicable, have purchased or sold any securities of our Company during the period of six (6) months immediately preceding the date of this Draft Red Herring Prospectus.

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

Except as stated below, none of our Directors, Key Managerial Personnel and Senior Management hold any Equity shares in our Company, as on the date of this Draft Red Herring Prospectus:

No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%)*	Percentage of the Post-Issue Equity Share capital (%)
1	Mr. Akhil Satia	6,48,56,130	50.15	[●]
2	Mr. Rajiv Chopra	100	Negligible	[●]

Details of lock-in

Pursuant to Regulations 14 and 16(1)(a) of the SEBI ICDR Regulations, an aggregate of at least 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be considered as the minimum Promoters' contribution and, in view of the proposed objects of the Fresh Issue, is required to be locked-in for a period of [·] from the date of Allotment ("Promoters' Contribution"). Our Promoters' shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital of our Company shall be locked in for a period of [·] from the date of Allotment.

The details of the Equity Shares held by our Promoters, which shall be locked-in for minimum Promoters' contribution for a period of [·], from the date of Allotment as Promoters' Contribution are set out below:

Name of Promoters	Number of Equity Shares locked-in	Date of allotment of Equity Shares and when made fully paid-up	Nature of transaction	Face Value per Equity Share (₹)	Issue / Acquisition price per Equity Share (₹)	Percentage of the pre-Issue paid-up capital (%)	Percentage of the post-Issue paid-up capital (%)	Date up to which Equity Shares are subject to lock-in
[·]	[·]	[·]	[·]	[·]	[·]	[·]	[·]	[·]
[·]	[·]	[·]	[·]	[·]	[·]	[·]	[·]	[·]

The Promoters have given their consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as the Promoters' Contribution and have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoters' contribution from the date of filing the Red Herring Prospectus, until the expiry of the lock-in specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations. The Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as "promoter" under the SEBI ICDR Regulations.

Our Company undertakes that the Equity Shares that are being locked-in will not be ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. For details of the build-up of the share capital held by our Promoters, see "*Capital Structure—Details of Build-up, Contribution and Lock-in of Promoters' Shareholding and Lock-in of other Equity Shares—Capital Build-up of our Promoters' Shareholding in our Company*" on page 79.

In this connection, we confirm the following:

- The Equity Shares offered towards minimum Promoters' contribution have not been acquired during the three immediately preceding years (a) for consideration other than cash and revaluation of assets or capitalization of intangible assets, or (b) arising from bonus issue by utilization of revaluation reserves or unrealized profits of our Company or from a bonus issue against Equity Shares, which are otherwise ineligible for computation of Promoters' contribution;
- The Equity Shares offered towards minimum Promoters' contribution have not been acquired by our Promoters during the year immediately preceding the date of this Draft Red Herring Prospectus at a price lower than the Offer Price, except for Equity Shares acquired pursuant to the Composite Scheme;
- The Equity Shares forming part of the Promoters' contribution are not subject to any pledge; and
- All Equity Shares held by our Promoters are in dematerialized form as of the date of this Draft Red Herring Prospectus.

Further, our Company has not been formed by conversion of a partnership firm or a limited liability partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or limited liability partnership.

Details of Equity Shares locked-in for six months

In addition to the Equity Shares proposed to be locked-in as part of the minimum Promoters' contribution and the Promoter's shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital of our Company which shall be locked in for a period of one year from the date of Allotment, as stated above, as prescribed under the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital of our Company (including any unsubscribed portion of the Offered Shares) will be locked-in for a period of six months from the date of Allotment of Equity Shares in the Offer, in accordance with Regulations 16(1)(b) and 17 of the SEBI ICDR Regulations except the following: (i) the Equity Shares that are held by any VCFs, AIFs (category I or category II) or FVCIs subject to the conditions set out in Regulation 17 of the SEBI

ICDR Regulations, provided that such Equity Shares will be locked-in for a period of at least six months from the date of purchase by the VCFs, AIF (category I or category II) or FVCI; and (ii) the Equity Shares transferred pursuant to the Offer for Sale.

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

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

Other requirements in respect of lock-in:

Pursuant to Regulation 20 of the SEBI ICDR Regulations, details of locked-in Equity Shares will be recorded by relevant depositories Pursuant to Regulation 21 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters may be pledged only with scheduled commercial banks or public financial institutions or a systemically important NBFC or a housing finance company as collateral security for loans granted by such scheduled commercial bank or public financial institution or systemically important NBFC or housing company, provided that specified conditions under the SEBI ICDR Regulations are complied with. However, the relevant lock-in period shall continue pursuant to the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations

Pursuant to Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters, which are locked-in in accordance with Regulation 16 of the SEBI ICDR Regulations, may be transferred to and among our Promoters and any member of the Promoter Group, or to a new promoter of our Company and the Equity Shares held by any persons other than our Promoters, which are locked-in in accordance with Regulation 17 of the SEBI ICDR Regulations, may be transferred to and among such other persons holding specified securities that are locked in, subject to continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the SEBI Takeover Regulations, as applicable. However, it should be noted that the Offered Shares which will be transferred by the respective Selling Shareholder in the Offer for Sale shall not be subject to lock-in.

Our Company, our Directors and the Book Running Lead Manager have no existing buy-back arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

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

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

There will be no further issue of Equity Shares, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner, during the period commencing from the filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or refund of application monies other than in connection with the Issue.

As on the date of this Draft Red Herring Prospectus, the Company does not have any shareholders entitled with right to nominate Directors or any other rights.

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. Further, our Promoters have not pledged any of the Equity Shares that they hold in our Company.

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. Further, none of the Shareholders, the Company, its Promoters, its Directors, its Key Managerial Personnel and Senior Management, its Subsidiaries or members of its Promoter Group are directly/indirectly related with the Book Running Lead Manager and their associates. 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.

Other than the Selling Shareholder who will receive proceeds to for the Offer for Sale, none of the other Promoter and members of the Promoter Group will receive any proceeds from the Offer.

There are no outstanding convertible securities, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.

No person connected with the Offer, including, but not limited to, the Book Running Lead Manager, the members of the Syndicate, our Company and Directors shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an Application.

There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Our Company is in compliance with the Companies Act, 2013, to the extent applicable, with respect to issuance of Equity Shares from the date of incorporation of our Company till the date of filing of this Draft Red Herring Prospectus.

Our Promoter and members of our Promoter Group will not submit Bids, or otherwise participate in this Offer, except by way of participation as Selling Shareholder, as applicable, in the Offer for Sale.

Our Company shall ensure that all transactions in securities by the Promoters and Promoter Group between the date of filing of the draft issue document or Offer document, as the case may be, and the date of closure of the Offer shall be reported to the stock exchange(s), within twenty-four hours of such transactions.

Our Company shall ensure that the Pre-IPO Placement, if undertaken, will be reported to the Stock Exchanges within 24 hours of the Pre-IPO Placement

All Equity Shares offered through the Offer will be made fully paid-up.

OBJECTS OF THE OFFER

The Offer comprises of the Fresh Issue of [●] equity shares of face value of ₹10 each, aggregating up to ₹1,700.00 million by our Company and the Offer for Sale of 67,50,000 equity shares of face value of ₹10 each aggregating up to ₹ [●] million by the Selling Shareholder. For further details, see “*The Offer*” beginning on page 61.

Offer for Sale

The Selling Shareholder will be entitled to receive the proceeds of the Offer for Sale after deducting its proportion of the Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale. The proceeds of the Offer for Sale will be received by the Selling Shareholder and will not form part of the Net Proceeds. For further details of the Offer for Sale, see ‘*The Offer*’ on page 61.

The Fresh Issue

We intend to utilize the net proceeds of the Fresh Issue i.e. gross proceeds of the Fresh Issue less the Offer related expenses apportioned to our Company (“**Net Proceeds**”) are proposed to meet the following objects. Further, a portion of the proceeds from the Fresh Issue will be used towards meeting Offer Expenses. For further details, see “– *Offer Expenses*” on page 323 below.:

1. Repayment and/or prepayment, in part or full of certain of our outstanding borrowings availed by our Company; and
2. General corporate purposes.

(Collectively, referred to herein as the “**Objects**”).

In addition, we expect to achieve the benefits of listing of our Equity Shares on the Stock Exchanges, including enhancement of our Company’s brand name and creation of a public market for our Equity Shares in India. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity shares of our Company.

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

Net Proceeds

The details of the proceeds of the Fresh Issue are summarized in the table below:

(in ₹ million)

Particulars	Estimated Amount
Gross proceeds from the Fresh Issue* (“ Gross Proceeds ”)	[●]**
Less: Estimated Offer related expenses in relation to the Fresh Issue [#]	[●]
Net Proceeds*	[●]

**Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. Our Company, in consultation with the BRLM, may consider a pre-IPO Placement aggregating upto ₹ 150 million, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2) (b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Issue, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and the Prospectus. If the Pre-IPO Placement is undertaken, the amount raised pursuant to such Pre-IPO Placement will be reduced from the amount of the Fresh Issue, subject to compliance with the SEBI ICDR Regulations and the SCRR. Upon allotment of Equity Shares pursuant to the Pre-IPO Placement, our company may utilize the proceeds from the Pre-IPO Placement towards the Objects as set out in this section.*

****Subject to full subscription to the Fresh Issue component.**

For details, see “- Offer related expenses s” on page 323.

Requirement of Funds

The following table sets forth details of the proposed utilisation of Net Proceeds:

(in ₹ million)

S. No.	Particulars	Estimated Amount ⁽¹⁾
1.	Pre-payment or scheduled re-payment of a portion of certain outstanding borrowings availed by our Company	1,200.00
2.	General corporate purposes*	[●]
Total**		[●]

* To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount to be utilised for general corporate purposes general corporate purposes, will not exceed 25% of the Gross Proceeds of the Fresh Issue.

**Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. Our Company, in consultation with the BRLM, may consider a pre-IPO Placement aggregating upto ₹ 150 million, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2) (b) of the SCRR. The Pre- IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and the Prospectus. If the Pre-IPO Placement is undertaken, the amount raised pursuant to such Pre-IPO Placement will be reduced from the amount of the Fresh Issue, subject to compliance with the SEBI ICDR Regulations and the SCRR. Upon allotment of Equity Shares pursuant to the Pre-IPO Placement, our company may utilize the proceeds from the Pre-IPO Placement towards the Objects as set out in this section.

Utilization of Net Proceeds and Proposed schedule of implementation and deployment of Net Proceeds

The Net Proceeds are currently expected to be deployed towards the Objects in accordance with the schedule set forth below:

(in ₹ Million)

Particulars	Estimated Amount to be funded from Net Proceeds*	Estimated utilization of Net Proceeds
		Financial Year 2027
Pre-payment or scheduled re-payment of a portion of certain outstanding borrowings availed by our Company	1,200.00	1,200.00
General corporate purposes**	[●]	[●]
Total**	[●]	[●]

* To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount to be utilised for general corporate purposes general corporate purposes, will not exceed 25% of the Gross Proceeds of the Fresh Issue.

**Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. Our Company, in consultation with the BRLM, may consider a pre-IPO Placement aggregating upto ₹ 150 million, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2) (b) of the SCRR. The Pre- IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the

RHP and the Prospectus. If the Pre-IPO Placement is undertaken, the amount raised pursuant to such Pre-IPO Placement will be reduced from the amount of the Fresh Issue, subject to compliance with the SEBI ICDR Regulations and the SCRR. Upon allotment of Equity Shares pursuant to the Pre-IPO Placement, our company may utilize the proceeds from the Pre-IPO Placement towards the Objects as set out in this section.

Our fund requirements and proposed deployment of the Net Proceeds are based on our internal management estimates as per our business plan based on current circumstances of our business prevailing market conditions. Further, such fund requirements and proposed deployment of funds have not been appraised by any bank or financial institution or any other independent agency. We may need to revise our estimates from time to time in light of various factors such as changes in costs, our financial condition, business and strategy or external circumstances such as market conditions, the economic conditions, changing regulatory policies, prevailing competitive environment, interest or exchange rate fluctuations, which may not be in our control. This may entail rescheduling the proposed utilization of the Net Proceeds and changing the allocation of funds from our planned allocation at the discretion of our management, subject to compliance with applicable laws. In the event that the estimated utilization out of the Net Proceeds in a Fiscal is not met (in part or full), such unutilized amount shall be utilized in the succeeding Fiscal(s), as determined by our Company, in accordance with applicable law.

In case we require additional capital towards meeting the objects of the Fresh Issue, our Company may explore arrange of options including utilising internal accruals and availing additional debt from existing and/or future lenders. In the event our Board deems appropriate, the amount allocated for estimated schedule of deployment of Net Proceeds in a particular fiscal may be repaid/ pre-paid in part or full by us in the subsequent fiscal in compliance with applicable laws. We believe that such alternate arrangements would be available to fund any such shortfalls. If the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for funding future growth opportunities, and/or towards funding any of the other existing objects (if required), and/or general corporate purposes within the permissible limit in accordance with applicable law.

If the Net Proceeds are not utilized (in full or in part) for the objects of the Offer during the period stated above due to factors such as (i) economic and business conditions; (ii) the timing of completion of the Offer; (iii) market conditions outside the control of our Company; and (iv) any other business and commercial considerations, the remaining Net Proceeds shall be utilized (in full or in part) until Financial Year 2028, in accordance with applicable laws. For further details, please refer “*Risk Factors*” on page no. 22.

Means of finance

The fund requirements set out above are proposed to be funded from the Net Proceeds. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 7 of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue. In case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals.

Details of the Objects

1. Repayment/prepayment, in part or full, of certain of our borrowings availed by our Company

Our Company has entered into various financing arrangements from time to time, with various lenders. We avail majority of our fund based and non-fund based facilities in the ordinary course of business from various banks and financial institutions. The financing arrangements availed by our Company include inter alia term loans and working capital facilities. For further details, please refer “*Financial Indebtedness*” on page 244.

As of December 31, 2025, the total outstanding borrowings of our Company are ₹ ₹ 1,709.75 million excluding non-fund borrowings. We propose to utilize an estimated amount of up to ₹ 1200.00 million from the Net Proceeds towards prepayment or scheduled repayment of all or a portion of certain term loans.

Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, will also be funded out of the Net Proceeds. Given the nature of the borrowings and the terms of repayment/ prepayment, the aggregate outstanding amounts under the borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of their existing borrowings prior to Allotment. In addition, our Company and our Subsidiaries may, from time to time, enter into further financing arrangements and drawdown funds thereunder. In such cases or in case any of the borrowings listed below are prepaid, repaid (earlier or scheduled), refinanced, in part or full, or further drawn down prior to the completion of the Offer, or if any additional facilities are availed, we may utilize Net Proceeds towards prepayment or repayment (earlier or scheduled)

of such additional indebtedness availed by us and/ or interest thereon, details of which shall be provided in the Red Herring Prospectus. In the event our Board deems appropriate, the amount allocated for estimated schedule of deployment of Net Proceeds in a particular Financial Year may be repaid/ pre-paid in part or full by our Company in the subsequent Financial Year in compliance with applicable laws. Further, the amounts outstanding under the borrowings as well as the sanctioned limits are dependent on several factors and may vary with the business cycle of our Company and our Subsidiaries with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. We believe that such repayment or prepayment will help reduce our outstanding indebtedness and debt servicing costs, improve our debt to equity ratio, and enable utilization of the internal accruals for further investment towards business growth and expansion.

In addition, we believe that this would improve our ability to raise further resources in the future to fund potential business development opportunities. The selection of borrowings proposed to be prepaid or repaid amongst our borrowing arrangements will be based on various factors, including (i) maturity profile and the remaining tenor of the loan, (ii) cost of the borrowing, including applicable interest rates, (iii) any conditions attached to the borrowings, restricting our ability to prepay/ repay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of such conditions, or relating to the terms of repayment, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any laws, rules and regulations governing such borrowings, and (vi) other commercial considerations including, among others, the amount of the loan outstanding. The payment of additional interest, prepayment penalty or premium, if any, and other related costs required to be paid under the terms of the relevant financing agreements, if any, shall be paid by us out of the internal accruals or out of the Net Proceeds as may be declared by our Board, subject to applicable law.

We believe that the pre-payment or scheduled repayment of certain borrowings will help reduce our existing borrowings, assist us in maintaining a favourable debt-equity ratio and enable utilization of our internal accruals for further investment in business growth and expansion.

The following table provides details of the loans and facilities as at December 31, 2025, the total outstanding borrowings of our Company are ₹ ₹ 1,709.75 million excluding non-fund borrowings. We propose to utilize an estimated amount of up to ₹ 1,200.00 million from the Net Proceeds towards prepayment or scheduled repayment of all or a portion of certain term loans. For details in relation to key terms of our borrowings, see “*Financial Indebtedness*” on page 244.

Our Company has obtained lender consents / no-objection certificates, where required, from the following banks whose outstanding borrowings are proposed to be repaid or pre-paid, in whole or in part, out of the Net Proceeds of the Offer:

- a. Punjab National Bank
- b. Indian Overseas Bank
- c. South Indian Bank
- d. Union Bank of India
- e. Indian Bank
- g. State Bank of India

Below are details of the borrowings availed by our Company and outstanding as of December 31, 2025, which are proposed to be repaid or prepaid from Net Proceeds:

Name of the lender	Nature of Borrowing & Date of Sanction Letter / Loan Agreement	Facility Type	Secured/ Unsecured	Secured Against	Details of the facility agreement / credit arrangement letter	Sanctioned amount (Rs. In Millions) *	Outstanding amount as on Dec 31 st , 2025 (In million) #	Interest rate per annum	Total Tenor	Prepayment penalty / premium	Utilized / Unutilized	Purpose for which disbursed loan amount was used
Indian Bank	Cash Credit	Working Capital	Secured	Note 1	Sanction letter dated September 26, 2017 and renewed updated letter dated July 29, 2025	70.00	60.30	1 Year MCLR +2.65%; 11.65% p.a	Repayable on Demand	2% of outstanding balance/drawing limit (whichever is higher)	Utilized	Working Capital
Indian Bank	Term Loan	Term Loan	Secured	Note 1	Sanction letter dated September 26, 2017 and renewed updated letter dated July 29, 2025	150.00	43.76	1 Year MCLR+3.15; 12.15% p.a	93 Months	2.05% of Outstanding loans	Utilized	Purchase of machineries & Constructions of Building as part of modifications/expansion project

Indian Overseas Bank	Cash Credit	Working Capital	Secured	Note 2	Sanction letter October 29, 2021 along with revised letter dated March 5, 2026	197.50	151.42	RLLR (8.10%) + 2.85%; 10.95% in line with lead bank sanction (SBI)	Repayable on Demand	NA	Utilized	Working Capital
Indian Overseas Bank	Term Loan GECL Loan	Term Loan	Secured	Note 2	Sanction letter dated March 20, 2021, and revised letter dated March 5, 2026	39.50	4.94	RLLR + 1% subject to reset and maximum cap as per scheme guideline; 9.25% p.a	48 Months	Recovery of charges as per Discretion of bank	Utilized	Working Capital
Indian Overseas Bank	GECL Loan (Extention)	Term Loan	Secured	Note 2	Sanction letter dated March 30, 2022, and revised letter dated March 5, 2026	19.75	7.68	RLLR + 1% subject to reset and maximum cap as per scheme guideline; 9.25% p.a	36 Months	Recovery of charges as per Discretion of bank	Utilized	Working Capital

Punjab National Bank	Cash Credit-WCDL and FCL	Working Capital	Secured	Note 3	Renewed sanction letter dated March 11, 2025	45.00	44.89	MCLR 1 Year (8.00 +2.65%-0.25%)=11.05%	Repayable on Demand	Nil	Utilized	Working Capital
Punjab National Bank	GECL-Term Loan	Term Loan	Secured	Note 3a	Sanction letter dated January 18, 2021, along with renewed letter dated March 11, 2025	49.00	4.08	1 Year MCLR Subject to maximum 9.25%	48 Months	NIL	Utilized	Working Capital
Punjab National Bank	GECL-Extention Term Loan	Term Loan	Secured	Note 3b	Sanction letter dated January 18, 2021, along with renewed letter dated March 11, 2025	24.50	12.25	1 Year MCLR Subject to maximum 9.25%	48 Months	NIL	Utilized	Working Capital

Punjab National Bank	Term Loan-FCTL	Term Loan	Secured	Note 3	Sanction letter dated January 18, 2021, along with renewed letter dated March 11, 2025	180.00	44.59	ARR+2.45 %, where ARR=SOFR+0.42826 %	93 Quarters	0.5% of Government Taxes or difference 6 months LIBOR/ARR Whichever is applicable	Utilized	Purchase of Plant & Machinery
South Indian Bank	Cash Credit Open Limit	Working Capital	Secured	Note 4	Sanction letter dated July 07, 2017, with renewed latest letter dated February 23, 2026	140.00	134.82	MCLR + 0.85% Effective rate of Interest-10.95%	Repayable on Demand	3% + GST	Utilized	Working Capital
South Indian Bank	Term Loan	Term Loan	Secured	Note 4	Original July 07, 2017 with renewed latest letter dated February 23, 2026	70.00	14.01	1 Year MCLR =9.70% Spread= 1.80% Effective Interest Rate =11.50%	93 Months	2.00% of the (Balance Outstanding +Any undisbursed limit)	Utilized	Purchase of Plant & Machinery

South Indian Bank	WCTL-ECLGS	Term Loan	Secured	Note 4	Original Sanction Letter Dated March 30, 2021 with renewed latest letter dated February 23, 2026	40.00	2.81	ROI: MCLR 8.25%+1% =9.25%	48 Months	3% + GST	Utilized	Working Capital
South Indian Bank	WCTL-ECLGS-Extention	Term Loan	Secured	Note 4	Original Sanction Letter Dated June 12, 2022 with renewed latest letter dated February 23, 2026	20.00	16.08	ROI: MCLR 9.05% +0.20%=9.25%	48 Months	3% + GST	Utilized	Working Capital
State Bank of India	Cash Credit and PCFC	Working Capital	Secured	Note 5	Sanction letter dated: February 02, 2024 and updated letter dated October 04, 2025	607.50	536.51	3 month EBLR+2.80% , effective 10.95% p.a. monthly rest	Repayable on Demand	2% of pre paid amount	Utilized	Working Capital

State Bank of India	GECL-2	Term Loan	Secured	Note 5	Sanction letter dated March 12, 2021	120.00	4.77	6 months MCLR+0.40%, effective 9.05% p.a. monthly rest	48 Months	Nil	Utilized	Working Capital
State Bank of India	GECL-2 Extension Scheme	Term Loan	Secured	Note 5	Sanction letter dated February 14, 2023	60.00	45.16	6 months MCLR+0.40%, effective 9.05% p.a. monthly rest	48 Months	Nil	Utilized	Working Capital
Union Bank of India	Cash Credit	Working Capital	Secured	Note 6	Sanction letter dated July 25, 2024, and updated letter dated May 30, 2025	280.00	218.77	EBLR+1.95% p.a.	Repayable on Demand	2%	Utilized	Working Capital

Union Bank of India	Term Loan and FCTL Loan	Term Loan	Secured	Note 6	Sanction letter dated April 19, 2018, and updated letter dated May 30, 2025	146.00	42.71	1 Year MCLR + 1.85% (Spread 1.35%, term premium= 0.50%)	93 Months	2%	Utilized	Purchase of machineries & Constructions of Building as part of modifications/expansion project
Union Bank of India	GECL-2	Term Loan	Secured	Note 6	Sanction letter dated February 17, 2021, and updated letter dated May 30, 2025	78.70	8.39	1 YEAR MCLR + 0.60% Subject to maximum 9.25%	48 Months	2%	Utilized	Working Capital
Union Bank of India	GECL-2 Extention Scheme	Term Loan	Secured	Note 6	Sanction letter dated March 30, 2022, and updated letter dated May 30, 2025	39.60	22.28	1 YEAR MCLR + 0.60% Subject to maximum 9.25%	48 Months	2%	Utilized	Working Capital
HDFC Bank	Vehicle Loan	Vehicle Loan	Secured	Hypothecation of Car	Sanction letter dated February 06, 2024	13.00	8.87	8.65% p.a.	60 Months	NA	Utilized	Purchase of Vehicle

Union Bank of India	Vehicle Loan	Vehicle Loan	Secured		Sanction letter dated January 05, 2023	4.50	0.14	9.35% p.a.	84 Months	NA	Utilized	Purchase of Vehicle
Union Bank of India	Vehicle Loan	Vehicle Loan	Secured		Sanction letter dated December 22, 2023	0.50	0.18	8.80% p.a.	36 Months	NA	Utilized	Purchase of Vehicle
Union Bank of India	Vehicle Loan	Vehicle Loan	Secured		Sanction letter dated November 03, 2023	0.50	0.17	8.85% p.a.	36 Months	NA	Utilized	Purchase of Vehicle
Mahindra & Mahindra Financial Services Ltd.	Machinery Term Loan	Term Loan	Secured	Plant and Machinery	Sanction letter dated November 30, 2023	55.10	25.24	3M SBI MCLR + Spread - 8.15%+1.35% = 9.50 p.a.	60 Months	4% on the outstanding amount + Applicable GST	Utilized	Purchase of Plant & Machinery
Punjab National Bank	Machinery Term Loan	Term Loan	Secured	Plant and Machinery; Note 7	Sanction letter dated March 11, 2025	139.20	109.27	MCLR (9.05% + Spread 2.65%-0.25% concession = 11.45% p.a.	78 Months	NA	Utilized	Purchase of Plant & Machinery

Union Bank of India	Machinery Term Loan	Term Loan	Secured	Plant and Machinery	Sanction letter dated May 30, 2025	250.00	137.63	EBLR+2.4 5% p.a.	72 Month	NA	Utilized	Purchase of Plant & Machinery
Union Bank of India	Vehicle Loan	Vehicle Loan	Secured	Hypothecation of Car	Sanction letter dated August 12, 2025	8.50	8.03	EBLR-0.35%, effective as 7.9% P.a.	60 Months	NA	Utilized	Purchase of Vehicle
Total						2,848.35	1,709.75					

For further details regarding the above facilities and related security referred to in Notes 1 to 7, please refer to the chapter titled 'Financial Indebtedness' on page 244.

* The sanctioned amount includes the updated sanctioned limit of working capital facilities as on the reporting date, based on the latest renewed sanction letters, and the original sanctioned amount in respect of term loans and vehicle loans

The above borrowings comprise term loans and working capital facilities. Our Company has also availed certain foreign currency borrowings from banks in India, including Foreign Currency Loans (FCL), Foreign Currency Term Loans (FCTL) and Packing Credit in Foreign Currency (PCFC), which form part of the cash credit and/or term loan facilities. The outstanding balances of such borrowings have been translated into Indian Rupees at an exchange rate of ₹89.8354 per US\$1 as on December 31, 2025, based on the exchange rate available at <https://www.oanda.com/currency-converter>

For further details, please refer to the section titled “Financial Indebtedness” on page 244 of this Draft Red Herring Prospectus.

In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, which requires a certificate from the statutory auditor confirming the utilisation of loans for the purposes for which they were availed, our Statutory Auditor *As certified by J & Mandal Associates, Chartered Accountants, Statutory Auditors of our Company, pursuant to their certificate dated March 30, 2026.*

2. General corporate purposes

The general corporate purposes for which our Company proposes to utilize Net Proceeds include payment of commission and/or fees to consultants, to further strengthen our existing ecosystem, meeting ongoing general corporate exigencies, expenses incurred in ordinary course of business, business development initiatives, capital expenditure, other expenses including salaries, administration, insurance, repairs and maintenance, payment of taxes and duties and any other purpose, as may be approved by our Board or a duly constituted committee thereof from time to time, based on the amount actually available under this head and the business requirements of our Company and other relevant considerations, from time to time, subject to compliance with applicable law, including provisions of the Companies Act.

The allocation or quantum of utilization of funds towards each of the above purposes (Loan repayment and general corporate purposes) will be determined by our Board, based on the business requirements of our Company and other relevant considerations, from time to time. Our Company’s management shall have flexibility in utilizing surplus amounts, if any. In the event we are unable to utilize the entire amount that we have currently estimated for use of our Net Proceeds in Fiscal, we will utilize such unutilized amount(s) in the subsequent Fiscals.

Interim use of Net Proceeds

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

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

Means of finance

The Net Proceeds will not be utilized for financing a particular project, accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and internal accruals as required under the SEBI ICDR Regulations. In case of a shortfall in the Net Proceeds or any increase in the actual utilization of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals and/or seeking additional debt from existing and/or other lenders.

Appraising entity

None of the Objects require appraisal from, or have been appraised by, any bank/ financial institution/ any other agency, in accordance with applicable law.

Offer related expenses

The Offer expenses are estimated to be approximately ₹ [●] million. The Offer expenses comprises of, among other things, listing fee, underwriting fee, selling commission and brokerage, fee payable to the Book Running Lead Managers, legal counsels, Registrar to the Offer, Escrow Collection Bank, processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, fees payable to the Sponsor Banks for Bids made by UPI Bidders, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges.

Other than the listing fees, audit fees of the statutory auditors (other than to the extent attributable to the Offer), corporate or advertisements expenses in the ordinary course of business by our Company (not in connection with

the Offer), and stamp duty payable on issue of Equity Shares pursuant to Fresh Issue which will be borne solely by our Company and fees and expenses to be paid regarding pre-IPO placement, which will be borne solely by our Company, all costs, charges, fees and expenses that are associated with and incurred solely in connection with the Offer including, inter-alia, filing fees, book building fees and other charges, fees and expenses of the SEBI, the Stock Exchanges, the RoC and any other governmental authority, advertising, printing, road show expenses, accommodation and travel expenses, fees and expenses of the legal counsel to our Company and the legal counsel to the BRLM, fees and expenses of the Statutory Auditor (to the extent related to the Offer), registrar fees and broker fees (including fees for procuring of applications), bank charges, fees and expenses of the BRLM, Syndicate Members, Self-Certified Syndicate Banks, other Designated Intermediaries and any other consultant, advisor or third party in connection with the Offer shall be borne by our Company through the Fresh Issue, except as may be prescribed by the SEBI or any other regulatory authority.

The break-down for the estimated Offer expenses are as follows:

S. No	Activity	Estimated expenses* (₹ in million)	As a % of the total estimated Offer expenses	As a % of the total Offer size
1.	Fees payable to the BRLM including underwriting commission, brokerage and selling commission, as applicable	[●]	[●]	[●]
2.	Brokerage, selling commission, bidding charges, and processing fees for SCSBs ⁽¹⁾⁽²⁾ and Bidding Charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs ⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾	[●]	[●]	[●]
3.	Fees payable to the Registrar to the Offer	[●]	[●]	[●]
4.	Other expenses:			
	Listing fees, SEBI filing fees, book building software fees, NSDL and CDSL fee and other regulatory expenses	[●]	[●]	[●]
	Printing and stationery expenses	[●]	[●]	[●]
	Fees payable to the Statutory Auditor, industry service provider, independent chartered accounts, independent chartered engineers and RoC consultant etc.	[●]	[●]	[●]
	Advertising and marketing expenses for the Offer	[●]	[●]	[●]
	Fees payable to the legal counsels to the Offer	[●]	[●]	[●]
	Miscellaneous [#]	[●]	[●]	[●]
	Total Estimated Offer Expenses	[●]	[●]	[●]

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

- (1) The Offer expenses will be incorporated in the Prospectus on finalization of the Offer Price.
- (2) Selling commission payable to the SCSBs on the portion for RIBs and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:

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

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

Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.

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

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

*Based on valid applications

- (4) Selling commission on the portion for UPI Bidders, Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts-linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:

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

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

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

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

The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

- (5) Selling commission/ uploading charges payable to the Registered Brokers on the portion for UPI Bidders and Non-Institutional Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

Portion for RIBs*	₹ [●] per valid application (plus applicable taxes)
Portion for Non-Institutional Bidders*	₹ [●] per valid application (plus applicable taxes)

* Based on valid applications

- (6) Uploading charges/ Processing fees for applications made by UPI Bidders would be as under:

Payable to members of the Syndicate (including their sub-Syndicate Members)/ RTAs / CDPs	₹ [●] per valid application (plus applicable taxes)
Payable to Sponsor Banks	₹ [●] per valid application (plus applicable taxes) The Sponsor Banks 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 applicable SEBI circulars, agreements and other Applicable Laws

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

Bridge financing facilities

We have not availed any bridge financing from banks or financial institutions as of the date of this Draft Red Herring Prospectus.

Monitoring utilization of funds from the Offer

In terms of Regulation 41 of the SEBI ICDR Regulations, prior to filing the Red Herring Prospectus with the RoC, we will appoint a monitoring agency to monitor the utilization of the Gross Proceeds. The Monitoring Agency

shall also monitor the utilisation of the funds raised vide the Pre-IPO Placement towards the Objects. Our Audit Committee and the Monitoring Agency will monitor the utilization of the Gross Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency upon receipt before the Audit Committee without any delay.

Our Company will disclose the utilization of the Gross Proceeds, including interim, use under a separate head in our balance sheet for such fiscals as required under applicable law, specifying the purposes for which the Gross Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable fiscals, provide details, if any, in relation to all such Gross Proceeds that have not been utilized, if any, of such unutilized Gross Proceeds. Our Company will indicate investments, if any, of unutilized Gross Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 18(3) and Regulation 32 of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and application of the Gross Proceeds and provide item by item description for all the expense heads under each Object of the Offer. Additionally, the Audit Committee shall review the report submitted by the Monitoring Agency and make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilized for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilized in full. The statement shall be certified by the statutory auditors of our Company and shall be furnished to the Monitoring Agency, in terms of the Monitoring Agency Agreement. Furthermore, in accordance with the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement including deviations, if any, in the utilization of the Gross Proceeds of the Offer from the Objects as stated above. The 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. We will disclose the utilization of the Gross Proceeds under a separate head along with details in our balance sheet(s) until such time as the Gross Proceeds remain unutilized clearly specifying the purpose for which such Gross Proceeds have been utilized. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of the Gross Proceeds in a Fiscal, we will utilize such unutilized amount in the next Fiscal.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and the applicable rules, and the SEBI ICDR Regulations, our Company shall not vary the Objects without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Notice**") shall specify the prescribed details as required under the Companies Act. The Notice shall simultaneously be published in the newspapers, one in English, one in Hindi, and one in Punjabi, Punjabi also being the regional language of Punjab where our Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal, in accordance with the Companies Act and SEBI ICDR Regulations, at a price and in the manner as prescribed by SEBI, in this regard.

Appraising Agency

None of the Objects for which the Net Proceeds will be utilized, require appraisal from, or have been appraised by, any bank/ financial institution/ any other agency, in accordance with applicable law.

Other confirmations

No part of the Net Proceeds will be paid by our Company to our Promoters, Promoter Group, our Directors, our Key Managerial Personnel, our Senior Management or Group Companies. There are no existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoters, Promoter Group, our Directors, our Key Managerial Personnel, our Senior Management or Group Companies.

Our Company has neither entered into nor planned to enter into any arrangement/ agreements with our Promoters, members of our Promoter Group, Directors, Key Managerial Personnel, Senior Management or our Group Companies in relation to the utilization of the Net Proceeds. Further, there are no material existing or anticipated interest of such individuals and entities in the Objects of the Offer.

BASIS FOR OFFER PRICE

The Price Band and Offer Price will be determined by our Company, in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 10 each, and the Offer Price is [●] times the Floor Price and [●] times the Cap Price, and Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The financial information included herein is derived from our Restated Financial Information.

Investors should also refer to the sections “Risk Factors”, “Our Business”, “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 22, 174, 241 and 259, 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 computing the offer Price are:

- **Experienced Management Team:** Our Company is led by a qualified and experienced management team, supported by skilled personnel with significant industry knowledge and proven expertise, enabling effective strategy formulation and execution.
- **Presence in Export Market:** We have established our presence in export markets, catering to reputed international buyers, which provides us with a diversified customer base and opportunities for long-term sustainable growth.
- **Investment in Own Brand and Marketing:** We have initiated investments in building our own brand and strengthening marketing initiatives, which are expected to enhance brand visibility, improve customer loyalty, and contribute to business scalability.
- **Strong Manufacturing Capabilities:** Our integrated and well-equipped manufacturing facilities enable us to maintain consistent product quality, achieve economies of scale, and respond effectively to changing customer requirements.
- **Focus on Quality and Product Diversification:** We place strong emphasis on stringent quality control processes and offer a wide product portfolio within the terry towel segment, catering to varied customer preferences in both domestic and international markets.
- **Long-Standing Customer Relationships:** Over the years, we have developed enduring relationships with reputed customers, which provides us with repeat business opportunities and strengthens our competitive position.
- **Industry Growth Potential:** The Indian towel and textile industry benefits from strong global demand, cost competitiveness, and increasing focus on exports, which positions us to capitalize on emerging opportunities.

Quantitative Factors

Some of the information presented below relating to our Company is based on or derived from Restated Financial Information. For details, see “**Restated Financial Information**” beginning on page 241. Some of the quantitative factors which may form the basis for calculating the offer Price are as follows:

1. Basic and diluted Earnings per Share (“EPS”)

Particulars	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight [#]
Financial Year 2023	0.70	0.70	1
Financial Year 2024	1.04	1.04	2
Financial Year 2025	1.31	1.31	3
Weighted Average #	1.12		
Six months period ended September 30, 2025*	0.61		

*Not annualized

Notes:

#While calculating the weighted average, we have given the maximum weight to the recent fiscal as mentioned in the table above.

(1) The face value of each Equity Shares is ₹ 10.

(2) Basic Earnings per share = Net profit after tax as restated / Weighted average number of equity shares outstanding during the period /year.

(3) Diluted Earnings per share = Net profit after tax (loss after tax) as restated / Weighted average number of potential equities shares outstanding during the period/year (adjusted for effect of dilution).

(4) *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year / Total of weights,*

(5) *Weighted average number of Equity Shares are the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued / bought back 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,*

(6) *The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Restated Financial Statements.*

2. Price/Earnings Ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share:

Particulars	P/E at the lower end of Price Band (no. of times) [#]	P/E at the higher end of Price band (no. of times) [#]
P/E ratio based on basic EPS for Financial Year 2025	[●]	[●]
P/E ratio based on diluted EPS for Financial Year 2025	[●]	[●]

[●] To be updated on finalisation of the Price Band.

3. Industry Peer Group Price / Earnings (P/E) ratio

Based on the peer group information (excluding our Company) given below are the highest, lowest and industry average P/E ratio:

Particulars	P/E Ratio
Highest	47.90
Lowest	29.70
Average	38.80

Notes:

- (1) *The industry high and low has been considered from the industry peer set. The industry average has been calculated as the arithmetic average of P/E of the industry peer set.*
- (2) *P/E figures for the peer are computed based on closing market price as of March 27, 2026 on NSE, divided by Diluted EPS for the financial year ending March 31, 2025.*
- (3) *All the financial information for listed industry peers mentioned above is sourced from the audited financial statements of the relevant companies for Fiscal 2025, as available on the websites of the Stock Exchanges and the respective company website.*

4. Return on Net Worth ("RoNW")

Financial Year	RoNW (%)	Weight [#]
Financial Year 2023	6.19%	1
Financial Year 2024	8.54%	2
Financial Year 2025	9.84%	3
Weighted Average	8.81%	
Six months period ended September 30, 2025	4.25%	

Notes:

[#]While calculating the weighted average, we have given the maximum weight to the recent fiscal as mentioned in the table above.

- (1) *Return on Net Worth (%) = Net profit after tax, as restated/Average Net worth, Average Net Worth has been computed as the average of the net worth at the beginning of the relevant financial year and the net worth at the end of the period/year, as restated,*
- (2) *"Net worth" means the average value of the paid-up share capital and all reserves created out of the profits i.e. retain earning.*
- (3) *Weighted average means aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e., (Return on Net Worth x weight) for each year / total of weights.*

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

Financial Period	NAV per Equity Share (in ₹)
As of March 31, 2023	11.63
As of March 31, 2024	12.69
As of March 31, 2025	14.02

As of period ended September 30, 2025	14.61
After the completion of the Offer	
-At the Floor Price	[●]#
-At the Cap Price	[●]#
Offer Price	[●]#

To be populated in the Prospectus

(1) Net Asset Value per share represents Net Worth at the end of the year/period divided by the number of shares outstanding end of the year

(2) The figures disclosed above are derived from the Restated Financial Information of our Company.

6. Comparison of Accounting Ratios with Listed Industry Peers (as of or for the period ended March 31, 2025, as applicable)#

The following peer group has been determined based on the companies listed on the Stock Exchanges:

Name of Company	Revenue from operations (₹ in million)	Face value (₹ per share)	Closing price on March 27, 2026 (in ₹)	EPS* (₹)		NAV (per share) (₹)	P/E	RoN W (%)
				Basic	Diluted			
TC Terrytex Ltd	6,734.80	10	NA	1.31	1.31	14.02	NA	9.84%
Listed peers⁽²⁾								
Trident Limited	69,870.80	1	23.78	0.73	0.73	9.10	29.70	8.28%
Welspun Living Limited	105,450.90	1	116.46	6.70	6.68	51.04	47.90	13.70%

(1) Financial information of our Company is derived from the Restated Financial Statements As certified by J Mandal & Co LLP pursuant to their certificate dated March 30, 2026.

(2) Source: Annual report of the peer companies for Financial Year 2025 submitted to stock exchanges.

#Source for Listed Industry Peer information included above: <https://www.nseindia.com/>

Notes:

- All the financial information for listed industry peers mentioned above is sourced from the audited financial statements of the relevant companies for Fiscal 2025, as available on the websites of the Stock Exchanges and the respective company website.
- P/E figures for the peers are computed based on closing market price as on March 27, 2026 on <https://www.screener.in/>
- Net asset value per share = Net worth as restated / Number of Equity Shares as at year end.
- "Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits as per the restated balance sheet excluding non-controlling interest
- Revenue = Revenue from Operations

3. Key Performance Indicators

The table below sets forth the details of our KPIs which our Company considers have a bearing for arriving at the basis for offer Price.

Financial KPI:

(₹ in million, unless specified)

Particulars	Six month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from Operations	3245.79	6734.8	6544.22	5441.31
Revenue Growth (in %) (1)	NA	2.91%	20.27%	-0.30%
EBITDA (2)	271.99	590.41	503.63	452.37
EBITDA Growth (in %) (3)	NA	17.23%	11.33%	10.85%
EBIT (4)	217.82	476.68	420.14	347.90
EBIT Growth (in %) (5)	NA	13.46%	20.76%	11.90%
Profit After Tax (6)	78.73	170.01	134.40	90.28
Profit After Tax Growth (in %)(7)	NA	26.50%	48.87%	123.29%
EBITDA Margin (8)	8.38%	8.77%	7.70%	8.31%
EBIT Margin (9)	6.71%	7.08%	6.42%	6.39%
PAT Margin (10)	2.43%	2.52%	2.05%	1.66%
Net Worth (11)	1889.43	1813.05	1641.45	1504.34
Total Debt (12)	1594.48	1752.00	1936.00	2043.90
Debt/Equity (13)	0.84	0.97	1.18	1.36

Particulars	Six month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
ROE (14)	4.25%	9.84%	8.54%	6.19%
ROCE (15)	6.18%	13.35%	11.79%	9.81%
Total Debt / EBITDA (16)	5.86	2.97	3.84	4.52
Fixed Asset Turnover Ratio (17)	2.84	5.56	5.71	5.16
Current Ratio (18)	1.31	1.33	1.33	1.39

Notes:

- i. KPI as identified and approved by the Audit Committee of the board of directors of our Company pursuant to their resolution dated March 28, 2026) and as certified by J Mandal & Co LLP pursuant to their certificate dated March 30, 2026.
- ii. For both the Company and its listed peers, components of Other Equity have been considered after excluding balances of Other Comprehensive Income (OCI) that are subject to potential reclassification to the Statement of Profit and Loss in the future. Such re-classifiable items have been excluded on the basis that they do not represent permanent equity and may affect future earnings.

Formula for calculation of KPIs:

- (1) Revenue Growth (%) = (Revenue from operation in Current Period – Revenue from operation in Previous Period) / Revenue in Previous Period * 100
- (2) Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) = Profit Before Tax (PBT) + Finance Costs + Depreciation & Amortization - Other Income
- (3) EBITDA Margin (Earnings Before Interest, Taxes, Depreciation, and Amortization Margin) = (EBITDA / Revenue from Operations) * 100
- (4) EBITDA Growth (%) = (EBITDA in Current Period - EBITDA in Previous Period) / EBITDA in Previous Period * 100
- (5) Earnings Before Interest and Taxes (EBIT) = Profit Before Tax (PBT) + Finance Costs
- (6) EBIT Margin (Earnings Before Interest and Taxes Margin) = (EBIT / Revenue from Operations) * 100
- (7) EBIT Growth (%) = (EBIT in Current Period - EBIT in Previous Period) / EBIT in Previous Period * 100
- (8) PAT = Profit before Tax (PBT) – Total Tax Expenses
- (9) PAT Margin (Profit After Tax Margin) = (PAT / Revenue from Operations) * 100
- (10) PAT Growth (%) = (PAT in Current Period - PAT in Previous Period) / PAT in Previous Period * 100
- (11) Return on Equity (ROE) (%) = (PAT / Average Equity (here Equity = Equity Share Capital + Other Equity-OCI re-classifiable to P&L)) * 100
- (12) Return on Capital Employed (ROCE) (%) = Earnings Before Interest and Taxes (EBIT) / Average Capital Employed (here Capital Employed = Net worth + Total Debt) * 100
- (13) Net worth = Paid-up share capital + Other Equity (exclusive of NCI) – OCI re-classifiable to P&L
- (14) Total Debt = Total Borrowings (Long-term + Short-term)
- (15) Total Debt to Equity = Total Debt / Equity
- (16) Fixed Asset Turnover = Revenue from Operations / Average Net Fixed Assets (here Net Fixed Assets = Net property plant and equipment as per restated financial statement)
- (17) Current ratio = Current Asset / Current Liabilities
- (18) Total Debt to EBITDA = Total Debt / Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)

Set out below are certain operational key performance indicators pertaining to our business

(₹ in millions, unless specified)

Particulars	Six-month Period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Number of Employee's ⁽¹⁾	1,714	1,630	1,677	1,471
Total Sale of Products (in million) ⁽²⁾	2,991.56	6,198.32	6,073.37	4,987.95
Revenue per Employee (₹ in million) ⁽³⁾	1.75	3.80	3.62	3.39
Capacity Utilization (in %) ⁽⁴⁾				
- Towel	87.83%	88.60%	88.27%	87.92%
- Dyed Yarn	89.14%	93.13%	88.64%	87.50%
Loom Efficiency (%) ⁽⁵⁾	91.13%	95.59%	89.60%	87.92%
Yield Rate (%) ⁽⁶⁾	95.36%	95.73%	94.64%	95.85%
Rejection Rate (%) ⁽⁷⁾	4.64%	4.27%	5.36%	4.15%
Energy Consumption per Kg of Output (kWh/MTPA) ⁽⁸⁾	2.25	2.51	2.56	2.45

⁽¹⁾ Number of Employee's represents the total number of employees engaged with the Company as on the end of the respective financial year.

⁽²⁾ Total Sale of products represents the total sale from finished goods, traded goods and scrap sale earned by the Company during the respective financial year.

- (3) Revenue per Employee's calculated by dividing the Total Revenue by Total Number of Employee's.
- (4) Capacity utilization is the total number of units produced out of total installed capacity.
- (5) Loom Efficiency is calculated by dividing the actual operating hours of the looms by the total available loom hours in a day, expressed as a percentage.
- (6) Yield Rate is calculated as the proportion of defect-free production to the total production (in metric tonnes) sourced from external capacities, expressed as a percentage.
- (7) Rejection rate is calculated as 1-Yield Rate
- (8) Total Energy Consumption is calculated by dividing the total electricity consumed for the Towel Division (in kWh) by the total output produced (in metric tonnes per annum), and then dividing the result by 1,000 to express it in kWh per kg of output.

Explanation for the Key Performance Indicators:

The table below sets forth the details of KPIs that our Company considers have a bearing for arriving at the basis for offer Price. All the KPIs disclosed above have been approved by a resolution of our Audit Committee dated March 28, 2026. Further, the Audit Committee has noted that no KPIs have been disclosed to any new investors in the last three years preceding the date of this Draft Red Herring Prospectus. Further, the KPIs herein have been certified by J Mandal & Co LLP pursuant to their certificate dated March 30, 2026.

The KPIs disclosed above 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.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once a year (or any lesser period as may be determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchanges or till the utilization of the offer Proceeds as per the disclosure made in the section “Objects of the Offer” on page 96 of this Draft Red Herring Prospectus, whichever is later, or for such other duration as required under the SEBI ICDR Regulations.

Explanation for the key performance indicators:

S. No.	Key performance indicators ⁽¹⁾	Description
1.	Revenue	We selected this KPI because it reflects the main income generated by our company's core activities. It's crucial for understanding how well our business is performing financially, without including other sources of income that might skew the picture.
2.	Revenue Growth	We selected this KPI as this metric is used to measure the increase in a company's revenue over a specific period. It is a critical indicator of a business's overall performance, showing how effectively it is generating sales and increasing its financial output.
3.	EBITDA	EBITDA is a valuable KPI because it provides a clear view of our operational performance by excluding non-operating expenses. This allows us to focus specifically on how well the business is running without the impact of external factors like taxes or interest payments.
4.	EBITDA Margin	This KPI is selected because it shows us the percentage of our revenue that translates into EBITDA, which helps us assess our profitability and margin profile. It's preferred over other margin calculations because it focuses solely on operational performance, excluding non-operating factors.
5.	EBITDA Growth	This KPI highlights a company's ability to grow its core operating earnings excluding non-operational factors such as financing costs, tax strategies and non-cash accounting item like depreciation and amortization
6.	PAT	Profit is essential for understanding our overall profitability representing the income remaining after all expenses, including taxes, have been deducted. It's a straightforward measure of financial health and the Company's ability to generate income.
7.	PAT Margin	PAT Margin is a key KPI that measures the percentage of profit a company generates from its total revenue after all expenses, including taxes, have been deducted. It provides insight into how efficiently the company is converting revenue into actual profit, and a higher PAT margin typically reflects strong financial health and effective cost management

8.	PAT Growth	PAT Growth tracks the percentage increase or decrease in a company's PAT over a specific period. It indicates the company's ability to increase profitability, factoring in revenue growth, cost control, and tax management.
9.	ROE	ROE is selected because it measures how effectively the Company is using shareholder equity to generate profits. It is a key indicator of our efficiency and performance from the shareholders' perspective.
10.	ROCE	RoCE helps us understand how efficiently we are utilizing both equity and debt to generate profits. It provides insight into the returns generated from the total capital invested in the business
11.	Net Worth	Net Worth is a crucial KPI as it provides a snapshot of a company's financial health and stability, showing the residual interest in the company's assets after all debts have been paid.
12.	RONW	We selected this KPI as it measures the return a company generates on its shareholders' equity. It reflects how effectively a company utilizes its equity capital to generate profit, and a higher RoNW indicates more efficient use of shareholder funds to drive earnings.
13.	NAV	This is a key KPI as it represents the intrinsic value of the company and is used by investors to assess the company's true worth and its potential for value creation.
14.	Total Debt	Total Debt is selected as it provides us with a clear picture of our liquidity position by considering our borrowings. It's an essential metric for assessing our financial leverage and ability to meet short-term obligations
15.	Total Debt/Equity	We selected this as it helps assess the financial risk associated with the company's capital structure.
16.	Total Debt/EBITDA	We selected this as it helps assess the financial risk associated with the company's capital structure. It helps to reflect the number of years that would be required for the Company to repay its total debt if all EBITDA were applied solely towards debt repayment.
17.	Fixed Asset Turnover	This is a key KPI as it is a ratio that measures how efficiently a company uses its fixed assets (like property, plant and equipment) to generate revenue.
18.	Current Ratio	We selected this ratio as it helps to measure of liquidity that indicates the Company's ability to meet its short-term obligations with its short-term assets
19.	Revenue per Employee	This indicator measures that on an average basis, how much revenue is generated per client, highlighting the efficiency of our product sales
20.	Capacity Utilization	Capacity Utilization refers to the extent to which the Company utilizes its installed production capacity.
21.	Loom Efficiency	Loom Efficiency measures the operational effectiveness of looms by indicating the proportion of time the looms are actively running compared to the total available time.
22.	Yield Rate	Yield Rate represents the proportion of defect-free production relative to total production sourced from external capacities, expressed as a percentage. It reflects the quality and efficiency of the production process, with a higher yield indicating lower defects.
23.	Rejection Rate	Rejection Rate represents the proportion of defective or rejected output in relation to total production.
24.	Energy Consumption per Kg of Output	Energy Consumption per kg of Output measures the amount of electricity consumed to produce one kilogram of finished output.

⁽¹⁾ As certified by J Mandal & Co LLP pursuant to their certificate dated March 30, 2026.

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

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

prepared in accordance with Ind AS. Investors are encouraged to review the Ind AS financial measures and to not rely on any single KPI to evaluate our business.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by our Board), until the later of (a) one year after the date of listing of the Equity Shares on the Stock Exchanges; or (b) complete utilization of the proceeds of the Fresh offer as disclosed in “*Objects of the Offer*” on page 96, or for such other duration as may be required under the SEBI ICDR Regulations.

Comparison of KPIs over time shall be explained based on additions or dispositions to our business

Our Company has not made any additions or dispositions to its business during the six month period ended September 30, 2025, Fiscal 2025, 2024 and 2023 respectively .

Comparison of our key performance indicators with listed industry peers

The following table presents a comparison of our KPIs with those of our listed peers for the periods indicated. The peer set has been determined on the basis of companies listed on Indian stock exchanges that are of comparable size to our Company, operate in the same industry, and follow a broadly similar business model. However, these listed peer companies are not strictly comparable on an apple-to-apple basis.

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Particulars		TC Terrytex Limited			Trident Limited				Welspun Living Limited			
	Sep-25	FY 2025	FY 2024	FY 2023	Sep-25	FY 2025	FY 2024	FY 2023	Sep-25	FY 2025	FY 2024	FY 2023
Revenue from Operations	3245.79	6,734.80	6,544.22	5,441.31	17,851.70	69,870.80	68,088.30	63,322.60	47,014.80	105,450.90	96,792.40	80,937.60
Revenue Growth (in %)	NA	2.91%	20.27%	NA	-74.45%	2.62%	7.53%	NA	-55.42%	8.95%	19.59%	NA
EBITDA	271.99	593.70	503.45	452.37	2156.3	9,107.80	9,404.40	9,470.90	3838.1	12988.9	13690.2	7525.9
EBITDA Growth (in %)	NA	17.93%	11.29%	NA	-76.32%	-3.15%	-0.70%	NA	-70.45%	-5.12%	81.91%	NA
EBIT	217.82	479.98	420.14	347.90	1,488.20	6,047.30	6,332.20	6,586.80	2,336.10	10776.5	11203.6	4317.9
EBIT Growth (in %)	NA	14.24%	20.76%	NA	-75.39%	-4.50%	-3.87%	NA	-78.32%	-3.81%	159.47%	NA
Profit After Tax	78.73	174.14	134.40	90.28	909.30	3,707.30	3,499.90	4,416.10	1041.6	6440.2	6727.4	2025.1
Profit After Tax Growth (in %)	NA	29.57%	48.87%	NA	-75.47%	5.93%	-20.75%	NA	-83.83%	-4.27%	232.20%	NA
EBITDA Margin	8.38%	8.82%	7.69%	8.31%	12.08%	13.04%	13.81%	14.96%	8.16%	12.32%	14.14%	9.30%
EBIT Margin	6.71%	7.13%	6.42%	6.39%	8.34%	8.65%	9.30%	10.40%	4.97%	10.22%	11.57%	5.33%
PAT Margin	2.43%	2.59%	2.05%	1.66%	5.09%	5.31%	5.14%	6.97%	2.22%	6.11%	6.95%	2.50%
Net Worth	1889.43	1,817.18	1,641.45	1,504.34	46,079.7	46,209.90	43,154.10	41,926.30	48,264.90	48,210.90	45,158.10	40,878.10
Total Borrowings	1594.48	1,752.00	1,936.00	2,043.90	15,481.10	15,757.80	20,608.10	13,741.10	23,868.80	24,686.20	25,205.10	23,504.00
Debt/Equity	0.84	0.96	1.18	1.36	0.34	0.34	0.48	0.33	0.49	0.51	0.56	0.57
ROE	4.25%	9.84%	8.54%	6.19%	1.97%	8.02%	8.11%	10.53%	2.1%	13.36%	14.90%	4.95%
ROCE	6.18%	13.43%	11.79%	9.81%	2.42%	9.76%	9.93%	11.83%	3.21%	14.58%	15.71%	6.60%
Total Debt / EBITDA	5.86	2.95	3.85	4.52	7.18	1.73	2.19	1.45	6.22	1.90	1.84	3.12
Fixed Asset Turnover Ratio	2.84	5.56	5.71	5.16	0.42	1.59	1.62	1.60	1.29	2.99	2.72	2.24
Current Ratio	1.31	1.33	1.33	1.39	1.62	2.01	1.58	1.40	1.61	1.68	1.72	1.66

For competitor entities, all the financial information mentioned above is on a consolidated basis unless otherwise available only on standalone and is sourced from the annual reports as available of the respective company for the fiscal ended March 2025, 2024 and 2023 for the respective periods as submitted to Stock Exchanges/SEBI and available on their website.

Trident Limited

Trident Limited is one of India's largest producers of terry towels, with globally recognized manufacturing capabilities and a wide customer base across domestic and international markets. The company has established itself as a leading supplier of towels to large global retailers, particularly in the United States and Europe, supported by its vertically integrated operations spanning spinning, weaving, dyeing, and finishing. In addition to towels, Trident is also engaged in yarn manufacturing, which further aligns with T.C. Terry Tex's presence in dyed yarn. Given its scale, export orientation, and leadership in the towel segment, Trident serves as a relevant peer for T.C. Terry Tex.

Welspun Living Limited

Welspun Living Limited is a global leader in bath linen, including terry towels, along with bed linen, rugs, and other home textile products. The company operates large integrated manufacturing facilities at Anjar and Vapi in Gujarat, with significant capacity dedicated to terry towel production. Welspun's towels are supplied to leading international retailers, hospitality chains, and institutions, with exports forming a major share of its revenues from markets such as the United States and Europe. In addition, its vertically integrated operations also include yarn spinning and processing, which provides synergies with TC TerryTex's dyed yarn business. With its scale, product focus on towels, and international presence, Welspun represents a suitable peer for TC TerryTex.

4. Weighted average cost of acquisition of all shares transacted in last 3 years, 18 months and 1 years, from the date of this Draft Red Herring Prospectus:

Period	Weighted average cost of acquisition (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition**	Range of acquisition price: lowest price – highest price (in ₹)
Last one (1) year preceding the date of this Draft Red Herring Prospectus	7.72	[●]	[●]
Last eighteen (18) months preceding the date of this Draft Red Herring Prospectus	9.19	[●]	[●]
Last three (3) years preceding the date of this Draft Red Herring Prospectus	10.14	[●]	[●]

Note: The cost calculated above is based on transaction of all equity share

Weighted average cost of acquisition

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

The company has not done primary issuance of shares during the 18 months prior to this certificate (excluding shares issued under bonus shares) where such issuance was equal to more than 5% of fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days. ("Primary Issuances").

b. The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities).

The Company has not undertaken any such secondary transactions between the aforesaid parties during the 18 months preceding the date of this certificate. While certain transactions of acquisition/sale were undertaken during this period, the quantum of such transactions was less than 5% of the fully diluted paid-up share capital of the Company prior to such transaction(s) and hence do not fall within the ambit of the above definition.

Or

c. Price per share based on the last five primary or secondary transactions

Since there are no transactions to report to under (I) and (II) therefore, so last 5 primary and secondary transactions are as below:

Primary:

Date of Allotment / Date of Fully Paid Up	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Consideration	Nature of Issue and Category of Allottees
May 21, 2018	1,500,000	10.00	10.00	15,000,000	Private Placement
May 28, 2018	1,000,000	10.00	10.00	10,000,000	Private Placement
June 01, 2018	500,000	10.00	10.00	5,000,000	Private Placement
October 24, 2018	3,000,000	10.00	10.00	30,000,000	Right Issue in the ratio of 1:1
January 06, 2021	3,000,000	10.00	10.00	30,000,000	Right Issue
Total	9,000,000			90,000,000	
Weighted average cost of acquisition (₹)			10.00		

Secondary:

Date of Allotment/ Acquisition / Transfer of Fully Paid-up Shares	Nature of Consideration	Transfer er	Transferee	No. of Equity Shares*	Face Value (Rs.)	Issue Price/ Acquisition Price**/ Transfer Price (Rs.)	Acquisition Amount (Rs.)
May 03, 2023	Cash	Mr. Akhil Satia	Ashis living Private Limited	2,000,000	10.00	10.00	20,000,000.00
November 17, 2023	Cash	Mr. Akhil Satia	Ashis living Private Limited	1,000,000	10.00	16.00	16,000,000.00
July 22, 2024	Cash	Mr. Akhil Satia	Ashis living Private Limited	1,000,000	10.00	16.00	16,000,000.00
November 12, 2024	Cash	Mr. Akhil Satia	Ashis living Private Limited	1,250,000	10.00	16.00	20,000,000.00
January 27, 2026	NA-Gift	Mr. Akhil Satia	Sabhyata Satia	6000000	10.00	-	-
March 25, 2026	Cash	Sabhyata Satia	Ashis living Private Limited	1365000	10.00	20.00	27,300,000.00
Total				10,771,500			90,430,000
Weighted average cost of acquisition (₹)				8.40			

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

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)*	Floor price (i.e., ₹ [●])*	Cap price (i.e., ₹ [●])*
The company has done primary issuance of shares during the 18 months prior to this certificate (excluding shares issued under bonus shares) where such issuance was equal to more than 5% of fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days. ("Primary Issuances").	Not Applicable	[●]	[●]
Price per share of Issuer Company based on secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, 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 and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days. ("Secondary Transactions").	Not Applicable	[●]	[●]

*Not applicable as on date of filing DRHP

Note:1 In case, there are no transactions to report under point a) and b) above, the transactions shall be reported based on the last 5 primary or secondary transactions (secondary transactions where promoter/ promoter group entities or shareholders selling shares through offer for sale in IPO or shareholder(s) having the right to nominate directors in the Board of the Issuer Company, are party to the transaction, not older than 3 years prior to the date of filing of the DRHP/RHP, irrespective of the size of the transaction.

In the present case, since there are no transactions to report under subsection a) & b) above, disclosure for transactions is made under Note 1 are as below:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor price* (i.e. Rs [●])	Cap price* (i.e. Rs [●])
Last 5 Primary Transaction	10.00	[●]	[●]
Last 5 Secondary Transaction	8.40	[●]	[●]

*As on the date of filing this Draft Red Herring Prospectus, the Company has not undertaken any primary transactions during the last three years. However, certain secondary transactions were undertaken by a promoter, Mr. Akhil Satia, who sold part of his shareholding to Ashis Living Private Limited. These transactions were executed on different dates. For further details, please refer to the section titled "Capital Structure" of this Draft Red Herring Prospectus.

5. Justification for Basis of Issue Price

- Explanation for offer Price / Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares along with our Company's KPIs and financial ratios for the six month period ended September 30, 2025 and Fiscal 2025, 2024, 2023.

[●]*To be included upon finalization of Price Band

- b. The following provides an explanation to the offer Price/ Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired by our Promoter, the members of our Promoter Group by way of primary and secondary transactions in the last eighteen months preceding the date of this Draft Red Herring Prospectus in view of external factors, if any, which may have influenced the pricing of the Issue.

[●]*To be included upon finalization of Price Band

6. 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 market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with “**Risk Factors**”, “**Our Business**”, “**Management Discussion and Analysis of Financial Position and Results of Operations**” and “**Financial Information**” on pages 22, 174, 259 and 241 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**” and you may lose all or part of your investment.

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STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO T.C. TERRYTEX LIMITED (“THE COMPANY”) AND ITS SHAREHOLDERS OF THE COMPANY UNDER THE DIRECT AND INDIRECT TAX LAWS IN INDIA

To,

The Board of Directors

T.C. Terrytex Limited

Village Sarsini, Amb-Chd Highway,
Tehsil Derabassi, Lalru- 140501,
Punjab, India

Dear Sirs,

Re: Proposed public offer of equity shares of face value of Rs. 10 each (the “Equity Shares”) of T.C. Terrytex Limited (the “Company”) (the “Issue”)

Sub.: Statement of possible Special Tax Benefits available to the Company and its equity shareholders under the direct and indirect tax laws

We refer to the proposed initial public Issuing of equity shares (the “**Issue**”) of the Company. We enclose herewith the statement (the “**Annexure**”) showing the current position of special tax benefits available to the Company, to its shareholders as per the provisions of the Indian direct and indirect tax laws including the Income-tax Act, 1961, (“**Act**”) the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the “**GST Act**”), the Customs Act, 1962 (“**Customs Act**”) and the Customs Tariff Act, 1975 (“**Tariff Act**”) (collectively the “**Taxation Laws**”) including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2025-26 relevant to the financial year 2024-25 for inclusion in the Draft Red Herring Prospectus (“**DRHP**”) for the proposed initial public Issuing of shares of the Company as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”).

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the direct and indirect taxation laws including the Income-tax Act 1961. Hence, the ability of the Company or its shareholders or its subsidiaries to derive these direct and indirect tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultants, with respect to the specific tax implications arising out of their participation in the Issue particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. We are neither suggesting nor are we advising the investors to invest or not to invest money based on this statement.

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

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

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

This statement is provided solely for the purpose of assisting the Company in discharging its responsibilities under the ICDR Regulations.

We hereby give our consent to include this report and the enclosed Annexure regarding the tax benefits available to the Company and its Shareholders in the DRHP for the proposed initial public offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India and the National Stock Exchange of India Limited and BSE Limited (the “**Stock Exchanges**”) where the equity shares of the Company are proposed to be listed, as applicable, provided that the below statement of limitation is included in the DRHP and Prospectus.

We also consent to the references to us as “Experts” as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, the Abridged Prospectus and any other addendum thereto of the Company to be submitted/filed with the Securities and Exchange Board of India (“**SEBI**”), the Registrar of Companies, Chandigarh at Punjab (“**ROC**”) and the stock exchanges, or any other material (including in any corporate or investor presentation made by or on behalf of the Company) to be issued in relation to the offer (together referred as “**offer Documents**”) or in any other documents in connection with the Issue

All capitalized terms not defined hereinabove shall have the same meaning as defined in the offer Documents.

For J MANDAL & CO LLP
Chartered Accountant
FRN: 302100E/N500422
Pusph Garg
Partner
Membership No.: 573222
Place: Panchkula
Date: 30th March ,2026.
UDIN: 26753222YGISNA6267

ANNEXURE I

LIST OF DIRECT AND INDIRECT TAX LAWS ('TAX LAWS')

Sr. No.	Details of tax laws
1	Income-tax Act, 1961 and Income-tax Rules, 1962
2	Central Goods and Services Tax Act, 2017
3	Integrated Goods and Services Tax Act. 2017
4	State Goods and Services Tax Act, 2017
5	Custom Act 1962

Sr. No. 1 referred to as Direct Tax Laws

Sr. No. 2 to 5 jointly referred to as Indirect Tax Laws

ANNEXURE II

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO T.C. TERRYTEX LIMITED (INDIA). LTD ("THE COMPANY") AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES ("TAX LAWS")

Outlined below are the Possible Special Tax Benefits available to the Company and its shareholders under the Tax Laws. These Possible Special Tax Benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfil.

UNDER THE TAX LAWS

A. Special tax benefits available to the Company

a) Direct Tax Laws

There is no special tax benefit available to the Company under Direct Tax Laws, except for those provided under normal provisions under Direct Tax Laws.

b) Indirect Tax Laws

There is no special tax benefit available to the Company under Indirect Tax Laws, except for those provided under normal provisions under Indirect Tax Laws.

B. Special tax benefits available to Shareholders

There are no special tax benefits available to the Shareholders under the Tax Laws.

NOTES:

1. The above is as per the current Tax Laws prevalent as on the date of issuance of this certificate.
2. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.
3. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisor, regarding possible income tax consequences that apply to them under the laws of such jurisdiction
4. The possible special tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.
5. The tax benefits discussed in the Statement are not exhaustive and are only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
6. The stated benefits will be available only to the sole first named holder in case the equity shares are held by joint holders.

Yours faithfully,
On behalf of **T.C. Terrytex Limited**

Name: Mr. Akhil Satia
DIN: 01138038
Managing Director

SECTION IV: ABOUT OUR COMPANY

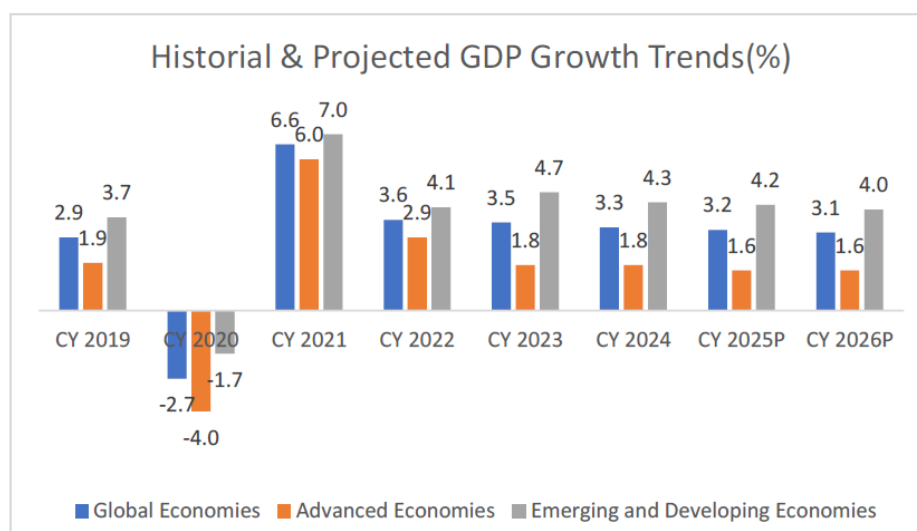
INDUSTRY OVRVIEW

INDUSTRY OVERVIEW

The information in this section has not been independently verified by us, the Lead Manager or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information.

GLOBAL MACROECONOMIC LANDSCAPE

The global economy, which recorded GDP growth at 3.3% in CY 2024,bb is expected to show resilience at 3.2% in CY 2025. This marks the slowest expansion since 2020 and reflects a -0.1%point downgrade from January 2025 forecast. Moreover, the projection for CY 2026 has also reduced to 3.1%. This slowdown is majorly attributed due to numerous factors such as high inflation in many economies despite central bank efforts to curb inflation, continuing energy market volatility driven by geopolitical tensions, and the extended uncertainty around the trade policies. High inflation and rising borrowing costs affected the private consumption on one hand while fiscal consolidation impacted the government consumption on the other hand. As a result, global GDP growth is projected to slow down from 3.3% in CY 2024 to 3.2% in CY 2025.



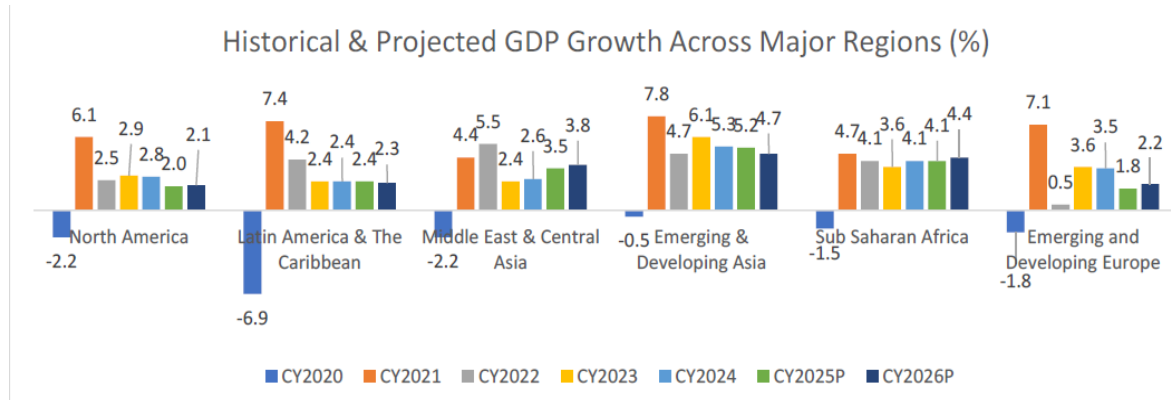
Source – IMF Global GDP Forecast Release October 2025

(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.)

Historical and Projected GDP Growth

GDP growth across major regions exhibited a mixed trend between 2022-23, with GDP growth in many regions including North America, Emerging and Developing Asia, and Emerging and Developing Europe slowing further in 2024. In 2025, GDP growth rate in Emerging and Developing Asia (India, China, Indonesia, Malaysia,

etc.) is expected to moderate further to 5.2% from 5.3% in the previous year, while in the North America, it is expected to moderate to 2.0% in CY 2025 from 2.8% in CY 2024. Similarly in Emerging and Developing Europe is expected to moderate further to 1.8% from 3.5% in the previous year.



Source-IMF World Economic Outlook October 2025 update.

Except Middle East & Central Asia, all other regions like Emerging and Developing Asia, Emerging and Developing Europe, Latin America & the Caribbean, Sub Saharan Africa and North America, are expected to record a moderation in GDP growth rate in CY 2025 as compared to CY 2024. Further, growth in the United States is expected to come down at 2.0% in CY 2025 from 2.8% in CY 2024 due to lagged effects of monetary policy tightening, gradual fiscal tightening, and a softening in labor markets slowing aggregate demand.

Global Economic Outlook

The global economy is cautiously moving into a transitional phase, characterized by resilience amid uncertainty. Growth remains generally positive but varies across regions, influenced by changes in consumer demand, trade policy, and monetary and fiscal conditions. In advanced economies, household consumption and services continue to support activity, while manufacturing and export-driven sectors face challenges due to a weaker external environment.

The U.S. economy showed strong growth in Q2 2025 and is expected to benefit from lower interest rates starting in September. Australia also performed well, while Europe is dealing with stagnation. Canada's economy is slowing, and Germany's industrial sector remains under strain; Japan, however, is beginning to recover modestly. Among emerging markets, the Chinese Mainland maintains steady growth, supported by fiscal and credit stimulus, while India is accelerating due to strong domestic demand and investment inflows. Southeast Asian countries like Indonesia and Thailand, attractive for natural resources and semiconductors, are showing resilience amid supply chain diversifications. Several Latin American economies, such as Chile, are benefiting from improved commodity terms of trade, especially after raising copper price forecasts.

Global businesses are revising strategies as economic growth varies across regions and macro conditions shift. Multinationals are rebalancing geographic exposure focusing on markets with strong domestic demand, stable policies, and clear regulations while reassessing operations in slower or volatile economies. Supply chain diversification, once a defensive move, is now a structural strategy to access new consumers and reduce single-market risks. Investment is flowing to regions with predictable trade rules, critical inputs, and proximity to end-markets; for example, Mexico has seen increased FDI due to its U.S. proximity and trade clarity. A subtle global shift is emerging despite ongoing risks, businesses are planning with the view that trade disruptions and tariff shocks may be managed through negotiation and gradual recalibration. Recent U.S.-Vietnam and EU-Indonesia trade talks emphasize phased tariff changes and cooperation over punitive actions. This tentative shift suggests a move from high volatility toward a more predictable, data-driven environment.

Trade tensions continue to affect global growth, especially in export-driven economies. However, signs suggest a shift toward a more managed phase of trade policy. Recent product-specific tariffs have been scoped and calibrated, often targeting manufacturers not investing in the U.S. The average U.S. tariff rate declined from 28% in April to around 17% by late 2025 (According to The Budget Lab at Yale).

This reflects two developments:

A wave of new trade deal announcements in September that have facilitated a concessional reduction in tariffs from the U.S., for example, the establishment of the ‘US-EU Framework on an Agreement on Reciprocal, Fair, and Balanced Trade’, the U.S. Japan trade framework, and a ‘Technology Prosperity Deal’ memorandum of understanding signed with the U.K. Recalibration by the U.S. of the products subject to tariffs as referred to in Annex II. In early September, the U.S. adjusted its trade framework, linking tariff exemptions more explicitly to security partnerships. Critical minerals were added to Annex II, granting them exemption from tariffs, while materials such as silicone and aluminum hydroxide lost exemption status. A new mechanism allows zero tariffs for countries signing both trade and security agreements with the U.S.

Businesses look increasingly willing to accept that tariffs are unlikely to be rolled back quickly. Instead, they are adapting their strategies – from diversifying sourcing to reconfiguring supply chains – to absorb, manage, or negotiate the impact of tariffs. We expect businesses operating in jurisdictions with clear trade frameworks and supportive domestic policies to begin showing stronger sentiment and investment intentions than those in more uncertain environments. Businesses are increasingly relying on domestic demand to counter tariff-driven export challenges.

Effective September 1, Canada removed many tariffs on U.S. goods imports that are compliant under the U.S.-Mexico-Canada Agreement (USMCA). Bilateral tariffs on autos, aluminum, and steel remain in place, though they are subject to ongoing discussions. The Canadian government has shown willingness to support sectors under pressure from the U.S., providing CAD1.2bn in loans and guarantees to the softwood and lumber industry (currently facing 32.5% U.S. tariffs). Asia Pacific countries are expanding trade partnerships beyond the U.S. Indonesia signed a landmark FTA with the EU, expected to double bilateral trade and eliminate tariffs on 98% of goods. India concluded a major trade deal with the U.K. and is in advanced negotiations with the EU.

Eastern Europe enters Q4 2025 in a fragile but stabilizing economic state. Poland and the Baltic states expect modest growth, supported by resilient consumption and easing inflation. Romania remains an outlier, facing the EU’s highest inflation amid fiscal austerity. Regional exports are subdued due to weak German demand and global trade tensions. Ukraine shows resilience through reconstruction and aid, while Russia and Belarus face slowing growth under sanctions.

In Central Asia, Uzbekistan and Kazakhstan continue steady expansion through industrial diversification and regional trade. Kazakhstan’s expansionary fiscal stance is backed by oil revenues and reform plans. The Kyrgyz Republic and Tajikistan lead in growth, driven by remittances and domestic demand, though inflation persists. Turkmenistan’s outlook remains muted due to hydrocarbon dependence.

Middle East & North Africa enters Q4 2025 with optimism as non-oil sector growth supports sustainable prospects. Governments focus on technology, tourism, manufacturing, financial services, and renewable energy. The UAE grew 3.9% y/y in Q1 2025, with non-oil contribution at 77%. Egypt launched its Narrative for Economic Development, a five-year plan for tourism, ICT, energy, and manufacturing. OPEC+ continues raising oil output to regain market share, but supply is expected to dip to 137,000 barrels/day in October. A cautious approach may firm crude prices, though subdued global demand remains a downside risk.

Global Growth Projection:

At broader level, the global economy is expected to experience a slowdown in 2025, with GDP growth projected to decline to 3.2%, down from 3.3% in 2024. This deceleration reflects persistent inflationary pressure, geopolitical uncertainties and tightened monetary policies. However, a slightly recovery is anticipated in 2026, with growth projected to improve to 3.1%. In the United Kingdom, headline inflation, which began rising in 2024, is expected to continue increasing in 2025, partly due to changes in regulated prices. This rise is projected to be temporary, with a loosening labor market and moderating wage growth helping inflation return to target by end-2026. In the United States, inflation is expected to rise in the second half of 2025, as the impact of tariffs is no longer absorbed within supply chains and is instead passed on to consumers. Inflation is then expected to return to the Federal Reserve’s 2 percent target in 2027. This forecast assumes modest second-round effects, implying upside risks to U.S. inflation and downside risks to employment.

Among emerging market and developing economies, inflation forecasts for Brazil and Mexico are revised upward. For Brazil, the revision is more pronounced and partly reflects the stabilization of inflation expectations above target, due to fiscal policy credibility challenges in the previous year, although currency appreciation is expected to provide relief in late 2025 and 2026. For Mexico, the upward revision is driven by volatile categories such as food and more persistent-than-expected services inflation. For several other economies, inflation forecasts are revised downward compared with the October 2024 WEO. In much of emerging and developing

Asia, this is the case. The revision largely reflects lower-than-expected outturns, with food, energy, and administrative prices playing a significant role—particularly in China, India, and Thailand.

In the United States, growth is projected to slow to 2.0 percent in 2025 and remain steady at 2.1 percent in 2026, broadly consistent with July projections and improved from April due to lower effective tariff rates, a fiscal boost from the OBBBA, and easing financial conditions. This reflects a significant slowdown from 2024 and a cumulative downward revision of 0.1 percentage point from the October 2024 WEO and 0.7 percentage point from the January 2025 WEO Update. The revision is primarily driven by greater policy uncertainty, higher trade barriers, and slower labor force and employment growth.

Growth in the euro area is expected to increase modestly to 1.2 percent in 2025 and to 1.1 percent in 2026. While this marks an improvement from April and July, it represents a cumulative downward revision of 0.4 percentage point compared to the October 2024 WEO. The main contributing factors are elevated uncertainty and higher tariffs. Recovering private consumption from higher real wages and fiscal easing in Germany in 2026 provide only a partial offset, while strong performance in Ireland supports growth in 2025. The euro area economy is expected to grow at potential in 2026.

For emerging market and developing economies, growth is projected to moderate from 4.3 percent in 2024 to 4.2 percent in 2025, and further to 4.0 percent in 2026. This is virtually unchanged from the July WEO Update and reflects a cumulative upward revision of 0.6 percentage point from the April 2025 WEO, but remains 0.2 percentage point lower than the October 2024 forecast, with low-income developing countries facing a larger downward revision than middle-income economies. Growth in emerging and developing Asia is expected to decline from 5.3 percent in 2024 to 5.2 percent in 2025, and further to 4.7 percent in 2026. In several countries—particularly in ASEAN, among the most affected growth forecasts closely followed changes in effective tariff rates. In China, the 2025 GDP growth forecast was revised downward by 0.6 percentage point in the April 2025 WEO due to escalating trade tensions with the United States and then revised upward by 0.8 percentage point in the July WEO Update following the pause on higher tariffs in May.

In Latin America and the Caribbean, growth is projected to remain stable at 2.4 percent in 2025 and decline slightly to 2.3 percent in 2026. The 2025 forecast is revised upward by 0.4 percentage point relative to April, driven by lower tariff rates for most countries in the region and stronger-than-expected incoming data. The revision is largely attributed to Mexico, which is expected to grow at 1.0 percent in 2025, 1.3 percentage points higher than forecast in the April 2025 WEO. For Brazil, the 2025 projection is revised upward, while the 2026 forecast is revised downward, partly due to the higher tariff rate on exports to the United States. For the region overall, the 2025–2026 forecast is cumulatively 0.5 percentage point lower than the October 2024 WEO, reflecting trade policy changes and uncertainty.

In emerging and developing Europe, growth is projected to decline significantly from 3.5 percent in 2024 to 1.8 percent in 2025, followed by a modest recovery to 2.2 percent in 2026. This decline is primarily driven by a sharp drop in Russia’s growth forecast, from 4.3 percent in 2024 to 0.6 percent in 2025, and 1.0 percent in 2026. The 2025 growth forecast is 0.9 percentage point lower than in the April 2025 WEO, largely due to recent data showing a concentration of fiscal expenditures in Q4 2024, which raised the 2024 GDP estimate from 4.1 percent to 4.3 percent. The payback effect is reflected in the 2025 projection.

India Macroeconomic Analysis

The International Monetary Fund (IMF), in its latest World Economic Outlook, has projected India’s economy to grow at 6.6% in CY 2025, marking a 20-basis point upward revision from its previous estimate. This boost is largely credited to a strong first quarter performance in FY26, which helped offset the negative impact of increased U.S. tariffs on Indian exports. With this projection, India is set to remain one of the fastest growing emerging market and developing economies, outpacing China’s expected growth of 4.8%. Despite global trade policy shifts and economic uncertainties, India’s growth continues to be driven by resilient domestic demand and strong economic fundamentals. However, the IMF slightly lowered its forecast for CY 2026 to 6.2%, anticipating a natural moderation as the early momentum fades.

Country	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025 P	CY 2026 P
India	–5.8%	9.7%	7.6%	9.2%	6.5%	6.6%	6.2%
China	2.3%	8.6%	3.1%	5.4%	5.0%	4.8%	4.2%
United States	–2.2%	6.1%	2.5%	2.9%	2.8%	2.0%	2.1%
Japan	–4.2%	2.7%	0.9%	1.4%	0.1%	1.1%	0.6%

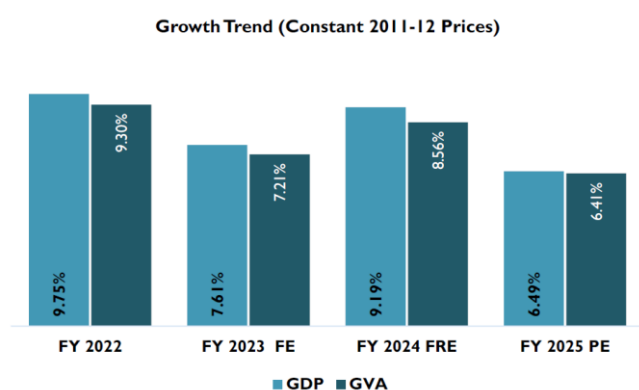
United Kingdom	-10.3%	8.6%	4.8%	0.4%	1.1%	1.3%	1.3%
Russia	-2.7%	5.9%	-1.4%	4.1%	4.3%	0.6%	1.0%

Source: World Economic Outlook, October 2025

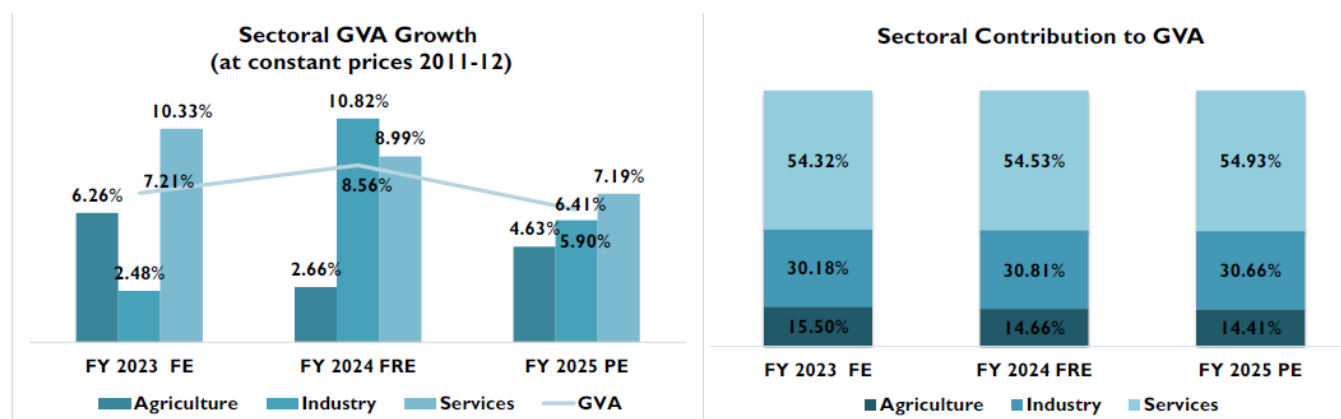
Historical GDP and GVA Growth trend

As per the latest estimates, India's GDP at constant prices is estimated to grow to INR 187.96 trillion in FY 2025 (Provisional Estimates) with the real GDP growth rates estimated to be 6.5% for FY 2025. Similarly, real Gross Value Added (GVA) growth stood is estimated to have moderated to 6.4% in FY 2025. Even amidst global economic uncertainties, India's economy exhibited resilience supported by robust consumption and government spending.

Sectoral Contribution to GVA and Annual Growth Trend



Source: Ministry of Statistics & Programme Implementation (MOSPI), National Account Statistics: FY2025. FE is Final Estimates, FRE is First Revised Estimate and PE is Provisional Estimates



Source: Ministry of Statistics & Programme Implementation (MOSPI)

FE is Final Estimates, FRE is First Revised Estimate and PE is Provisional Estimates. Sectoral analysis of GVA reveals that the industrial sector experienced a moderation in FY 2025, recording a 5.90% y-o-y growth against 10.82% year-on-year growth in FY 2024. Within the industrial sector, growth moderated across sub sector with mining, manufacturing, and construction activities growing by 2.69%, 4.52%, and 9.35% respectively in FY 2025, compared to 3.21%, 12.30%, and 10.41% in FY 2024. Growth in the utilities sector too moderated to 6.03% in FY 2025 from 8.64% in the previous year. The industrial sector's contribution to GVA moderated marginally from 30.81% in FY 2024 to 30.66% in FY 2025. The services sector continued to be the main driver of economic growth, although its pace moderated. It expanded by 7.19% in FY 2025 from 8.99% in FY 2024. The services sector retained its position as the largest contributor to GVA, rising from 54.32% in FY 2023 to 54.53% in FY 2024, with a further increase to 54.93% in FY 2025.

The agriculture sector saw an acceleration, with growth increasing from 2.66% in FY 2024 to 4.63% in FY 2025. However, its contribution to GVA declined marginally from 14.66% in FY 2024 to 14.41% in FY 2025. Overall, Gross Value Added (GVA) growth moderated to 6.41% in FY 2025 from 8.56% in FY 2024

Annual & Monthly IIP Growth

Industrial sector performance as measured by IIP index exhibited moderation in FY 2025, recording a 4.02% y-o-y growth against 5.92% increase in the previous year. The manufacturing index showed moderation and grew by 4.08% in FY 2025 against 5.54% in FY 2024. Mining sector index too moderated and exhibited a growth of 3.03% in FY 2025 against 7.51% in the previous years while the Electricity sector Index, also witnessed moderation of 5.19% in FY 2025 against 7.07% in the previous year.

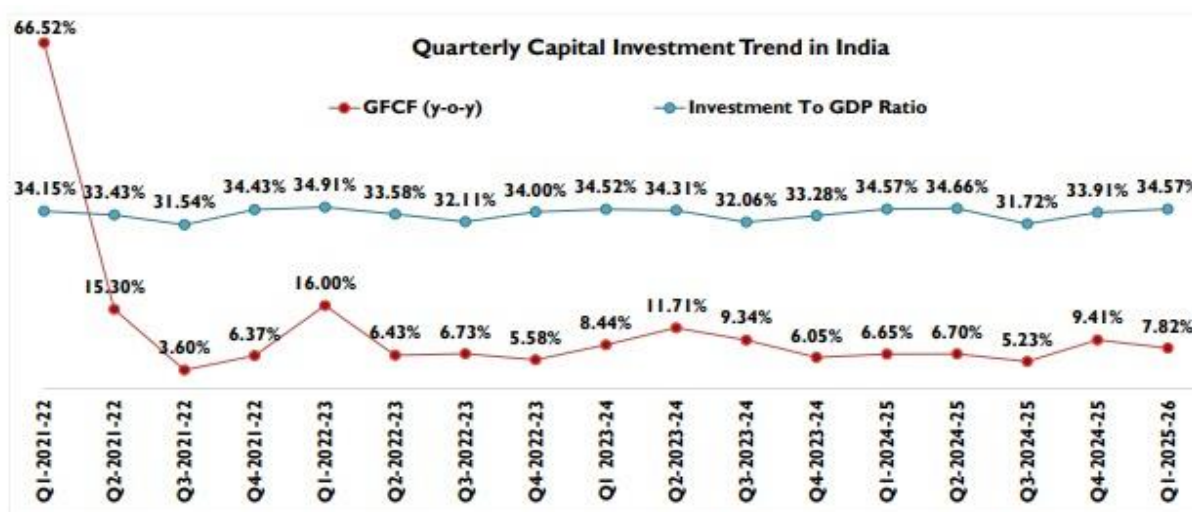
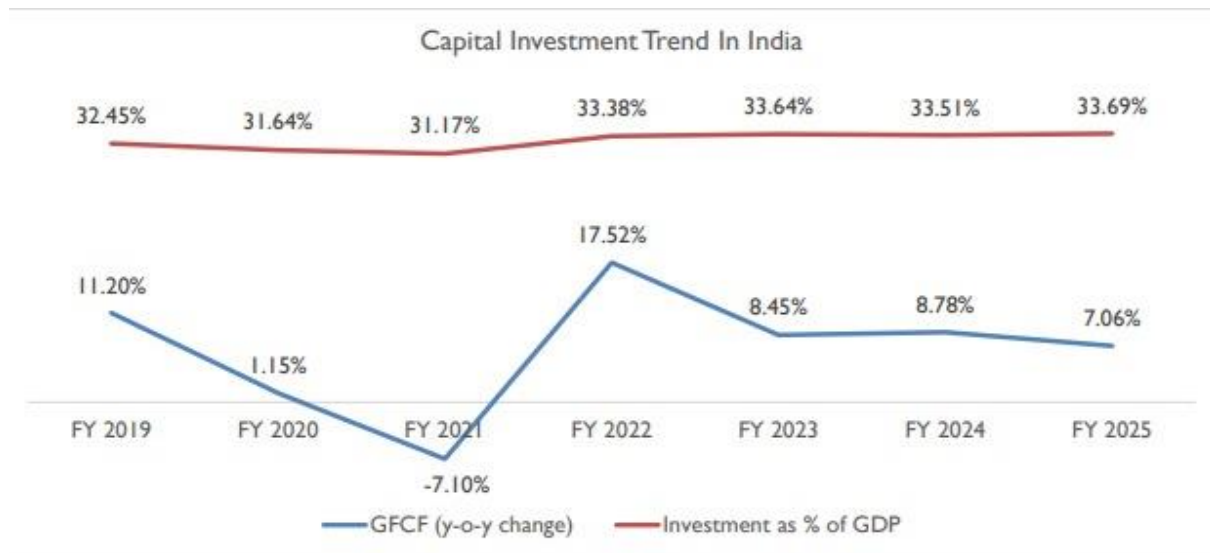


Source: Ministry of Statistics & Programme Implementation (MOSPI)

The IIP growth rate for the month of September 2025 is 4.0% which was 4.1% in the month of August 2025. The growth rates of the three sectors, Mining, Manufacturing and Electricity for the month of May 2025 are (-) 0.4%, 4.8% and 3.1% respectively.

Annual and Quarterly: Investment & Consumption Scenario

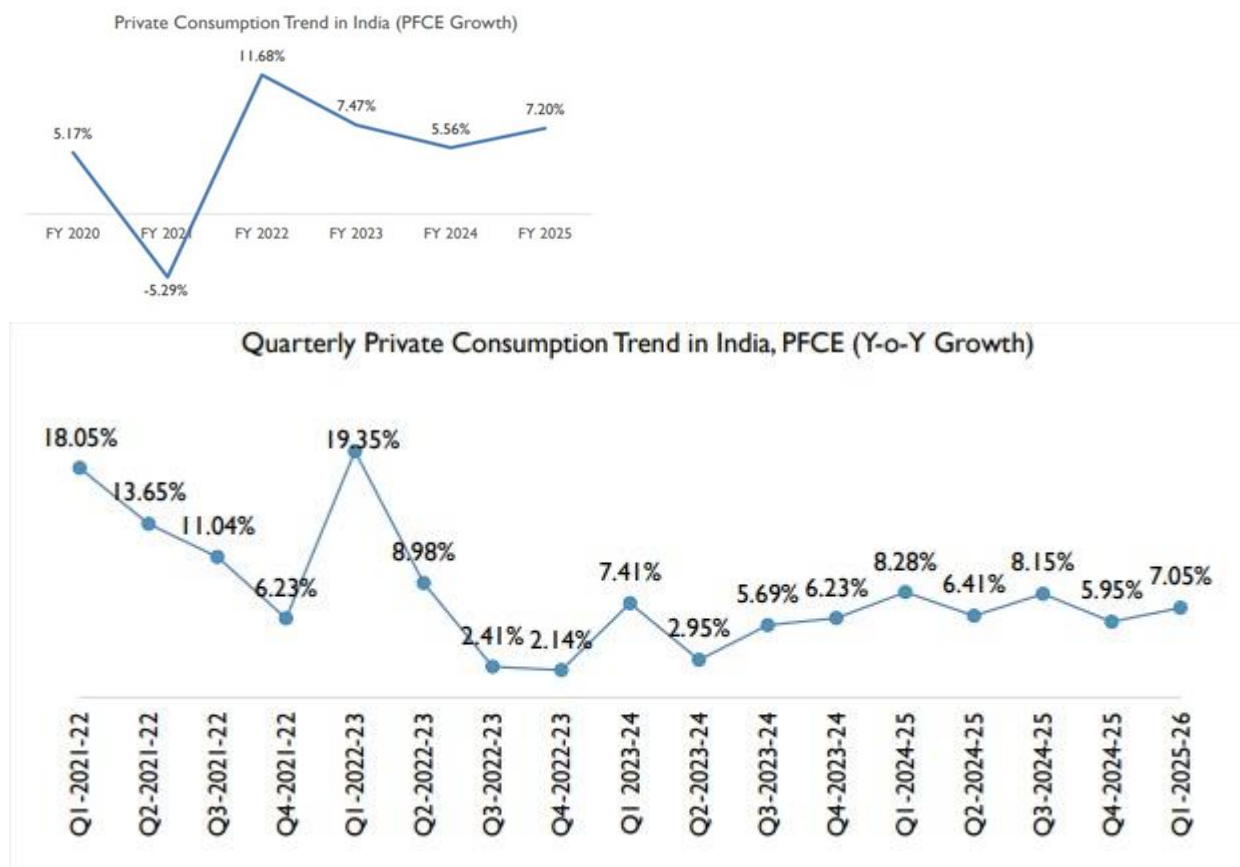
Other major indicators such as Gross fixed capital formation (GFCF), a measure of investments, has shown fluctuation during FY 2025 as it registered 7.06% year-on-year growth against 8.78% yearly growth in FY 2024, taking the GFCF to GDP ratio measured to 33.69%.



Source: Ministry of Statistics & Programme Implementation (MOSPI)

On a quarterly basis, GFCF showed a fluctuating trend in year-on-year growth. After a sharp spike of 66.52% in Q1 FY 2021-22, growth moderated significantly and remained volatile across subsequent quarters. In FY 2024, the growth rate eased to 6.05% in Q3 (Dec quarter) compared to 9.34% in Q2, as government capital spending slowed ahead of the 2024 general election. It improved slightly to 6.65% in Q1 FY 2024-25 but moderated again to 6.70% in Q2 and 5.23% in Q3, before rebounding to 9.41% in Q4. In Q1 FY 2025-26, growth stood at 7.82%, lower than the previous quarter. The GFCF to GDP ratio measured 34.57% in Q1 FY 2025-2026.

Private Consumption Scenario



Sources: MOSPI

Private Final Expenditure (PFCE) a realistic proxy to gauge household spending, observed growth in FY 2025 as compared to FY 2024. Quarterly Private Final Consumption Expenditure (PFCE) has reported 7.05% growth rate during Q1 of FY 2025-26 as compared to the 8.28% growth rate in the corresponding period of previous financial year.

Inflation Scenario:

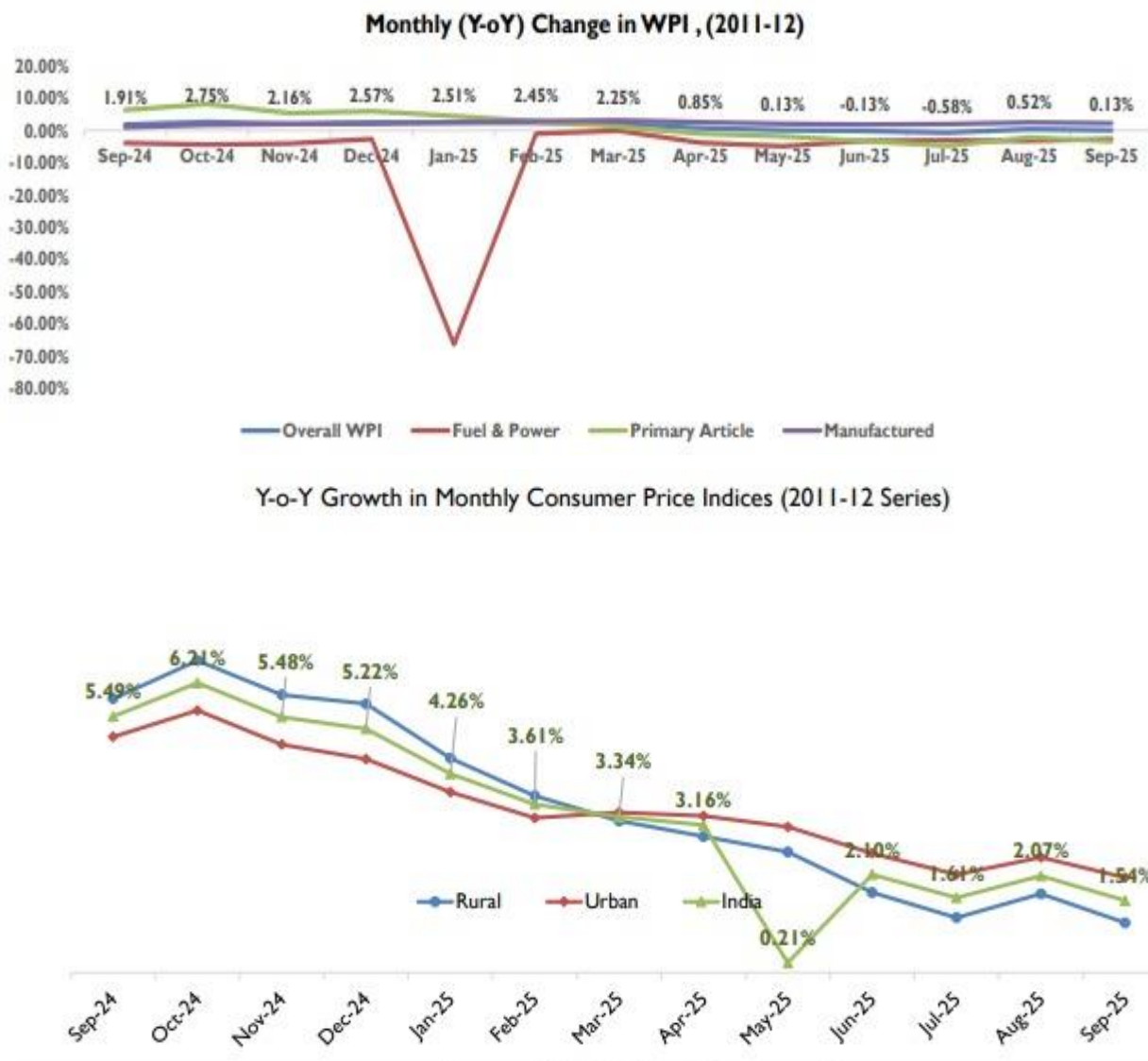
The inflation rate based on India's Wholesale Price Index (WPI) exhibited significant fluctuations across different sectors from September 2024 to September 2025. The annual rate of inflation based on All India Wholesale Price Index (WPI) number is 0.13% (provisional) for the month of September 2025. (over September, 2024) Positive rate of inflation in September 2025 is primarily due to increase in prices of manufacture of food products, other manufacturing, non-food articles, other transport equipment and textiles etc.

By September 2025, Primary Articles (Weight 22.62%): - The index for this major group decreased by 1.05 % from 191.0 (provisional) for the month of August 2025 to 189.0 (provisional) in September 2025. Price of food articles (-1.38%) and non-food articles (-1.06%) decreased in September 2025 as compared to August 2025. The price of minerals (1.36%) and Crude Petroleum & Natural Gas (0.64%) increased in September 2025 as compared to August, 2025.

Moreover, Fuel & Power (Weight 13.15%): - The index for this major group decreased by 0.14% from 143.6 (provisional) for the month of August 2025 to 143.4 (provisional) in September 2025. The price of and mineral oils (-0.54%) and coal (-0.15%) decreased in September 2025 as compared to August 2025. The price of electricity (1.20%) increased in September 2025 as compared to August 2025. Furthermore, Manufactured Products (Weight 64.23%): - The index for this major group increased by 0.21% from 144.9 (provisional) for the month of August 2025 to 145.2 (provisional) in September 2025. Out of the 22 NIC two-digit groups for manufactured products, 10 groups witnessed an increase

in prices, 6 groups witnessed a decrease in prices and 6 groups witnessed no change in prices. Some of the important groups that showed month-over month increase in prices were other manufacturing; food products;

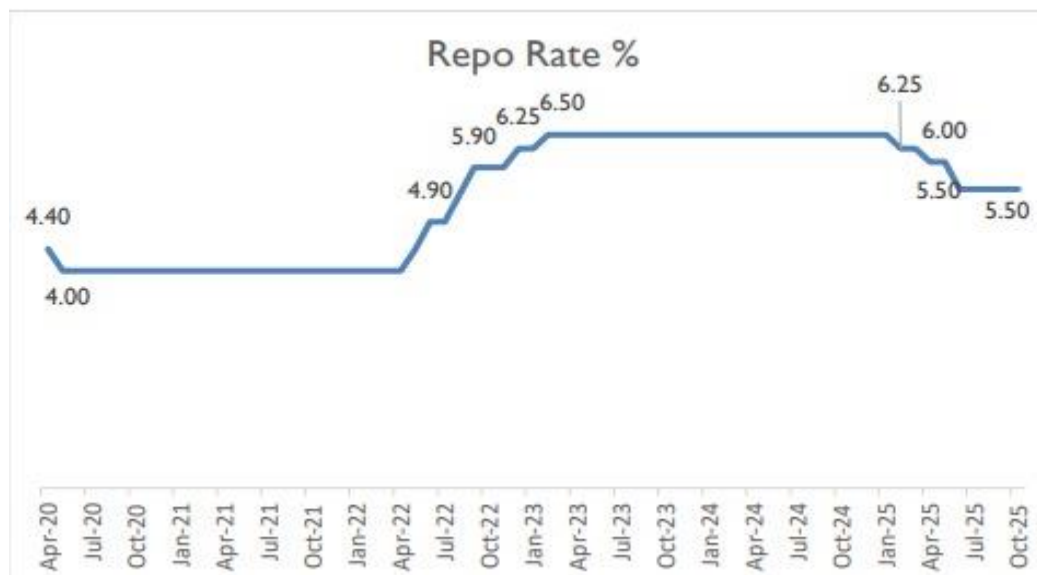
electrical equipment; textiles and other non-metallic mineral products etc. Some of the groups that witnessed a decrease in prices were manufacture of rubber and plastics products; motor vehicles, trailers and semi-trailers; pharmaceuticals, medicinal chemical and botanical products; leather and related products and printing and reproduction of recorded media etc. in September, 2025 as compared to August 2025.



Source: MOSPI, Office of Economic Advisor

Retail inflation rate (as measured by the Consumer Price Index) in India showed notable fluctuations between September 2024 and September 2025. Year-on-year inflation rate based on All India Consumer Price Index (CPI) for the month of September 2025 over September 2024 is 1.54% (Provisional). There is decrease of 53 basis points in headline inflation of September 2025 in comparison to August 2025. It is the lowest year-on-year inflation after June 2017.

Rural Inflation: A decrease in headline and food inflation in rural sector was observed in September 2025. The headline inflation is 1.07% (Provisional) in September 2025 while it was 1.69% in August 2025. While in Urban inflation, a decrease from 2.47% in August 2025 to 2.04% (Provisional) in September 2025 was observed in headline inflation. The decline in headline inflation and food inflation during the month of September 2025 is mainly attributed to favorable base effect and to decline in inflation of Vegetables, Oil and fats, Fruits, Pulses and products, Cereal and products, Egg, Fuel and light etc. As part of its anti-inflationary stance, the Reserve Bank of India (RBI) hiked the repo rate by 250 basis points between May 2022 and 8 February 2023, holding it steady at 6.50% until January 2025. On 6 June 2025, the RBI reduced the repo rate by 50 basis points, bringing it to 5.50%, where it currently stands as per the October 2025 monetary policy review.



Sources: CMIE Economic Outlook

Growth Outlook

The Union Budget 2025-26 has laid the foundation for sustained growth by balancing demand stimulation, investment promotion and inclusive development. Inflation level is reaching within the central bank's target; the RBI may pursue further monetary easing that will support growth. The medium-term outlook is bright, fueled by the emphasis on physical and digital infrastructure spending. With a focus on stimulating demand, driving investment and ensuring inclusive development, the budget introduces measures such as tax relief, increased infrastructure spending and incentives for manufacturing and clean energy. These initiatives aim to accelerate growth while maintaining fiscal discipline, reinforcing India's long-term economic resilience. The expansion of tax relief i.e zero tax liability for individuals earning up to INR 12 lakhs annually under the new tax regime is expected to strengthen household finances and, consequently, boost consumption.

The external sector remains resilient, and key external vulnerability indicators continue to improve. However, tariff-related uncertainty is likely to weigh on exports and investment, prompting us to cut our CY26 GDP growth forecast to 6.2%.

Current Market Scenario: Textile Industry

Overview of Global Textile Industry and Indian Textile Industry:

India is among the world's largest manufacturers and exporters of readymade garments, with a well-established textile and apparel industry that plays a vital role in the nation's economy. The domestic apparel market has been expanding rapidly, making India one of the fastest-growing and most lucrative fashion hubs globally. The sector also serves as a major employment provider, supporting approximately 12.3 million workers and contributing significantly to industrial growth.

The global apparel industry is projected to grow from USD 1,700 billion in 2021-22 to USD 2,370 billion by 2029-30, reflecting a CAGR of approximately 4.24% over the period.

However, recent economic uncertainties have led to a slowdown in domestic textile demand, as consumers have become more cautious with discretionary spending. At the same time, India's textile exports have been impacted by recessionary trends in key global markets, particularly the United States and the European Union, which are major destinations for Indian garments. Economic slowdowns and reduced consumer spending in these regions have dampened demand, posing challenges for Indian exporters.

Domestically, the apparel industry is also grappling with inflationary pressures and rising raw material costs, including cotton, polyester yarn, and man-made fibers. As input costs surge, manufacturers are forced to increase end-product prices, further discouraging consumer spending. The impact of weaker demand is evident in the anticipated 25-30% decline in festive season orders, signaling a more cautious approach from retailers and consumers alike.

Meanwhile, the Indian textile industry is set for a significant expansion, with its contribution to the GDP expected to double, rising from 2.3% to nearly 5% by the end of the decade. To support this trajectory, the government has introduced a five-year incentive scheme running from 2025-26 to 2029-30, which will reward manufacturers for incremental turnover recorded between 2024-25 and 2028-29. This initiative is specifically designed to boost production in high-growth categories, including man-made fiber (MMF) apparel, MMF fabrics, and ten key segments of technical textiles, further strengthening India's position as a global textile hub.

Indian Textile Industry Market Size

The Indian textile industry has a strong presence across the entire value chain, spanning from natural and man-made fibers to apparel and home furnishings. With India accounting for approximately 5% of the global textile and apparel trade, the sector plays a pivotal role in the country's economy. The global apparel market is projected to grow at a CAGR of 8%, reaching USD 2.37 trillion by 2030, while the global textile and apparel trade is expected to expand at a 4% CAGR, reaching USD 1.2 trillion by 2030. Over 70% of India's textile and apparel (T&A) production comes from the SME sector, where compliance poses a significant challenge. For these smaller units, adhering to regulations often means overhauling supply chains, adopting sustainable practices, and partnering with recyclers and waste handlers, all of which can be financially burdensome. Many of these businesses are already grappling with multiple challenges, making compliance an additional strain on their operations.

India's textile exports are well-diversified across various segments, with the current break-up as follows:

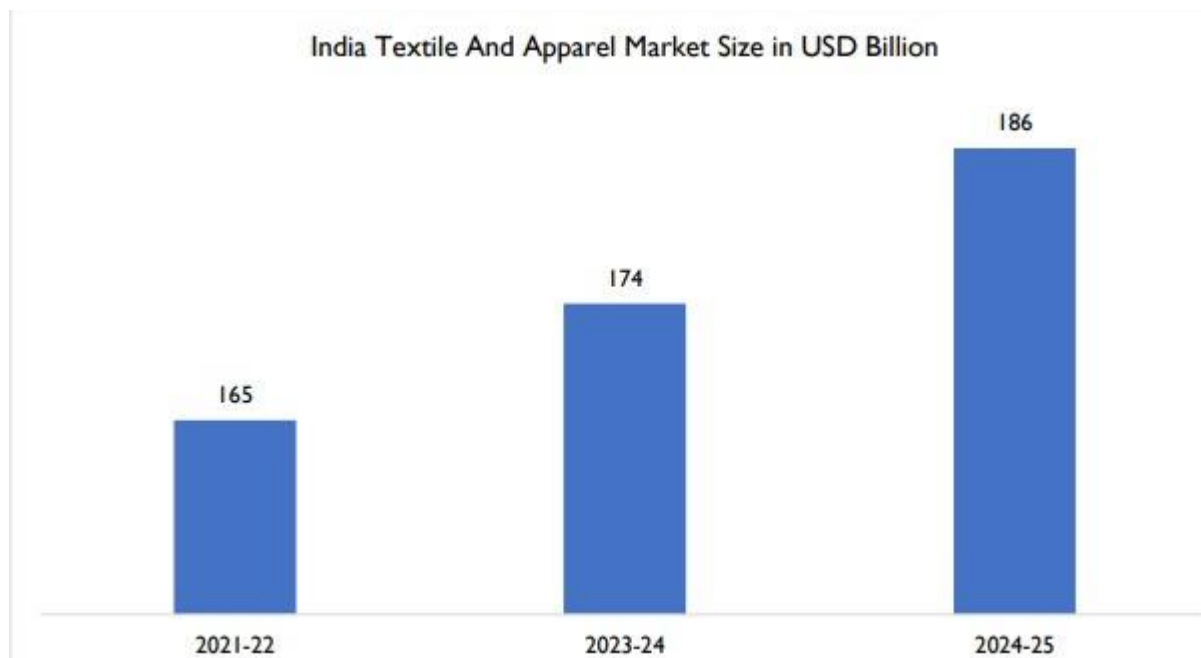
1. Garments: 39%
2. Cotton Yarn, Fabrics & Made-ups: 23%
3. Man-Made Textiles: 14%
4. Handlooms & Handicrafts: 11%
5. Cotton Fiber: 9%
6. Others: 4%

The Indian textile and apparel market has reached USD 185.6 billion in FY 2025, reflecting a 7.0% CAGR from the previous year. This growth is driven by rising domestic demand, increasing disposable incomes, and expanding global trade opportunities. With continued investments in innovation, sustainability, and value chain integration, India is well-positioned to strengthen its competitiveness in the global textile and apparel market. Also, with this the market of domestic textile and apparel industry in India was USD 160 billion in FY 2023 and estimated at USD 350 billion by FY 2030.

Historical Growth Trend

The Indian textile industry, one of the oldest and most significant sectors of the economy, plays a crucial role in employment generation and export earnings. With a well-integrated value chain spanning natural fibers, man-made fibers, garments, and home textiles, the industry contributes nearly 2.3% to India's GDP and around 11% to total merchandise exports. Over the past few years, the sector has witnessed both periods of slowdown and recovery, driven by global economic trends, policy support, and evolving consumer preferences.

Below is the graph which shows the historic market size for India Textile and Apparel Industry:



Source: D&B Research Estimates

Key Product Segments

The textile industry comprises various key components, primarily categorized into different types of fibers and their blends. Here's an overview of the main components:

Cotton

- Cotton is a natural fiber renowned for its softness, breathability, and absorbency. It is a popular choice in both apparel and home textiles due to its inherent comfort and versatility. Cotton's ability to absorb moisture makes it ideal for a wide range of uses, from casual wear to bedding. Cotton is often blended with synthetic fibers to enhance the durability of the fabric and reduce production costs. One of the most common blends is cotton-polyester, which combines cotton's absorbency with polyester's strength and wrinkle resistance. This blend not only extends the fabric's lifespan but also improves its ease of care.

Synthetic Fibers

- Synthetic fibers such as polyester, nylon, and acrylic, along with spun filament viscose, play an essential role in the textile industry. Polyester is particularly valued for its durability, resistance to shrinking and stretching, and quick-drying properties, making it ideal for activewear, outerwear, and various home textiles. Nylon and acrylic, known for their strength and elasticity, further add to the versatility of synthetic textiles. Spun filament viscose, meanwhile, offers a soft, breathable texture, enhancing the comfort of blended fabrics.
- Synthetic fibers are frequently combined with natural fibers to improve performance, yielding blends with better moisture-wicking capabilities, greater elasticity, and enhanced durability for sportswear, functional garments, and everyday fabrics. The strength, ease of care, and versatility of synthetic materials contribute significantly to their widespread use across the industry, meeting the diverse needs of both consumers and manufacturers.

Silk Textiles

- India is the world's second-largest silk producer, with Karnataka, Tamil Nadu, and West Bengal as key production hubs. The silk segment includes products such as raw silk, traditional silk sarees, and high-end silk garments, which hold a premium position in domestic and international markets. The high demand for silk apparel, especially sarees, both domestically and in the Indian diaspora, continues to drive growth in this segment. With a focus on preserving traditional techniques and boosting export potential, silk textiles remain an important contributor to India's textile economy.

Handloom and Traditional Textiles

- India's handloom and traditional textiles represent a unique segment distinguished by heritage-rich designs and craftsmanship. Key products in this category include the Banarasi saree, Kanjeevaram, Pashmina shawls, and numerous region-specific fabrics. This segment not only contributes to India's cultural identity but also to its economic output, with a significant number of artisans employed across the country. Government initiatives and increasing global interest in traditional textiles have further boosted this segment's growth, making it an attractive proposition in the export market.

Technical Textiles

Technical textiles represent a high-growth area within India's textile industry, serving specialized needs in sectors such as agriculture, healthcare, construction, and automotive. Products include geotextiles, medical textiles, and agro textiles, each of which is engineered for specific industrial applications. With strong government support through policy initiatives and incentives, the technical textile sector has seen substantial investment and innovation, positioning India as a potential global leader in this space.

Home Textiles

The home textiles segment, which includes products like bed linens, towels, curtains, carpets, and mattresses, is a significant contributor to India's textile exports. India has established a reputation for high-quality home textiles, making it a preferred sourcing destination for retailers and wholesalers across North America, Europe, and the Middle East. The segment benefits from well-developed production capabilities and continues to grow, supported by rising global demand for quality home textile products aimed at enhancing home comfort.

Estimated Size of Indian Home Textile Industry

The home textile industry in India is a significant contributor to the country's textile and apparel sector, playing a crucial role in both domestic and international markets. The industry benefits from factors such as rising disposable income, urbanization, growing real estate and hospitality sectors, and increasing demand for sustainable and premium home textile products. India is one of the largest exporters of home textiles, with key global markets including the United States and Europe. Supported by advancements in technology, strategic investments, and government incentives, the industry is poised for steady growth.

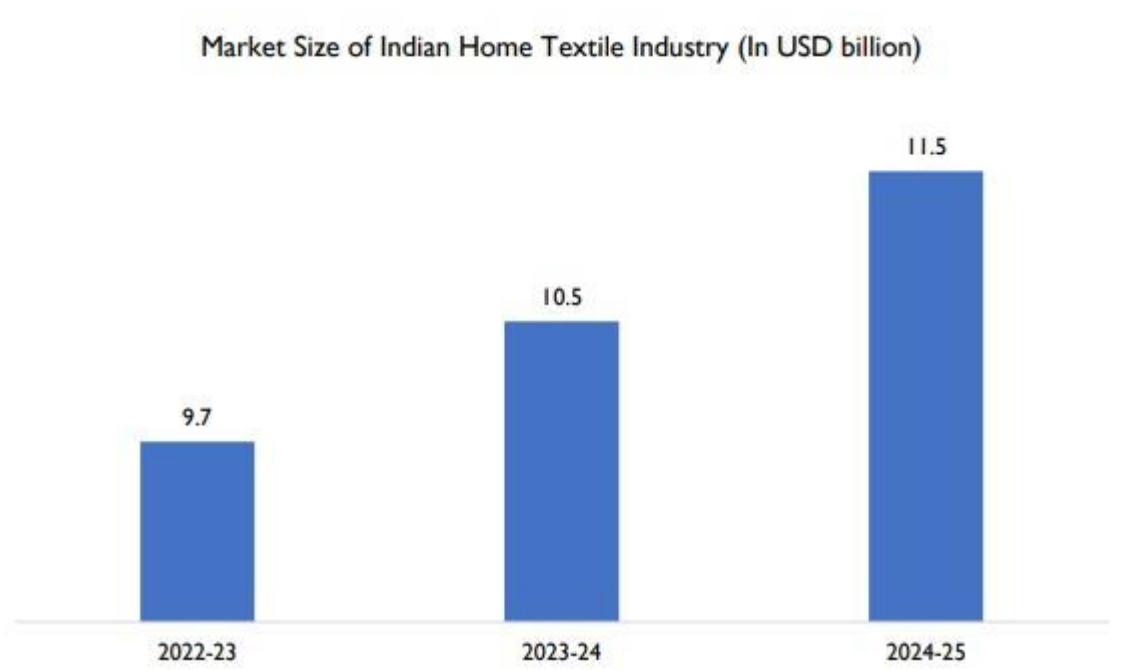
The global home textile industry, valued at USD 140.65 Mn in 2025 and grow at a CAGR of 6.5%, reaching approximately USD 192.7 billion by 2030. China remains the leading exporter of home textiles, followed by India and Turkey, while the Bangladesh and Vietnam have become the emerging major exporters as well. India also holds a good share in the global home textiles trade, underscoring its strong presence in the international market. The market has reached USD 11.5 billion by FY2025, demonstrating a steady compound annual growth rate (CAGR) over the years and with previous year FY 2024 USD 10.5 by 9.0% CAGR.

The US Tariff impositions and highly competitive scenario with China in terms of lower costs and faster turnover is causing a slight disruption in the export scenario of the home textile produce. The US government had imposed a tariff of 50% on the apparel being imported by them. This is hugely affected the apparel manufactures and especially the home textile manufacturers who have suffered setback with cancelled orders and decreasing exports. The losses from exports have been in billions and many exporters are being redirected to other countries for exports other than U.S which imported more than 60 percent of the home textiles. Currently European countries such as the UK, Germany France, Italy and the UAE are major export destinations which have good demand for the Indian textile products.

Historical Growth Trend

The Indian home textile industry has witnessed steady growth over the years, driven by rising domestic demand, expanding exports, and technological advancements. From a market size of USD 9.7 billion in 2022-23, the industry has grown at a CAGR of approximately 8.6%, reaching at USD 11.5 billion in 2024-25.

Below graph indicates the market value for Home Textile Industry:



Source: D&B Research Estimates

2022-23 to 2023-24: The Indian home textile market expanded from USD 9.7 billion to USD 10.5 billion, registering a CAGR of 8.25%. This growth was fueled by steady export demand, a revival in domestic consumption, and increased investments in product innovation and sustainable textiles. However, rising operational costs and global economic uncertainties slightly moderated the pace.

2023-24 to 2024-25: The market has reached USD 11.5 billion, growing at a CAGR of 8.95%. This acceleration is driven by rising urbanization, increasing preference for premium home furnishings, and government support through PLI schemes and incentives for textile manufacturers. Additionally, advancements in eco-friendly and smart textile technologies are expected to support growth in both domestic and export markets.

Factors Impacting the Market:

Expansion of Organized Retail and E-Commerce

The emergence and rapid expansion of organized retail stores such as Fab India, Home Stop, and Home Centre have significantly improved domestic manufacturers' ability to reach a wider consumer base. These retailers provide a well-organized supply chain with minimal risks compared to exports, allowing local manufacturers to thrive. Additionally, e-commerce platforms like Amazon, Flipkart, and Snapdeal have grown exponentially over the past five years. These platforms offer direct-to-consumer sales channels, enabling manufacturers to enhance brand visibility and reach niche markets.

Investment from Global Home Furnishing Giants

Several international brands recognize India's potential as a home textile manufacturing hub and are making significant investments in the sector. Retail giants such as IKEA, H&M Home, and Home Depot have been at the forefront of this expansion. These companies establish sourcing and design offices in Asian countries, including India, to expedite product development and enhance supply chain efficiency. Such investments indicate strong future growth prospects for India's home textile sector.

Changing Consumer Preferences and DIY Culture

The COVID-19 pandemic led to a surge in DIY (Do-It-Yourself) home improvement activities, as remote work and extended home stays increased the demand for stylish, functional home décor. This trend is expected to continue, with consumers prioritizing aesthetic and sustainable home textile products.

Growth in Residential Construction and Hospitality Industry

The rapid expansion of residential construction activities, especially in emerging economies like India, Australia, and Southeast Asia, has created lucrative opportunities for the home textile market. As more homes are built and renovated, the demand for premium and budget-friendly home textiles is expected to rise. Additionally, the revival of the hospitality industry, including hotels, resorts, and serviced apartments, has boosted demand for bed linens, towels, curtains, and other textile products. As the hospitality sector recovers from the COVID-19 slowdown, bulk purchases from hotels and rental properties are contributing to the expansion of home textile revenue.

Preference for Cotton-Based Home Textiles

The Indian bed linen market has been witnessing steady growth across all price and quality segments. India remains a key supplier of bed linen to global markets, particularly the US and Europe. Cotton is increasingly favoured for bed sheets, blankets, pillows, mattress covers, and duvets due to its durability, comfort, and breathability. The rising consumer preference for organic and sustainable textiles is further shaping the future of this segment.

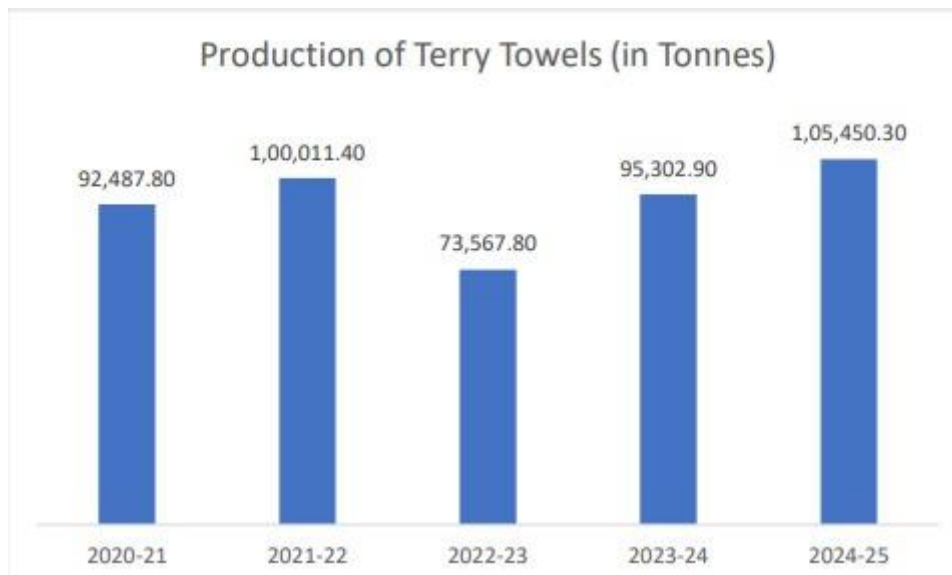
Key Product Segmentation (Broad Segmental Level- Bed and Bath Linen, Upholstery, etc.)

Bath Linen

Bath linen has evolved from a necessity to a lifestyle choice, with growing demand for soft, quick-drying, and skin-friendly fabrics. Innovations such as antimicrobial finishes, moisture-wicking technology, and zero-twist yarns elevate performance, while eco-friendly alternatives like bamboo and Tencel cater to sustainability-conscious consumers. The bath linen segment includes the bath towels, bath mats, bathrobes, hair towels, face towels, bath sheets and hand towels.

Terry Towels

Terry towels are a staple in households, hotels, and healthcare facilities, known for their exceptional absorbency and soft texture. These towels are crafted using looped pile fabric, where the raised loops on both sides enhance water absorption, making them ideal for drying. Typically made from cotton, terry towels are also blended with bamboo, microfiber, or Egyptian cotton for added softness and durability. Available in various sizes and thicknesses, terry towels cater to different needs—ranging from lightweight hand towels to plush bath towels and large, luxurious bath sheets. Innovations such as zero-twist yarns, quick-dry technology, and antimicrobial finishes have further improved their functionality, making them a preferred choice for both home and commercial use. As sustainability becomes a priority, many manufacturers are also adopting organic cotton and eco-friendly dyeing techniques to create towels that are both high-quality and environmentally responsible.



Source: CMIE Industry Outlook (sourced from Central Statistics Office Data)

The production of terry towels in India has experienced notable fluctuations from 2020-21 to 2023- 24, reflecting shifts in both domestic and international market dynamics:

2020-21: Production was at 92,487.80 tonnes, indicating a stable demand during the initial phase of the COVID-19 pandemic.

2021-22: An increase of approximately 8.13% led to production reaching 100,011.40 tonnes. This growth can be attributed to the reopening of global markets and a surge in home textile demand as consumers invested more in home furnishings during extended periods at home.

2022-23: Production declined by about 26.44% to 73,567.80 tonnes. Factors contributing to this decrease likely include inflationary pressures, reduced consumer spending, and supply chain disruptions affecting raw material availability.

2023-24: A recovery was observed with a 29.54% increase, bringing production up to 95,302.90 tonnes. This rebound suggests improved market conditions, stabilization of supply chains, and renewed demand in both domestic and export markets.

2024-25: The produced quantity was at an all-time high of 1,05,450.3 tonnes owing to the strong demand fulfilled by exports and also indicates the resilience of the sector with latest technology and increased capacity integrated in manufacturing.

The production trends of terry towels in India are influenced by several key factors that shape both domestic output and global competitiveness. Export market dynamics play a crucial role, with India being a major supplier in the global terry towel market. In 2019, the country accounted for approximately 39% of the cotton towel imports to the U.S., up from 30% in 2009, with the U.S. remaining a primary destination, contributing to 60% of India's total home textile exports. Additionally, sustainability initiatives have gained momentum, as manufacturers increasingly incorporate eco-friendly practices such as using sustainable fibers like hemp and recycled cotton blends to align with global consumer preferences for environmentally responsible products.

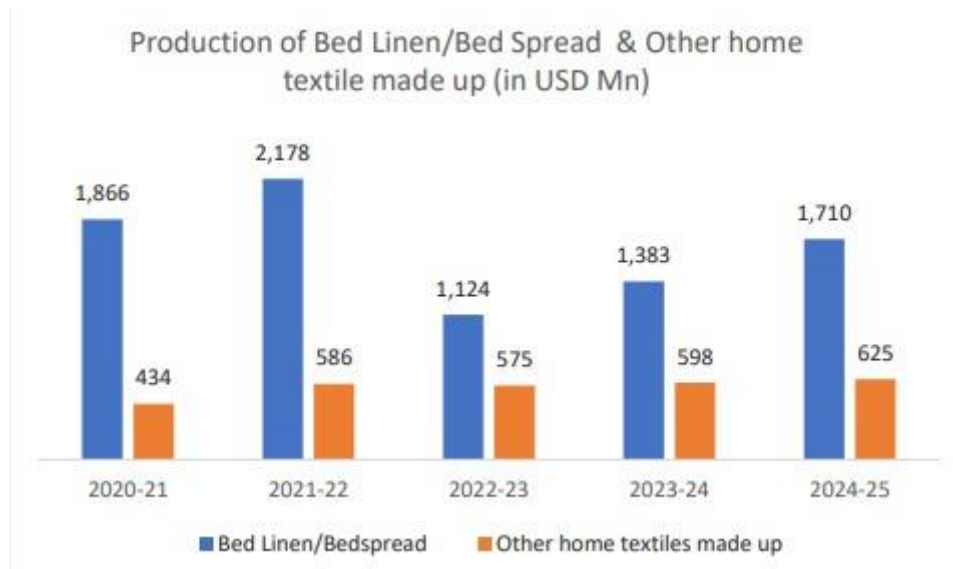
Technological advancements have further propelled growth, with investments in modern shuttle looms and digital innovations enhancing production efficiency and product quality to meet evolving market demands. However, global competition and trade policies present challenges, as India faces stiff competition from textile- producing nations like China, Pakistan, and Turkey. Factors such as trade regulations, tariffs, and international relations significantly impact export volumes and India's share in the global market. Together, these elements underscore the dynamic nature of India's terry towel industry and its efforts to maintain a competitive edge in the international textile sector.

Bed Linen

Bed linen plays a crucial role in enhancing sleep quality and bedroom aesthetics. Crafted from materials like cotton, silk, linen, and microfiber, Indian bed linens are known for their softness, breathability, and durability. Innovations such as high-thread-count fabrics, moisture-wicking properties, and anti- microbial finishes have elevated their appeal, offering both comfort and hygiene. With a blend of traditional craftsmanship and modern designs, Indian bed linens cater to diverse preferences, from minimalistic elegance to intricate embroidered patterns.

Bedspreads

Indian bedspreads are renowned for exquisite craftsmanship and diverse fabric choices, from lightweight cotton and linen to luxurious silk and jacquards. Whether quilted, embroidered, or woven, they add warmth and aesthetic appeal, with reversible designs and digital prints blending tradition with modern trends.



Source: CMIE Industry Outlook (sourced from Central Statistics Office Data)

The production trends of bed linen/bedspreads and other home textile made-ups in India have witnessed fluctuations over the past four years due to multiple market factors, including demand shifts, economic conditions, and raw material availability.

Bed Linen/Bedsread Production Trends:

2020-21: Production stood at USD 1,866 million, reflecting stable demand despite pandemic-related disruptions.

2021-22: A significant increase to USD 2,178 million (16.7% growth) was observed, driven by rising global demand, recovery in export markets, and pent-up domestic consumption.

2022-23: Production declined sharply to USD 1,124 million (-48.4%), likely due to inflation, reduced consumer spending, and weakened export orders from key markets like the U.S. and Europe.

2023-24: A moderate recovery to USD 1,383 million (+23%) suggests improving demand conditions, better supply chain management, and evolving consumer preferences.

2024-25: Significant increase in the production quantity which almost reached the quantity produced in 2020-21 indicating better global demand thus the increase in the production.

Other Home Textile Made-Ups Production Trends:

Others include (Curtains & Drapes, Cushion Covers & Pillow Shams, Table Linen, Terry Towels & Bath Linens, Kitchen Textiles, Upholstery Fabrics, Throws & Blankets, floor Coverings)

2020-21: Production started at USD 434 million, reflecting steady market performance.

2021-22: Marked a substantial growth to USD 586 million (+35%), driven by increasing demand for home furnishings, particularly post-pandemic home improvement trends.

2022-23: A slight decline to USD 575 million (-1.9%), indicating market stabilization after the previous year's surge.

2023-24: Production increased to USD 598 million (+4%), showing gradual and sustained demand recovery.

2024-25: Highest revenue generated from this segment in the past 10 years leading to the growing preference and demand for other home textile products.

Blankets and Quilts

This segment includes blankets, duvets, and quilts, which are primarily in demand during colder seasons. Indian manufacturers produce a range of products using materials such as wool, cotton, and synthetic fibers. The export of quilts and blankets from India is strong, particularly in regions that experience colder climates.

Printed and Knitted Fabrics

Printed and knitted fabrics play a vital role in mattress production, offering both aesthetic appeal and functional advantages. Knitted fabrics, known for their stretchability and softness, provide a comfortable and breathable surface, enhancing the mattress's adaptability and comfort. These fabrics also allow for better airflow, promoting temperature regulation and ensuring a cooler sleep experience. Printed fabrics, on the other hand, add visual value, featuring intricate designs and patterns that cater to consumer preferences for style and personalization. Together, these fabrics enable mattress manufacturers to create products that not only meet comfort requirements but also reflect modern design trends, making them popular choices in both premium and standard mattress segments.

Yarns:

Yarn is a continuous strand of fibers that is produced by spinning or twisting together natural or man-made fibers, and it serves as the primary raw material in the textile industry. It forms the foundation for fabric manufacturing through processes such as weaving, knitting, and crocheting. The properties of yarn such as its fineness, strength, twist, texture, and uniformity play a crucial role in determining the overall quality, durability, appearance, and performance of the final textile product.

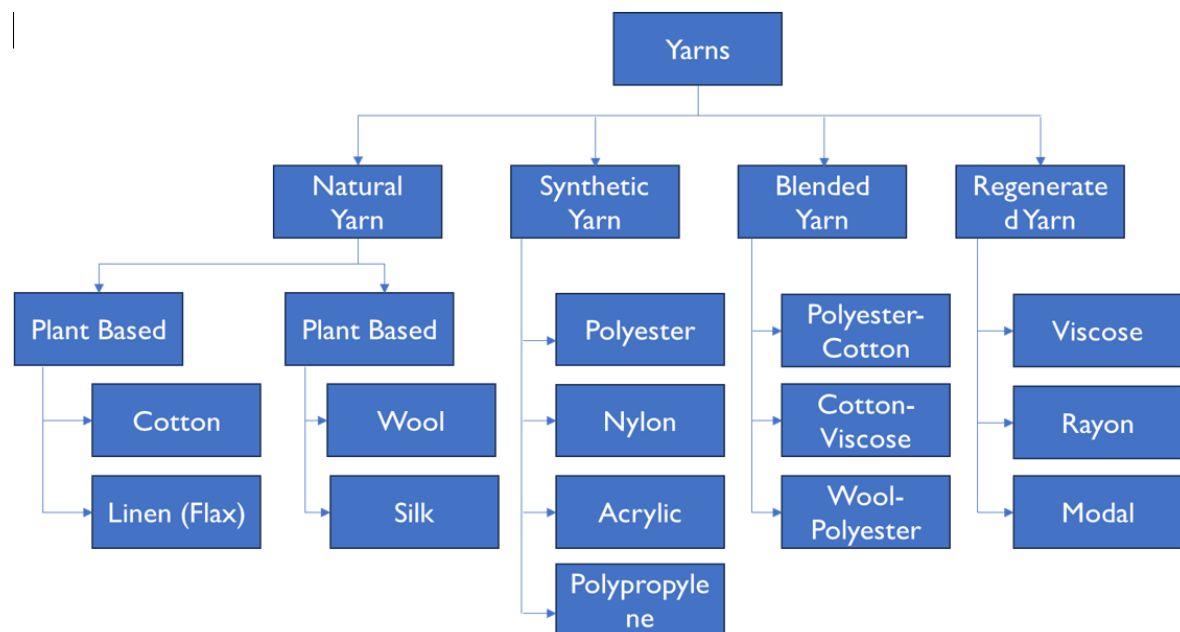
Yarns can be made from a wide range of fibers, including natural fibers like cotton and wool, as well as synthetic fibers such as polyester and nylon. The choice of fiber and the method of yarn production significantly influence its characteristics, making yarns suitable for diverse applications. For instance, soft and breathable yarns are preferred for apparel, while strong and durable yarns are used in industrial and technical textiles.

In addition to fiber composition, yarns also vary based on their manufacturing techniques, such as carding, combing, and compact spinning, which affect their smoothness, strength, and consistency. Advances in textile technology have enabled the development of specialized yarns with enhanced properties, including high strength, elasticity, moisture management, and resistance to environmental factors. Moreover, with growing environmental concerns, there is an increasing focus on sustainable yarn production using organic fibers, recycled materials, and eco-friendly processes.

Overall, yarn is a critical component of the textile value chain, influencing both the functional and aesthetic aspects of fabrics, and playing a key role in meeting the evolving demands of consumers and industries.

Types of Yarns

Yarns are broadly classified into natural, synthetic, blended, and regenerated types based on the source and composition of fibers. Natural yarns are derived from plant and animal sources, such as cotton, wool, and silk, and are known for their softness, breathability, and comfort, making them suitable for clothing and home textiles. In contrast, synthetic yarns are man-made fibers produced through chemical processes, including polyester, nylon, and acrylic, which offer high strength, durability, and resistance to wrinkles and wear, making them ideal for performance and industrial applications.



Blended yarns are created by combining two or more types of fibers, typically natural and synthetic, to achieve a balance of properties such as comfort, strength, and cost-effectiveness; for example, polyester-cotton blends are widely used in everyday fabrics. Regenerated yarns, also known as semi-synthetic yarns, are produced by chemically processing natural raw materials into fibers, such as viscose and rayon, and they offer a soft texture and good drape similar to natural fibers while maintaining certain characteristics of synthetic yarns. Together, these types of yarns cater to a wide range of applications across the textile industry, depending on the desired performance and end use.

Cotton Yarn

Cotton yarn is one of the most widely used natural yarns in the textile industry, produced from the fibers of the cotton plant. It is valued for its softness, breathability, and versatility, making it a preferred choice for a wide range of textile applications. Cotton fibers are spun into yarn through processes such as ginning, carding, combing, and spinning, which help improve the strength, uniformity, and smoothness of the yarn.

One of the key characteristics of cotton yarn is its high moisture absorption capacity, which makes it comfortable to wear, especially in warm and humid climates. It allows air circulation and helps in maintaining skin comfort, which is why it is extensively used in apparel such as shirts, t-shirts, innerwear, and baby clothing. Additionally, cotton yarn is skin-friendly and non-irritating, making it suitable for sensitive skin and medical applications like bandages and gauze.

Cotton yarn also offers good strength and durability, particularly when wet, and can withstand repeated washing. It is biodegradable and environmentally friendly compared to synthetic yarns, which enhances its appeal in the context of increasing sustainability awareness. Furthermore, cotton yarn can be easily dyed and finished, allowing for a wide variety of colours and fabric designs.

However, cotton yarn has certain limitations. It tends to wrinkle easily, has lower elasticity, and may shrink after washing if not properly treated. Despite these drawbacks, its comfort and natural properties continue to drive strong demand across global textile markets.

Cotton Yarn Production Process:

The transformation of raw cotton into yarn involves a series of intricate processes, primarily categorized into ginning and spinning.

Ginning Process:

Ginning is the foundational step in cotton processing, focusing on separating cotton fibers from seeds and eliminating impurities to prepare the Fibers for spinning.

Major Cotton Ginning Hubs in India:

- Gujarat: Leading cotton producer with numerous modern ginning mills.
- Maharashtra
- Telangana
- Madhya Pradesh
- Punjab

Spinning Process:

Spinning is the subsequent phase where cleaned cotton fibers are transformed into yarn through a series of methodical steps.

Major Cotton Spinning Hubs in India:

- Tamil Nadu: Cities like Coimbatore, Erode, and Tiruppur are renowned as "The Manchester of South India" due to their extensive spinning mills.
- Maharashtra: Notable centres include Nagpur and Solapur.
- Gujarat: Ahmedabad and Surat are prominent for their spinning industries.
- Punjab: Ludhiana is a key hub.

Historical Trends in Cotton Yarn Production:

2018-2019: Steady Growth and Export Dominance

- India maintained its position as a leading cotton yarn producer, with exports constituting a significant portion of production.
- Major export destinations included China, Bangladesh, and Vietnam, driven by competitive pricing and quality.

2020: COVID-19 Pandemic Impact

- The pandemic led to factory shutdowns, labour shortages, and supply chain disruptions, causing a sharp decline in production and exports.
- Domestic demand plummeted due to reduced consumer spending on textiles and apparel.

2021: Gradual Recovery amidst Challenges

- With easing restrictions, the industry began recovering; however, challenges like fluctuating cotton prices and global shipping issues persisted.
- The government introduced support measures, including subsidies and incentives, to revitalize the sector.

2022: Emphasis on Sustainability

- A global shift towards sustainable textiles prompted Indian manufacturers to adopt eco-friendly practices, such as organic cotton cultivation and green manufacturing processes.
- Innovators like Abhishek Bansal at Arvind Limited led initiatives in sustainable cotton yarn production, aligning with global environmental standards.

2023: Export Resurgence

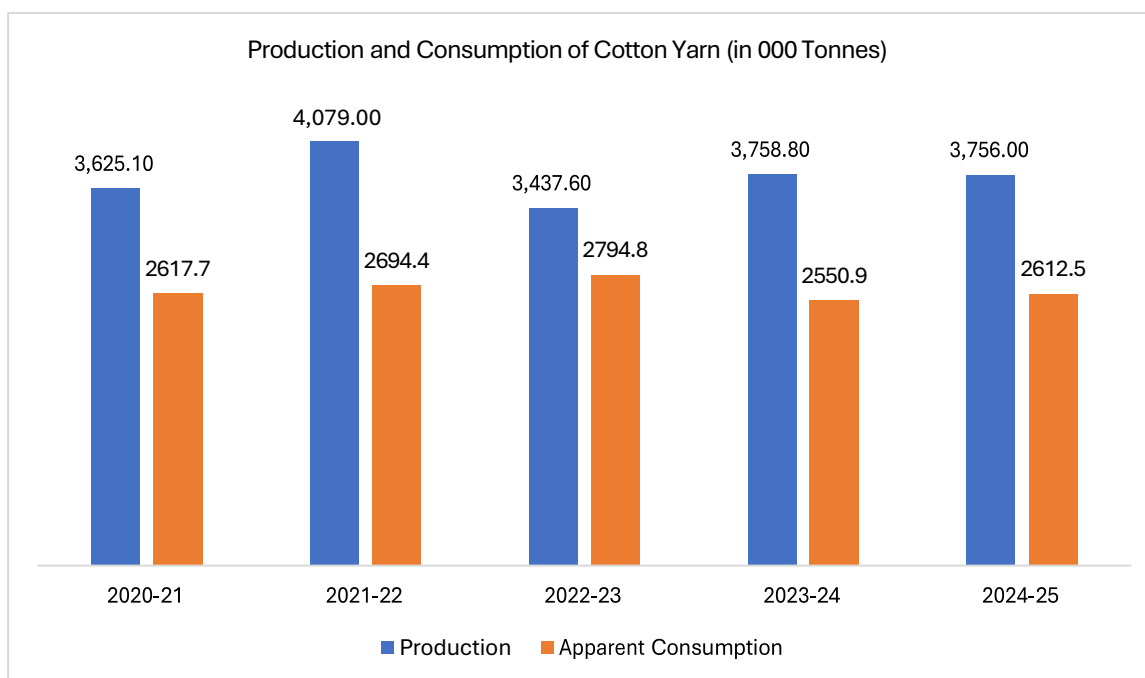
- India's cotton yarn exports surged by approximately 85-90%, attributed to a shift in sourcing preferences away from China and an uptick in demand from markets like the US and EU.
- Despite increased export volumes, operating margins faced pressure due to lower yarn realizations and reduced gross contributions.

2024: Anticipated Industry Rebound

- Projections indicate a 6-8% expansion in the domestic cotton yarn sector, driven by recovering demand in home textiles and ready-made garments.
- The government's focus on boosting cotton production, particularly the extra-long staple variety, aims to enhance raw material availability and quality.

Cotton Yarn Production and Consumption Scenario:

The cotton yarn industry, a key component of the textile value chain, has shown fluctuating trends in both production and apparent consumption over the period, reflecting changing market dynamics, raw material availability, and demand conditions.



Source: CMIE Database, Note: Apparent Consumption: (Production + Imports) - Exports

Cotton yarn production increased from 3,625.10 thousand tonnes in 2020–21 to 4,079.00 thousand tonnes in 2021–22, indicating strong recovery and higher manufacturing activity. However, production declined significantly to 3,437.60 thousand tonnes in 2022–23, likely due to factors such as raw cotton price volatility or supply constraints.

In the subsequent years, production recovered to 3,758.80 thousand tonnes in 2023–24, but remained relatively stable at 3,756.00 thousand tonnes in 2024–25, suggesting stabilization in output levels with limited growth momentum.

Apparent consumption of cotton yarn showed a gradual increasing trend initially, rising from 2,617.7 thousand tonnes in 2020–21 to 2,794.8 thousand tonnes in 2022–23, reflecting steady demand from the textile sector.

However, consumption declined sharply to 2,550.9 thousand tonnes in 2023–24, indicating weakening demand conditions, possibly due to shifts towards synthetic yarns, export slowdowns, or changes in consumer preferences. In 2024–25, consumption showed a slight recovery to 2,612.5 thousand tonnes, suggesting partial demand revival.

Synthetic Yarn:

Synthetic yarn refers to yarns that are manufactured from chemically produced fibers, primarily derived from petrochemical sources. Unlike natural yarns, these fibers are engineered through industrial processes to achieve specific performance characteristics such as high strength, elasticity, and resistance to environmental factors. Common types of synthetic yarns include polyester, nylon, acrylic, and polypropylene, each designed for varied textile and industrial applications.

The synthetic yarn industry plays a significant role in the modern textile value chain by supplying durable and cost-effective raw materials to sectors such as apparel, home furnishings, automotive textiles, and technical textiles. In India, the growth of synthetic yarn is closely linked to the expansion of the man-made fiber (MMF) segment, which is gaining importance due to changing consumer preferences and increasing demand for performance-based fabrics.

One of the key advantages of synthetic yarn is its high strength and durability, making it suitable for applications that require resistance to wear and tear. These yarns also exhibit excellent elasticity and shape retention, allowing fabrics to maintain their structure even after repeated use. Additionally, synthetic yarns are wrinkle-resistant and easy to maintain, reducing the need for frequent ironing and special care.

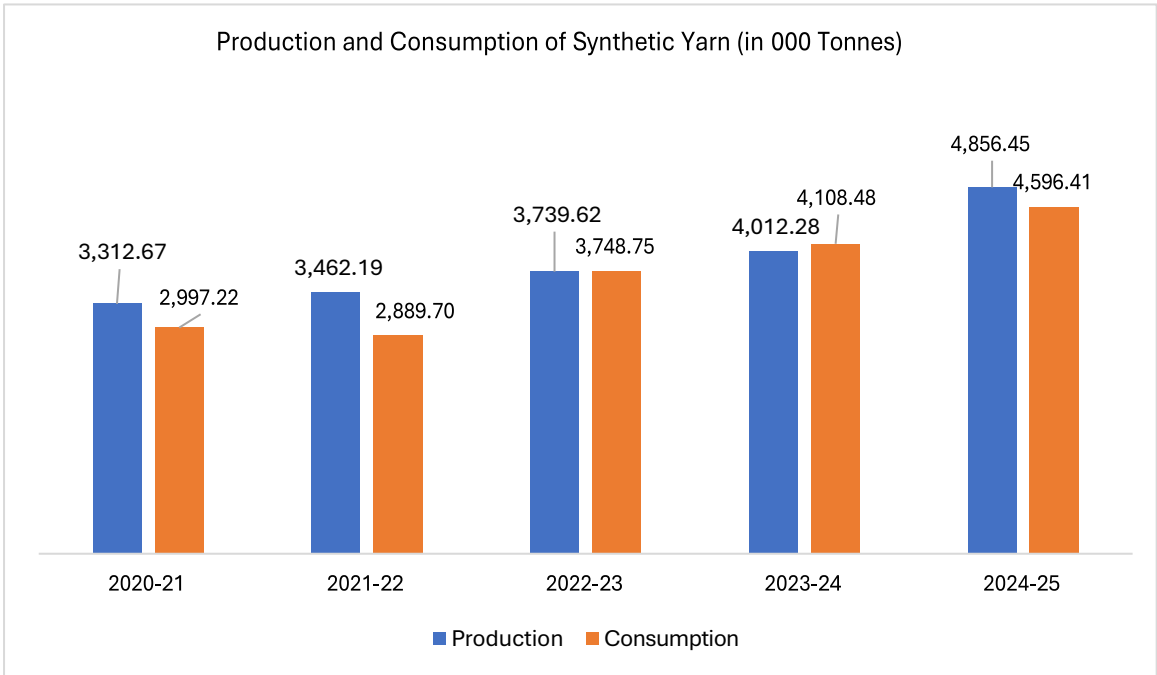
Another important characteristic is their low moisture absorption, which enables quick drying and makes them ideal for sportswear, outdoor clothing, and industrial uses. Synthetic yarns can also be engineered to have specific properties such as water resistance, flame retardancy, and UV protection, enhancing their suitability for specialized applications.

However, synthetic yarns have certain limitations. They are generally less breathable than natural yarns, which may cause discomfort in hot and humid conditions. Moreover, since they are non- biodegradable, they raise environmental concerns, particularly related to microplastic pollution and waste management.

Despite these challenges, synthetic yarn continues to witness strong demand due to its cost efficiency, versatility, and performance advantages. With ongoing advancements in technology, there is increasing focus on developing recycled and eco-friendly synthetic fibers, which are expected to drive sustainable growth in the segment.

Synthetic Yarn Production and Consumption Scenario:

The synthetic yarn industry has demonstrated a steady growth trajectory over the five-year period, supported by increasing demand from the apparel, technical textiles, and industrial sectors.



Source: CMIE Database

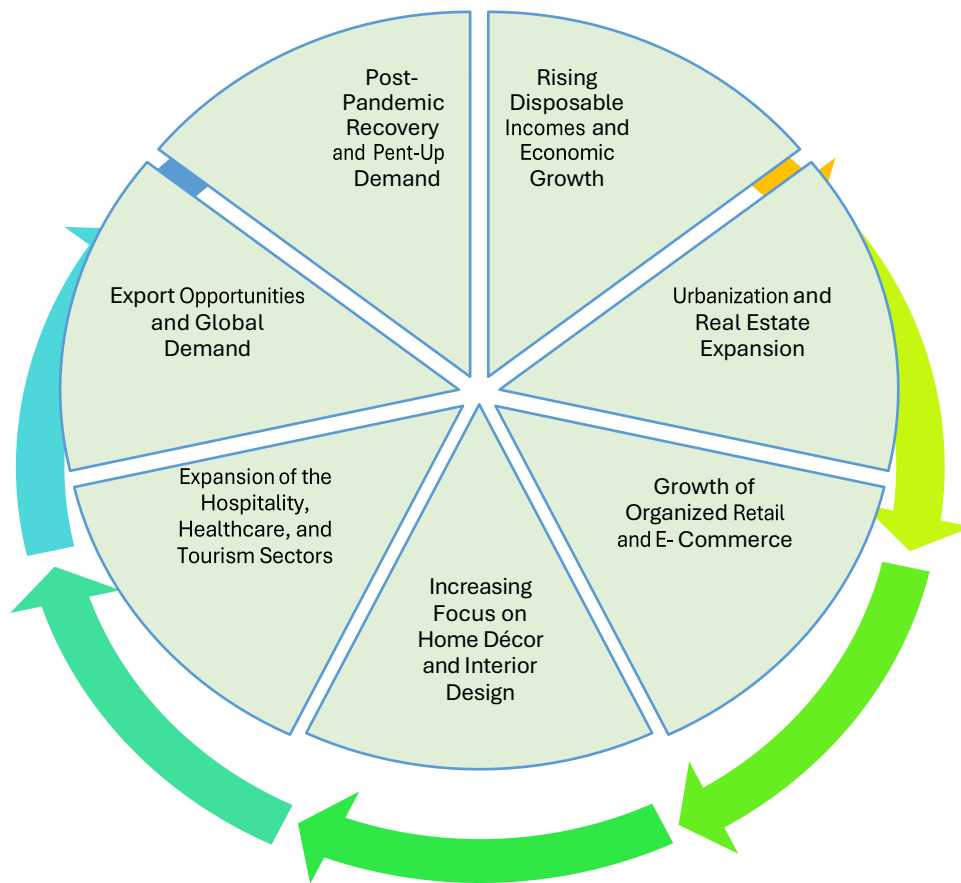
Production of synthetic yarn witnessed a steady and consistent increase over the period, rising from 3,312.67 thousand tonnes in 2020–21 to 4,856.45 thousand tonnes in 2024–25, indicating strong overall growth in the industry. The expansion was relatively moderate during 2020–21 to 2022–23, suggesting gradual capacity additions and stable demand conditions. However, the pace of growth accelerated in 2023–24 and further strengthened in 2024–25, reflecting significant capacity expansion, increased investments in the man-made fiber (MMF) segment, and rising demand from both domestic and export markets.

On the consumption side, the trend showed some initial volatility, with a slight decline from 2,997.22 thousand tonnes in 2020–21 to 2,889.70 thousand tonnes in 2021–22, which may be attributed to temporary demand disruptions or inventory adjustments. Despite this, the market recovered strongly from 2022–23 onwards, with consumption increasing steadily to reach 4,596.41 thousand tonnes in 2024–25. This growth was primarily driven by rising demand for synthetic textiles across key segments such as fast fashion, sportswear, and technical textiles, highlighting the increasing preference for durable and performance-oriented fabrics.

Key Demand Drivers

The home textile market in India is experiencing steady growth, fueled by rising consumer spending, urban housing expansion, and a growing preference for premium home furnishings. With increasing awareness of quality, comfort, and design, consumers are seeking durable and aesthetically pleasing textiles for their homes. The demand is further amplified by the expansion of organized retail and e- commerce, making home textiles more accessible across tier-1 and tier-2 cities. Additionally, industries like hospitality and healthcare continue to drive bulk demand for high-performance fabrics, reinforcing the sector’s long-term growth potential.

Analysis of Key Factors driving the demand for home textile in the industry



Rising Disposable Incomes and Economic Growth

India's economy is experiencing steady growth, leading to a significant rise in disposable incomes, particularly in urban areas. Per capita disposable income is projected to reach INR 2.14 lakh in FY 2023-24, following consistent year-on-year increases. With an 8% growth in FY 2024, building on the 13.3% surge from the previous year, the purchasing power of Indian consumers continues to strengthen. This shift is transforming consumer behavior, with a growing preference for premium, high-quality home improvement products, including home textiles.

Urbanization and Real Estate Expansion

India is undergoing rapid urbanization, with its urban population expected to reach 600 million by 2030. The large-scale migration from rural areas to urban centers is fueling demand for housing, commercial spaces, and infrastructure, thereby driving real estate growth. As new housing developments emerge and rental activity increases, the need for essential home furnishings, including home textiles, is rising. Urbanization, coupled with changing lifestyles, continues to be a key driver for home textile consumption in India.

Growth of Organized Retail and E-Commerce

The expansion of organized retail and e-commerce is transforming the home textile market, making products more accessible to a larger consumer base. With India's retail industry projected to reach USD 2 trillion by 2032, the rise of modern retail formats and digital shopping platforms is accelerating demand for specialized home textile products, including mattress fabrics. As online retail and B2B platforms expand, home textile brands are leveraging e-commerce to cater to a wider audience, further fueling industry growth.

Increasing Focus on Home Décor and Interior Design

The home décor segment is witnessing strong growth, driven by evolving consumer preferences and the desire for personalized living spaces. Social media platforms like Instagram and Pinterest have amplified this trend, influenced consumer choices and encouraged investments in luxury home textiles. Products such as designer bed linens, plush mattress covers, and stylish comforters, often crafted from knitted fabrics, are gaining popularity due to their combination of aesthetics and comfort.

Expansion of the Hospitality, Healthcare, and Tourism Sectors

India's hospitality and healthcare industries are key contributors to the rising demand for specialized home textiles. Hotels, resorts, and hospitals require high-quality bed linens, bath linens, curtains, and upholstery, many of which utilize knitted fabrics known for their comfort and durability. As the tourism sector rebounds post-pandemic, the demand for premium-quality home textiles in hospitality settings is expected to grow significantly. Similarly, the healthcare industry's focus on hygienic and comfortable fabrics is driving the need for specialized linens and mattress fabrics, reinforcing its role as a crucial demand driver for the industry.

Export Opportunities and Global Demand

India is a major exporter of home textiles, renowned for producing cost-effective and high-quality products. With increasing demand from international markets, particularly the US and Europe, exports remain a significant contributor to industry growth. Investments in technology, innovation, and sustainability are helping Indian manufacturers meet stringent global standards, opening new opportunities in eco-friendly and organic textiles. As demand for sustainable products grows, Indian home textiles are well-positioned to capture a larger share of the global market.

Post-Pandemic Recovery and Pent-Up Demand

The home textile industry, like many others, faced challenges during the COVID-19 pandemic, with demand affected by economic uncertainties and supply chain disruptions. However, as the economy stabilizes, pent-up consumer demand is driving a renewed focus on home improvement and comfort. Consumers are increasingly investing in beddings, curtains, and home furnishings that enhance their living spaces.

Innovation and Sustainability in Home Textiles

Advancements in technology and sustainability are driving significant growth in the home textile industry. Smart textiles, such as temperature-regulating fabrics, antimicrobial and odor-resistant materials, and self-cleaning, stain-resistant textiles, are enhancing consumer convenience and hygiene. Simultaneously, there is a rising demand for customized and personalized home textiles, with brands offering monogrammed bedding, tailor-made upholstery, and bespoke curtains to cater to individual preferences. Additionally, sustainability remains a key focus, with manufacturers increasingly using biodegradable fabrics, plant-based dyes, and eco-friendly materials like Tencel, recycled polyester, and organic wool to reduce environmental impact.

Regulatory Landscape

The Indian home textile industry functions within a comprehensive regulatory framework that oversees manufacturing, quality standards, labor policies, and environmental sustainability. Governed by both central and state-level regulations, these policies are aimed at fostering sustainable growth, maintaining product quality, and enhancing export competitiveness. Key regulatory aspects cover textile production norms, labour welfare, environmental compliance, and trade facilitation, ensuring that the industry operates efficiently while meeting global standards and sustainability goals.

Regulatory/ Policy Framework governing the industry

Textile Sector Regulations: The Indian Ministry of Textiles establishes guidelines and policies specific to the sector. Key regulations include the Textile (Development and Regulation) Order, 2001, which oversees textile production, standards, and quality controls across the sector. The Bureau of Indian Standards (BIS) also plays a significant role in setting and enforcing quality benchmarks that ensure home textile products meet national and international requirements.

Labor and Social Compliance: The industry is governed by multiple labor laws, such as the Factories Act, 1948, which regulates working hours, wages, health, and safety for workers in manufacturing facilities. Additionally, there is a strong emphasis on ensuring labor rights compliance, with adherence to the Code on Wages, 2019, and the Occupational Safety, Health, and Working Conditions Code, 2020. These regulations collectively ensure a safe working environment, with provisions on fair wages, limiting working hours, and outlining safety measures in manufacturing units.

Environmental Standards: The Indian government has introduced several environmental regulations to address the textile industry's environmental footprint. The Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981 regulate emissions and waste management within textile units. Additionally, textile manufacturers are encouraged to implement sustainable practices, such as efficient water usage, waste recycling, and emission control, in line with India's commitments to climate action.

Export Policies and Trade Facilitation: India's export policies for the textile sector are managed under the Foreign Trade Policy (FTP), which provides guidelines for export and import of textile goods. The Export Promotion Councils (EPCs), such as the Cotton Textiles Export Promotion Council (TEXPROCIL), work alongside the government to facilitate global market access, resolve trade-related issues, and promote Indian textile exports internationally. Additionally, the Quality Control Orders (QCOs) under the BIS mandate strict quality compliance for exported textile goods, ensuring that Indian textiles meet international standards and are competitive in global markets.

Policy Initiatives/Government Incentives designed to promote the industry activity:

PM-Mega Integrated Textiles and Apparel Park (PM-MITRA): The Government of India is establishing seven PM-MITRA Parks across Greenfield and Brownfield sites, in collaboration with willing state governments. This initiative aims to create modern, integrated, and world-class industrial infrastructure, incorporating plug-and-play facilities to support the entire textile value chain, including spinning, weaving, processing, garmenting, and textile machinery manufacturing. With a budgetary allocation of ₹4,4455 crores for the period 2021-22 to 2027-28, the scheme is designed to enhance competitiveness, boost investments, and drive sustainable growth in the textile sector. These parks will be strategically located in regions with strong industry linkages and ecosystem advantages, ensuring seamless access to raw materials, skilled labor, and export markets. Furthermore, the Public-Private Partnership (PPP) model will play a crucial role in accelerating implementation, ensuring that the parks are developed in a structured and time-bound manner to position India as a global leader in textiles.

Textiles Focused Research, Assessment, Monitoring, Planning and Start-up (Tex-RAMPS) Scheme: This scheme was announced in November, 2025, to bring research, data and innovation to strengthen the Indian textile sector. The scheme is currently having a total financial outlay of Rs.305 crore for the period between FY 2025- 26 to 2030-31. It will look at significant gaps present in the sector including research & development, innovation support and developing capacity to produce sufficiently to cater to the supply demand balance. The scheme has 5 major components i.e: Research & Innovation Data, Analytics& Diagnostics Integrated Textiles Statistical Systems Capacity Development & Knowledge Ecosystem Start-up & Innovation Support.

Production Linked Incentive (PLI) Scheme: In 2021, the government launched the PLI Scheme for Textiles, particularly for the manufacture of man-made fibers and technical textiles. This scheme offers financial incentives to textile manufacturers based on incremental sales growth, with the goal of increasing India's share in the global textile market and driving sectoral innovation.

Scheme for Integrated Textile Parks (SITP, 2005): To address the need for modern infrastructure, the government introduced the SITP to develop world-class infrastructure for textile units. This Scheme supports the establishment of textile parks with essential facilities like power, water supply, roads, and common effluent treatment plans, creating a conducive environment for textile manufacturing and export activities.

Amended Technology Upgradation Fund Scheme (ATUFS, 2015): The ATUFS is an initiative to promote technology upgrades in the textile industry, including the home textile sector. This scheme provides capital subsidies for investments in new machinery and technology, helping manufacturers improve product quality, operational efficiency, and energy consumption, and maintain competitiveness in global markets.

Market Access Initiative (MAI) Scheme, 2021: This scheme supports the home textile industry's export-oriented efforts. The MAI provides financial assistance for participation in trade shows, exhibitions, and buyer-seller meets, helping Indian textile exporters expand into new markets and attract foreign buyers.

Duty Drawback Scheme and Rebate of State and Central Taxes and Levies (RoSCTL, 2019): To promote exports, the Duty Drawback Scheme and RoSCTL provide refunds on various taxes and levies incurred by textile exporters. These schemes help lower production costs, making Indian home textiles more competitive in the global market.

Focus on Sustainability: Recognizing the growing global focus on sustainable products, the Indian government is also promoting the adoption of eco-friendly practices in textile manufacturing. The Green Manufacturing Initiative and various subsidies for environmentally friendly production processes encourage home textile manufacturers to adopt greener practices, positioning India as a sustainable textile producer.

These policies and incentives collectively create a supportive ecosystem for the Indian home textile industry, encouraging growth, export expansion, and modernization. The government's active role in providing financial incentives, promoting sustainable practices, and developing infrastructure underscores its commitment to positioning India as a global leader in the home textile sector.

Trade Scenario (HS Code 6302)

The global trade scenario for bed linen, toilet linen, table linen, and kitchen linen are shaped by evolving consumer preferences, rising disposable incomes, and increasing demand for premium and sustainable home textiles. India, China, and Pakistan are among the leading exporters, catering to strong demand from markets such as the United States, European Union, and the Middle East. The shift towards organic, antimicrobial, and eco-friendly fabrics has further influenced trade dynamics, with manufacturers focusing on innovation and compliance with stringent global quality standards. Despite challenges like fluctuating raw material costs and trade regulations, the sector continues to grow, driven by expanding e-commerce channels and rising hospitality and real estate industries worldwide.

Export Scenario: Annual export value & historical growth trend in export value (last 3 years)

The Indian home textile export market, encompassing products such as bed linen, table linen, toilet linen, and kitchen linen, has experienced noticeable fluctuations over the past five years.

Below is the export market for the HS code 6302 which includes bed linen, table linen, toilet linen, and kitchen linen:



Source: Directorate General of Foreign Trade

In 2021-22, exports peaked at USD 2,336.98 million, driven by a surge in global demand as consumer prioritized home improvement during the COVID-19 pandemic. The China+1 strategy, aimed at reducing dependency on China, also played a crucial role, enabling India to capture a larger share of the global market. This growth period was marked by increased orders from markets like the USA, where India supplied nearly 29% of home textile imports, leading to a record export performance.

However, the market saw a gradual decline in the following years, with exports dropping to USD 1,905.20 million in 2022-23, USD 1,858.84 million in 2023-24, and bounced back to the value of USD 2,128.64 million in 2024-25. The increased = cotton prices, escalating freight costs due to geopolitical tensions, and increased energy costs in the EU further strained profit margins but however resulted in the revenue bouncing back to around the value in 2021-22.

The global economic slowdown, particularly in major markets like the USA and Europe, led to decreased discretionary spending on home textiles. Regulatory challenges, including complex domestic regulations and environmental compliance requirements, added to the burden, especially for smaller manufacturers. Meanwhile, competitors like Bangladesh and Vietnam gained a competitive edge due to streamlined processes and favorable trade agreements. These intertwined challenges contributed to the declining trend in India's home textile exports in recent years.

Top 3 export markets (countries) & historical trend in exports to those three markets (last 3 years):

USA

Years	Export Value (In Million USD)
2021-22	1,641.89
2022-23	1,251.80
2023-24	1,245.05
2024-25	1,329.7

The export trend of home textiles from India to the U.S. has steadily declined over recent years. In 2021-22, exports peaked at USD 1,641.89 million due to strong demand for home textiles during the COVID-19 pandemic, driven by consumers' focus on home improvement and hygiene, along with India's reliable position amid global supply chain disruptions. However, in the following years, export values fell to USD 1,251.79 million in 2022-23, USD 1,245.05 million in 2023-24, and USD 1,329.7million in 2024-25. This increase in the exports are mainly to the Indian government extension of duty-free imports of cotton-based textiles. The relief from the heavy tariffs imposed by US had disrupted the exporters in the country along with the manufacturers. This duty-free period for exports has given a sigh of relief and further exemptions in long term and reduction in tariffs from US could bolster the growth of the exports.

UK

Years	Export Value (In Million USD)
2021-22	69.35
2022-23	69.92
2023-24	75.35
2024-25	90.35

India's home textile exports to the United Kingdom have experienced modest fluctuations in recent years. In the fiscal year 2021-22, exports were valued at USD 69.35 million, slightly increasing to USD 69.92 million in 2022-23, and further to USD 75.35 million in 2023-24. The data for 2024-25 indicates a sharp increase in the export to USD 90.35 million. This can be mainly attributed to the India-UK Free Trade Agreement (FTA) which makes duty free most of the imports from India. This agreement has benefitted labor intensive sectors like textiles thus making Indian textiles price-competitive making it much attractive to the UK Importers. This factor is expected to safeguard the textile sector even in situations of global trade disruptions and other sector specific constraints.

Australia

Years	Export Value (In Million USD)
2021-22	61.16
2022-23	71.01
2023-24	61.04
2024-25	78.41

India's home textile exports to Australia have experienced fluctuations in recent years. In the fiscal year 2021-22, exports were valued at USD 61.16 million, increasing to USD 71.01 million in 2022-23. However, they declined to USD 61.04 million in 2023-24 and further to USD 78.41 million during the end of 2024-25. This drastic increase in the export can be attributed mainly to the India-Australia Economic Cooperation and Trade Agreement (ECTA) in December 2022. The other reasons for increase in the exports can be attributed to the growing Indian immigrants and resident of Indian origin in Australia and the improved logistics and supply chain dynamics between the countries.

Import Scenario: Annual import value & historical growth trend in import value (last 3 years), The import market for home textiles in India, has shown a consistent upward trend over recent year.

Below is the export market for the HS code 6302 which includes bed linen, table linen, toilet linen, and kitchen linen.



Source: Directorate General of Foreign Trade

From USD 4.23 million in 2020-21 to USD 26.07 million in 2024-25 this sharp rise in imports highlights increasing demand driven by changing consumer preferences, urbanization, and rising disposable incomes. The surge in imports can be attributed to the growing inclination toward high-quality and branded home textiles, often sourced from established exporters like China and other Asian countries. In 2023, China remained the dominant supplier to India.

Top 3 import partners (countries) & historical trend in imports from these three partner countries (last 3 years)

China

Years	Import Value (In Million USD)
2021-22	4.79
2022-23	6.77
2023-24	8.19
2024-25	11.70

The import trend of home textiles from China to India has shown a steady increase over the past few years, with values rising from USD 4.79 million in 2021-22 to USD 8.19 million in 2023-24, before experiencing a significant increase again to USD 11.70 million in 2024-25. This trend highlights India's reliance on Chinese imports for home textiles, driven by China's cost-effective production, advanced manufacturing capabilities, and ability to supply large volumes quickly. Though there were fluctuations in the imports, the increasing imports from China created a large trade deficit.

USA

Years	Import Value (In Million USD)
2021-22	0.83
2022-23	2.8
2023-24	1.53
2024-25	10.96

The import trend of home textiles from the USA to India has shown significant fluctuations over the years. From a modest import value of USD 0.83 million in 2021-22, the figure surged to USD 2.8 million in 2022-23, reflecting increased demand for premium and specialty home textile products. However, imports declined to USD 1.53 million in 2023-24, likely due to currency fluctuations, higher import tariffs, and a shift towards local manufacturing under the "Make in India" initiative. Interestingly, the import value skyrocketed to USD 10.96 million in 2024-25, which can be attributed to India's growing appetite for luxury and high-end home textiles, niche products, and specialty fabrics that are not locally available. Also, the trend reflects India's diversification of sourcing to meet evolving consumer preferences. Factors such as trade agreements, reduced tariffs on specific imports, and the need for unique, high-quality textiles have also contributed to this surge in imports from the USA.

Malaysia

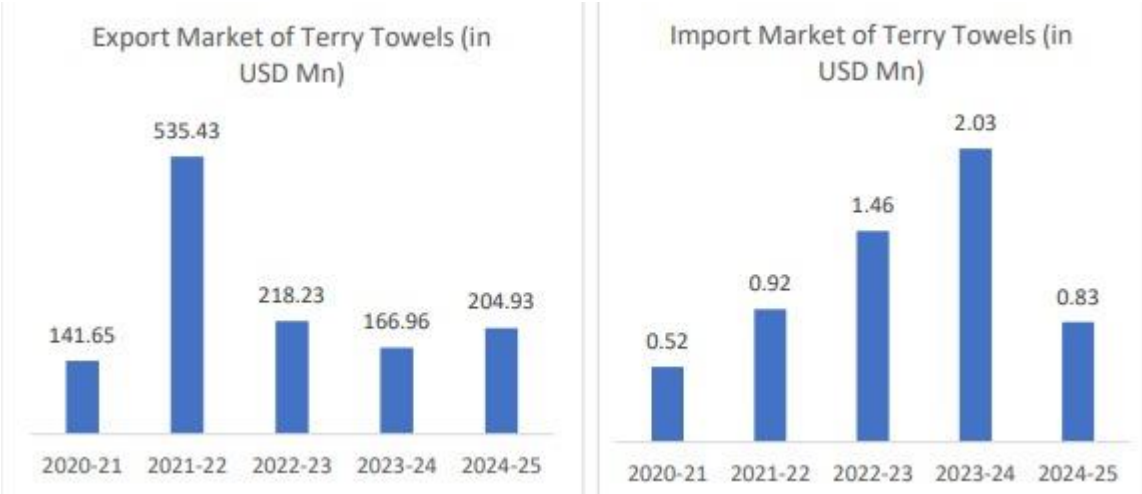
Years	Import Value (In Million USD)
2021-22	0.81
2022-23	1.87
2023-24	1.94
2024-25	1.76

The import trend of home textiles from Malaysia to India has shown a fluctuating pattern over the years. In 2021-22, imports stood at USD 0.81 million and witnessed a significant increase to USD 1.87 million in 2022-23, likely driven by competitive pricing, trade agreements, and India’s need for specific textile products not produced locally. The value slightly rose to USD 1.94 million in 2023-24, reflecting steady demand. However, imports dropped to USD 1.76 million in 2024-25, possibly due to increased domestic production, a stronger focus on local sourcing under initiatives like "Atmanirbhar Bharat," and changes in import tariffs. Additionally, competition from other Southeast Asian countries offering similar products at lower prices, along with a focus on sustainability and eco-friendly textiles, may have influenced India’s sourcing decisions from Malaysia.

Trade Scenario: Home Textile Products: Analysis of Import & Export of home textile products

Terry Towels Trade Scenario

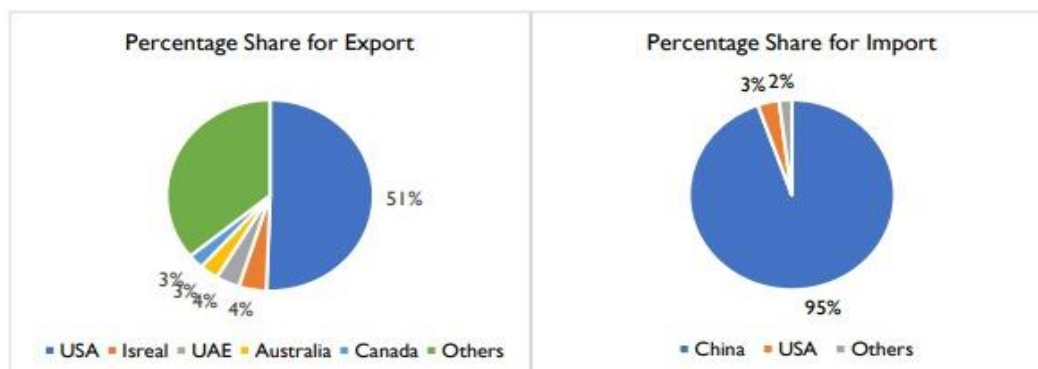
The following analysis focuses on HS Code 63049250, which covers terry towels made of cotton, not knitted or crocheted. These towels are a key segment of India’s home textile exports, known for their superior absorbency, durability, and softness. India is one of the leading global suppliers of cotton terry towels, catering to major markets such as the USA, Europe, and the Middle East. The trade performance of this category reflects both domestic production capabilities and global demand trends.



Source: Directorate General of Foreign Trade

India’s terry towel exports have shown significant fluctuations over the past five years. In 2021-22, exports peaked at USD 535.43 million, a sharp rise from USD 141.65 million in 2020-21, driven by increased global demand for home textiles during the pandemic. However, exports declined in the subsequent years, falling to USD 218.23 million in 2022-23, USD 166.96 million in 2023-24, and an estimated USD 204.93million for 2024-25 .This was due to the strong global demand for terry towels and innovations in manufacturing such as the sustainable sourcing if the organic cotton and personalization of products for various global brands. India’s import of terry towels remains relatively low compared to exports but has shown a gradual increase over the years. Imports rose from USD 0.52 million in 2020-21 to USD 2.03 million in 2023- 24, indicating a growing demand for high-end or specialty terry towels that may not be widely produced domestically. This could be driven by increasing consumer preference for premium, luxury, or specialized towels made from high-GSM, microfiber, or blended materials. However, in 2024-25, imports declined to USD 0.83 million, suggesting a shift towards greater self-sufficiency in domestic production. As India continues to strengthen its home textile manufacturing capabilities, reliance on imported towels is expected to remain minimal, with domestic producers catering to both mass and premium segments of the market.

Top countries Export Import Market (For FY 2024-25):



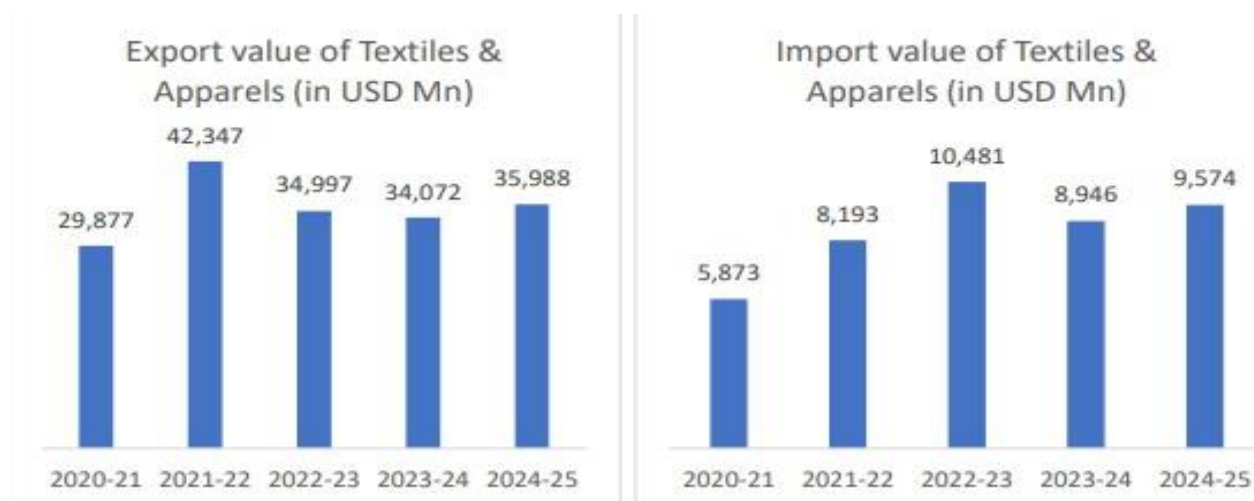
Source: Directorate General of Foreign Trade

The export and import analysis for Terry Towels highlights key trends in the company's global trade strategy. The USA is the dominant export destination, accounting for 51% of total exports, followed by Israel and UAE at 4% each, and Australia and Canada at 3% each, with the remaining 36% spread across other markets. This suggests a strong presence in the North American market, with some penetration in the Middle East and other regions.

On the import side, China overwhelmingly dominates the supply chain, contributing 95% of total imports, followed by the USA at 3% and other countries at 2%. This indicates a heavy reliance on China for raw materials or other essential inputs, making the supply chain vulnerable to geopolitical and trade-related disruptions. Diversification in sourcing could help mitigate risks and enhance supply chain stability.

Textile and Apparel Trade Scenario:

India stands as the 6th largest exporter of textiles and apparel globally, contributing a significant 8.21% to the country's total exports in 2023-24. The export performance of India's textile and apparel sector, as depicted in the chart, showcases a fluctuating trend over the last four years.



Source: Ministry of Textile

India's textile and apparel exports stood at USD 29,877 million in 2020-21, followed by a remarkable surge in 2021-22, reaching a peak of USD 42,347 million, driven by heightened global demand post- COVID-19 as consumers focused on home improvement and fashion, supported by India's robust manufacturing capabilities and competitive pricing. However, the subsequent years saw a decline, with exports decreasing to USD 34,997 million in 2022-23 and further to USD 34,072 million in 2023-24, due to rising raw material costs, global economic uncertainties, and intensified competition from textile-exporting countries like Bangladesh, Vietnam, and China. Additionally, supply chain disruptions and regulatory challenges have impacted India's cost competitiveness. Despite this decline, India's strategic initiatives, such as the Scheme for Integrated Textile Parks (SITP) and cluster-based development programs, aim to bolster the industry's long-term growth potential. In the fiscal year 2020-21, imports stood at USD 5,873 million, which increased significantly to USD 8,193 million in 2021-22, reflecting a rise in demand for specialized fabrics, machinery, and inputs unavailable locally. The surge continued in 2022-23, reaching a peak of USD 10,481 million due to increased imports of synthetic fibers, technical textiles, and apparel accessories, driven by the need to meet domestic demand and cater to export-oriented manufacturing. However, imports declined to USD 8,946 million in 2023-24, indicating a slight

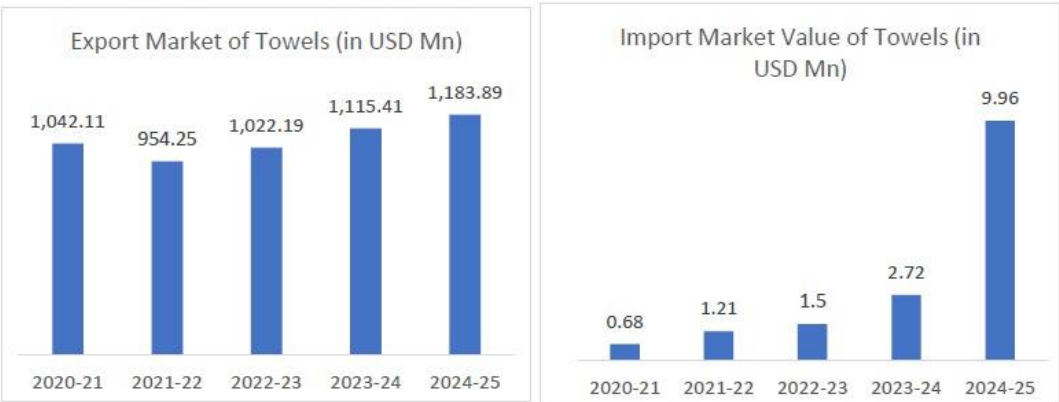
reduction, possibly due to import substitution measures, a focus on local sourcing under the 'Make in India' initiative, and regulatory adjustments.

India's textiles and apparel sector holds a 3.91% share in the global trade, with the USA and the European Union accounting for approximately 47% of the country's total textile and apparel exports. The USA leads as a key export destination with a 28% share, followed by the UK at 6% and the EU at 19%. Within the EU, Germany, France, and the Netherlands contribute 4%, 3%, and 3% of India's global textile and apparel exports, respectively. To enhance industry competitiveness, the Indian government has introduced initiatives such as the Scheme for Integrated Textile Park (SITP), aimed at establishing world-class infrastructure by developing textile parks with modern facilities. Additionally, the Comprehensive Power loom, Knitwear, and Silk Mega Cluster initiatives focus on nurturing high-potential clusters to drive productivity and quality. These infrastructure investments are strategically designed to attract investment, boost exports, and strengthen India's position in the global textile trade. On the import front, India's textile and apparel segment has experienced a fluctuating trend in recent years. Rising from USD 5,873 million in 2020-21 to a peak of USD 10,481 million in 2022-23, the imports reflect growing domestic demand for specialized fabrics, technical textiles, and accessories. However, a slight decline to USD 8,946 million in 2023-24 indicates India's efforts toward import substitution, local sourcing under the 'Make in India' initiative, and regulatory measures to boost domestic capabilities.

Trade Scenario: Towels (HSN Code: 63026090)

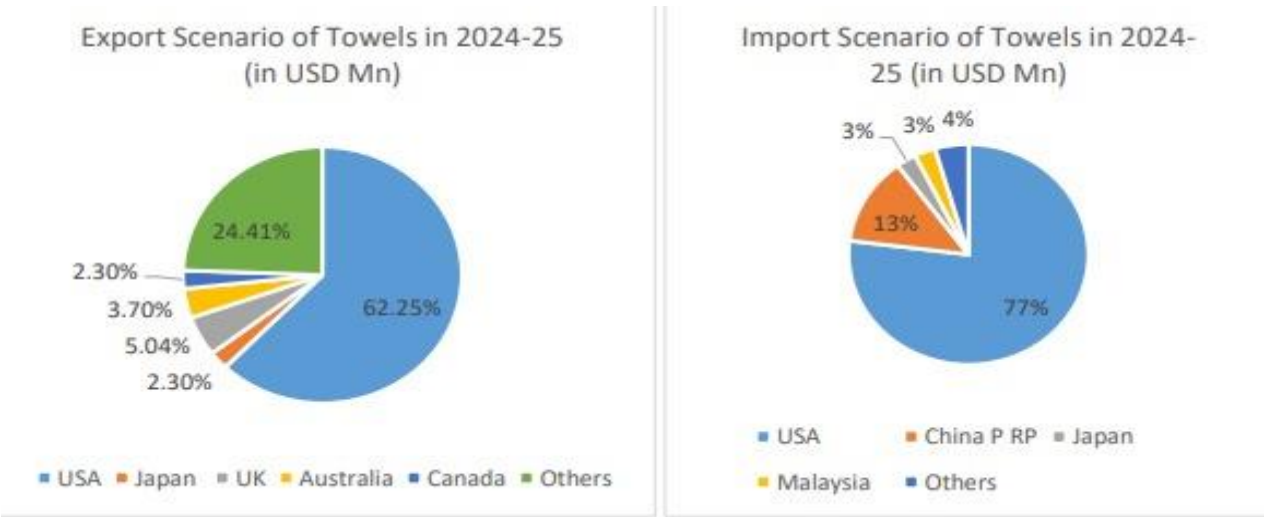
The terry towels manufactured by the company are in great demand domestically and by overseas countries. Towels used domestically in households, in hotels and of various compositions are in demand and its production has been increasing year on year as given in the above section.

Below is the export market for HS code 63026090 which stands for the towels.



Source: Directorate General of Foreign Trade

The export of the Towels have been recovering post COVID 19 scenario and has achieved the highest revenue in the past 5 years for the second time. This indicates the strong demand for the towels by overseas countries and the high quality of fibers used in the making. The export value increased from USD 1,042.11 Mn in 2020-21 to USD 1,183.89 Mn in 2024-25 growing at rate of 2.58%. The import of the towels was growing at very slow but gradual pace between 2020-21 and 2022-23 i.e from USD 0.68 Mn to USD 1.5 Mn. However, in 2023-24, the demand domestically grew owing to increase in preference to branded and high-quality fabric towels and rising number of hospitality sector.



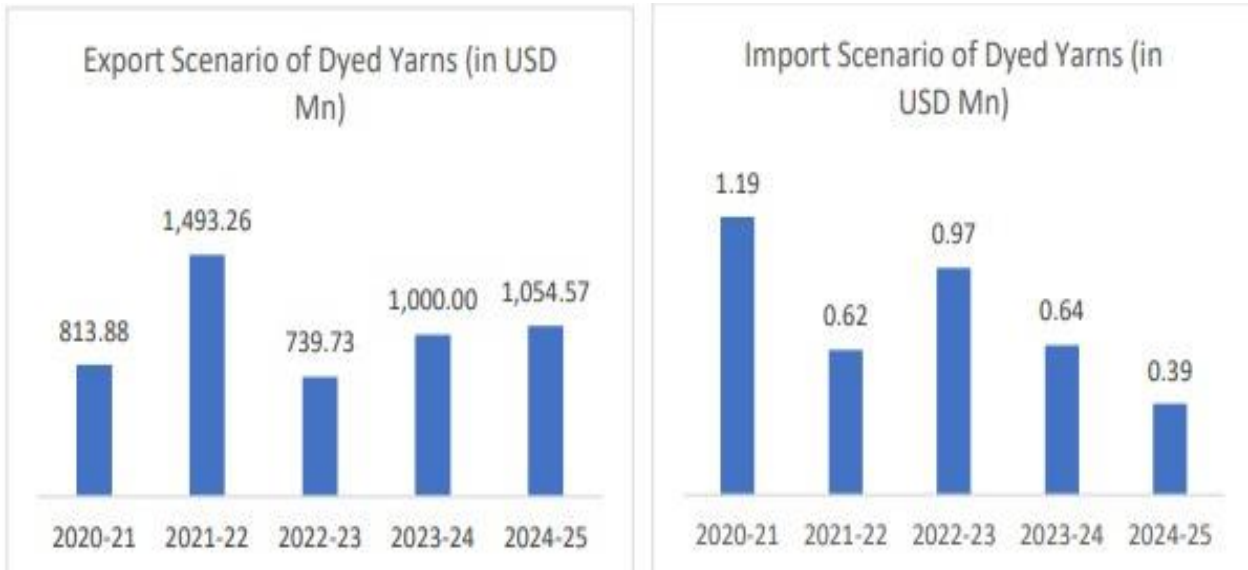
The export and import analysis for Towels highlights key trends in the company's global trade strategy. The USA is the dominant export destination, accounting for 62.25% of total exports, followed by UK at 5%, Australia at 3.7% and Japan and Canada at 2.3% each, with the remaining 24.4% spread across other markets. This suggests a strong presence in the North American market, with some penetration in the pacific countries and other regions.

On the import side, USA overwhelmingly dominates the supply chain, contributing 77% of total imports, followed by the People Republic of China at 1.29% and other countries at 4%. This indicates a heavy reliance on U.S.A for raw materials or other essential inputs, making the supply chain vulnerable to geopolitical and trade-related disruptions. Diversification in sourcing could help mitigate risks and enhance supply chain stability.

Trade Scenario: Dyed Yarns (HSN 52052310)

Growing preference of colourful and high quality of home textile products is driving the demand of the dyed yarns. However, the trade of the yarns has experienced minor fluctuations and looking at recovering to the immediate COVID-19 scenario.

The export and import of the dyed yarns for the past years i.e 2020-21 to 2024-25 is given below:

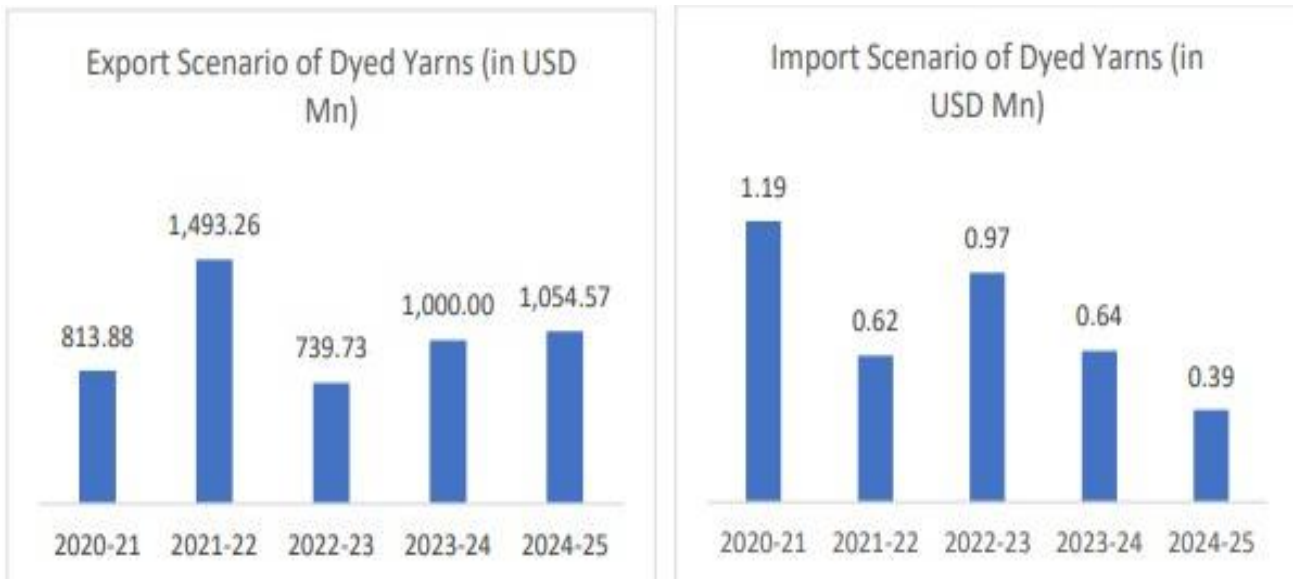


Source: Directorate General of Foreign Trade

The export scenario of Dyed yarns from India depicts a promising positive recovery from the post COVID scenario. The value which was the highest in the past years especially in 2021-22 i.e USD 1,493.82 Mn and post this period, due to the recession trend in Europe along with high raw material costs led to the decrease in the year 2022-23. But the situation has seemed to prove with global demand increasing and preference for high quality home textiles. The export was valued in 2024-25 at USD 1,054.57 Mn, indicating a good demand and strong growth at a rate of 12.54% since 2022-23. This growth is expected to continue owing to the demand for organic and coloured towels and other home textile products.

The import on the contrary to the xport has continued to decline indicating the self-reliance on sourcing the yarns domestically. This is in alignment of the vision of Atmanirbhar Bharat and becoming a strong global player in the Home textiles segment. As indicative in the graph, the decline in imports was about 20% since 2020-21 to 2024-25 which decreased in the value from USD 1.19 Mn to USD 0.39 Mn.

Top export and import destinations for Dyed Yarns:



Source: Directorate General of Foreign Trade

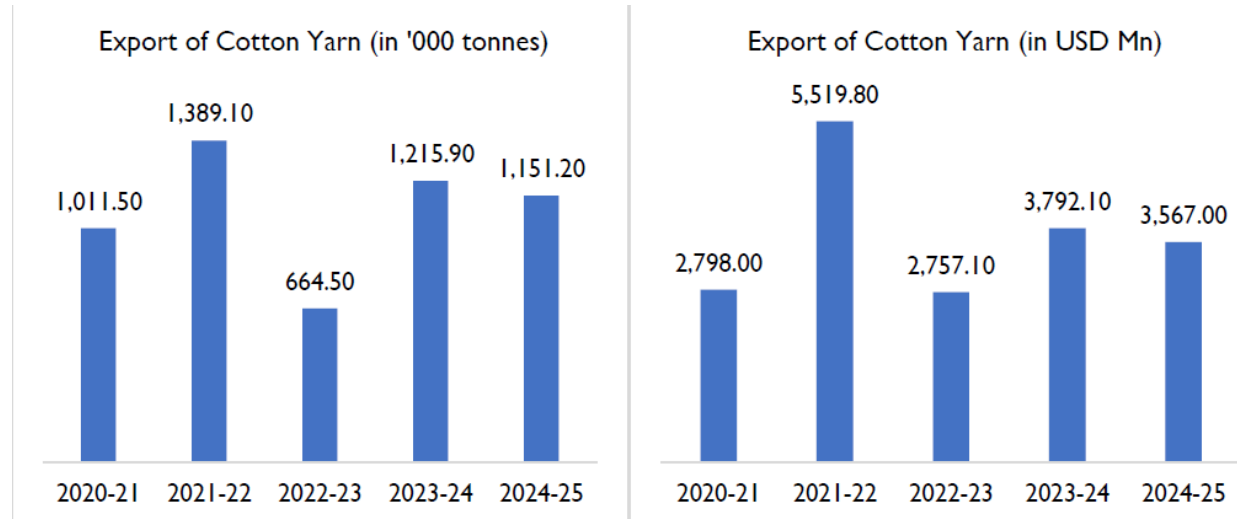
The export and import analysis for Dyed yarns are represented for the year 2024-25 above. Bangladesh is a dominant export destination as of this year, accounting for 54.87% of total exports, followed by Republic of Egypt at 6.92%, Peru at 6.15% and Vietnam and Columbia at 5.16% and 2.9% respectively with the remaining 24% spread across other markets. This suggests a strong presence in the Asian and African market, with some penetration in the South American countries and other regions. On the import side, the UAE overwhelmingly dominated the supply chain, contributing 51.28 % of total imports, followed by the Republic of Korea at 38.46 % and other countries such as France and Vietnam at 7.69 % and 2.56% respectively. This indicates a shift from conventional countries such as China to UAE for raw materials or other essential inputs.

Trade Scenario: Yarn

Cotton Yarn

The overall trade of cotton yarn reflects changing global demand–supply dynamics, price fluctuations, and evolving trade patterns. Export trends show dependence on key international markets, while imports indicate the need to manage domestic supply gaps. Together, trade value, volume, and partner distribution highlight market concentration and diversification, which are important for assessing growth and risk.

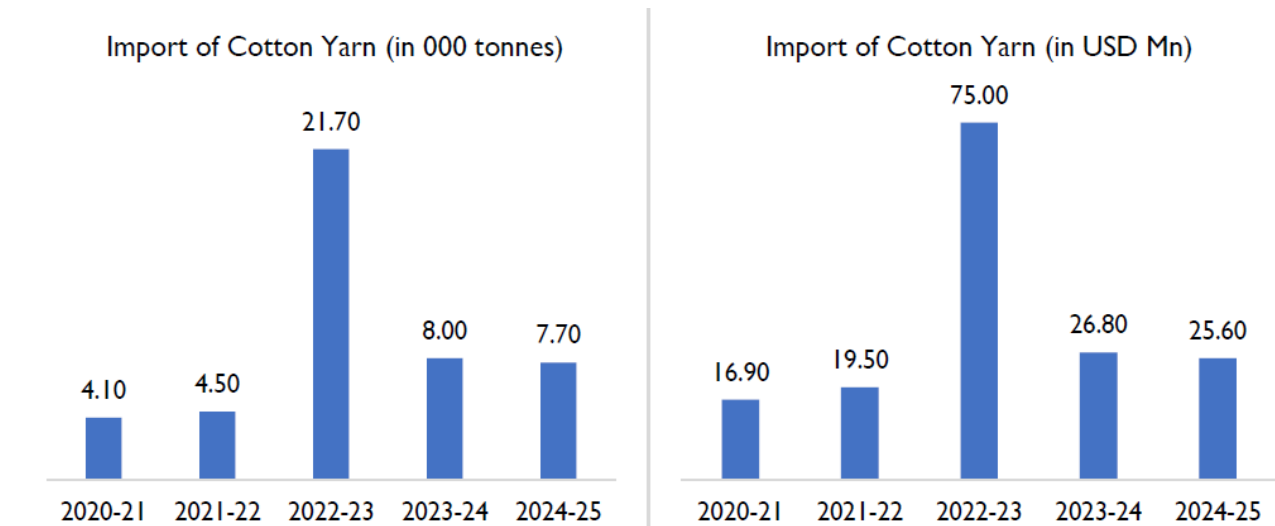
Export



Source: CMIE Database

Export value increased significantly from USD 2,798.0 million in FY2021 to a peak of USD 5,519.8 million in FY2022, before declining sharply to USD 2,757.1 million in FY2023. It then recovered and stabilized at USD 3,792.1 million in FY2024 and USD 3,567.0 million in FY2025, indicating a post-peak correction and relatively stable pricing environment. In terms of volume, exports rose from 1,011.5 thousand tonnes in FY2021 to 1,389.1 thousand tonnes in FY2022, followed by a steep drop to 664.5 thousand tonnes in FY2023. The volumes rebounded to 1,215.9 thousand tonnes in FY2024 and slightly declined to 1,151.2 thousand tonnes in FY2025, reflecting recovery with mild moderation. Overall, the trend indicates a cyclical pattern with a peak in FY2022 followed by stabilization.

Import

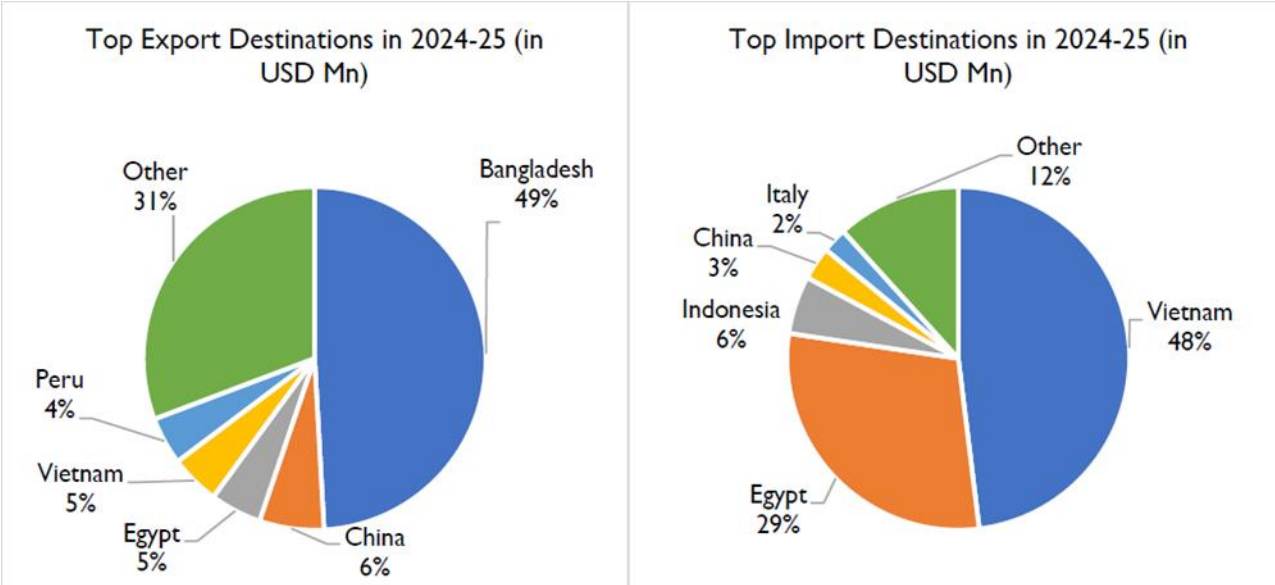


Source: CMIE Database

Import value showed a fluctuating trend over the period, increasing from USD 16.9 million to USD 19.5 million, followed by a sharp surge to USD 75 million, indicating a peak driven by strong demand and/or higher global prices. Subsequently, import value declined to USD 26.8 million and further to USD 25.6 million, reflecting market correction and stabilization. In terms of volume, imports rose from

4.10 thousand tonnes to 4.50 thousand tonnes, before jumping significantly to 21.70 thousand tonnes. This was followed by a decline to 8.00 thousand tonnes and 7.70 thousand tonnes, indicating normalization after a temporary spike. Overall, the trend suggests a cyclical pattern with a peak phase followed by stabilization.

Top export and import destinations Cotton Yarn



Source: CMIE Database

The trade pattern of cotton yarn reflects a high level of concentration on both the export and import sides. On the export front, nearly half of the shipments are directed to Bangladesh 49%, making it the dominant market due to its strong textile manufacturing sector. Other countries such as China 6%, Egypt 5%, Vietnam 5%, and Peru 5% hold relatively small shares, while other markets 31% collectively contribute a significant but fragmented portion. This indicates that although exports are spread across multiple regions, there is a heavy reliance on a single country, increasing exposure to demand or policy changes in that market.

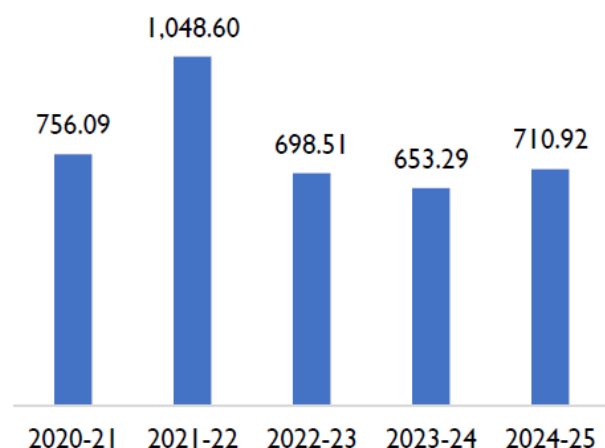
On the import side, the sourcing of cotton yarn is similarly concentrated, with Vietnam 48% and Egypt 29% together accounting for a substantial majority of imports. Additional suppliers such as Indonesia 6%, China 3%, and Italy 2% contribute marginal shares, while other countries 12% provide some diversification. This pattern highlights dependence on a limited number of supplier nations, which could pose risks in case of supply disruptions. Overall, the cotton yarn trade structure underscores the need for broader market diversification and supplier expansion to enhance stability and reduce concentration risks.

Synthetic Yarn:

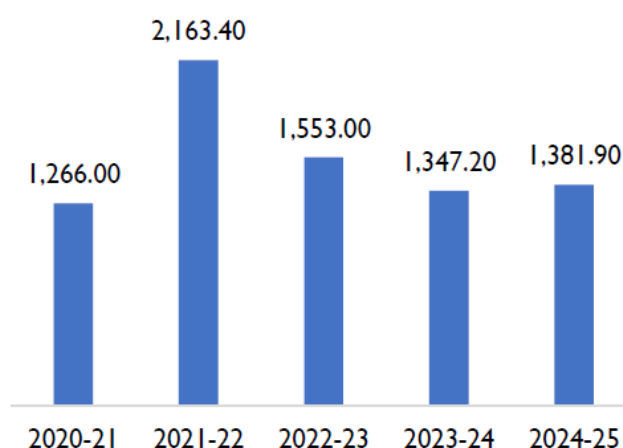
The synthetic yarn market is influenced by industrial demand, technological advancements, and shifts in global textile manufacturing hubs. Its trade patterns reflect changing competitiveness, raw material linkages (like petrochemicals), and evolving sourcing strategies, offering insights into production strength, demand trends, and dependency on key international markets.

Export

Export of Synthetic Yarn (in 000 tonnes)



Export of Synthetic Yarn (in USD Mn)

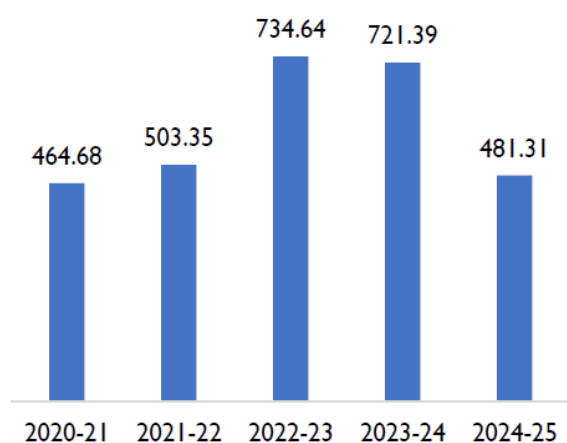


Source: CMIE Database

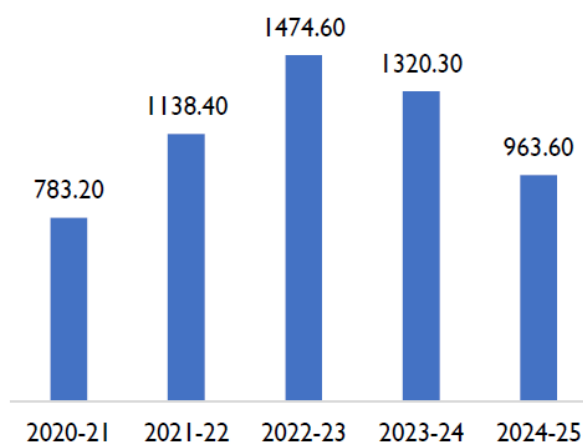
Export value of synthetic yarn increased from USD 1,266.0 million in FY2021 to a peak of USD 2,163.4 million in FY2022, driven by strong global demand and favourable pricing. However, it declined to USD 1,553.0 million in FY2023 and further to USD 1,347.2 million in FY2024, before slightly recovering to USD 1,381.9 million in FY2025, indicating stabilization after a correction phase. In terms of volume, exports rose from 756.09 ('000 tonnes) in FY2021 to 1,048.60 ('000 tonnes) in FY2022, followed by a decline to 698.51 ('000 tonnes) in FY2023 and 653.29 ('000 tonnes) in FY2024, before increasing to 710.92 ('000 tonnes) in FY2025. Overall, exports reflect a cyclical trend with a peak in FY2022 followed by moderation and gradual recovery.

Import

Import of Synthetic Yarn (in 000 tonnes)



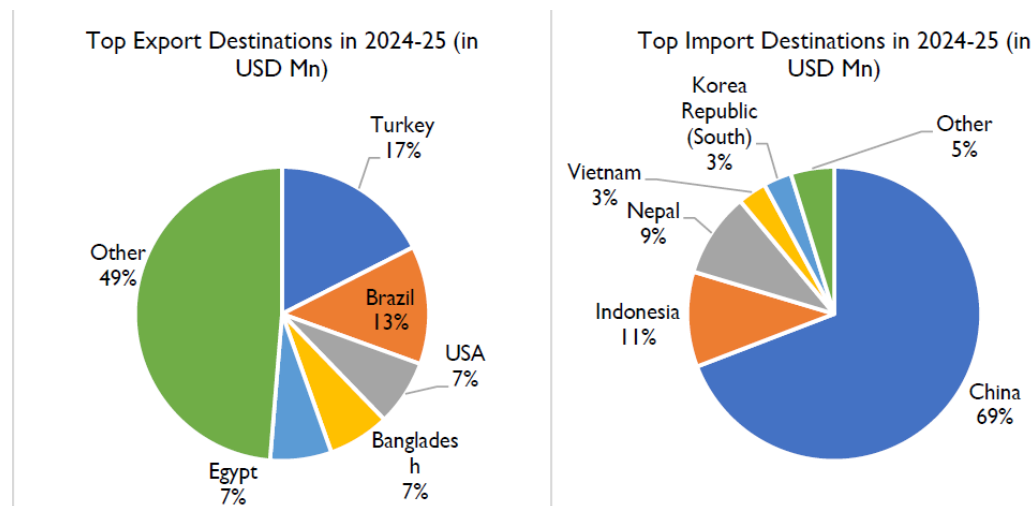
Import of Synthetic Yarn (in USD Mn)



Source: CMIE Database

Import value increased from USD 783.2 million in FY2021 to USD 1,138.4 million in FY2022, and further to a peak of USD 1,474.6 million in FY2023, indicating strong domestic demand and higher global prices. It then declined to USD 1,320.3 million in FY2024 and further to USD 963.6 million in FY2025, suggesting correction and easing demand. In terms of volume, imports rose from 464.69 ('000 tonnes) in FY2021 to 503.35 ('000 tonnes) in FY2022, peaking at 734.64 ('000 tonnes) in FY2023, before slightly declining to 721.39 ('000 tonnes) in FY2024 and significantly dropping to 481.31 ('000 tonnes) in FY2025. This trend indicates a peak demand phase followed by normalization.

Top export and import destinations Synthetic Yarn



Source: CMIE Database

The export destination mix for synthetic yarn is relatively diversified, with Turkey 17% and Brazil 13% emerging as key markets, followed by the USA 7%, Bangladesh 7%, and Egypt 7%, while other countries account for 49%. This indicates a broad global presence with no single dominant market, reducing concentration risk compared to cotton yarn.

On the import side, sourcing is highly concentrated, with China 69% dominating imports, followed by Indonesia 11% and Nepal 9%. Other contributors include Vietnam 3% and South Korea 3%, while other countries account for 5%. This highlights strong dependence on China as a primary supplier, posing potential supply chain risks. Overall, while exports are well-diversified, imports show significant concentration, emphasizing the need for supplier diversification to ensure stability.

Threat & Challenges:

Intense Market Competition

The home textile industry faces stiff competition from both domestic manufacturers and international players, particularly from countries like China, Pakistan, and Bangladesh. These countries benefit from lower production costs, advanced manufacturing technologies, and economies of scale, making it challenging for Indian manufacturers to compete on price. To stay competitive, Indian textile firms must focus on product differentiation, innovation, and high-quality offerings to maintain their market share.

Fluctuating Raw Material Prices

The volatility in the prices of key raw materials such as cotton, polyester, and synthetic fibers significantly affects production costs. Cotton, which is a primary input for bed linens and other home textiles, is highly susceptible to climate changes, crop yield variations, and global demand fluctuations.

Labour and Skill Shortages

Despite India's large workforce, the home textile and bed linen segment faces challenges related to skilled labor availability and workforce efficiency. Many workers lack training in modern textile production techniques, digital printing, and sustainable fabric processing, which affects product quality and consistency. Additionally, the seasonal migration of laborers in some regions causes production slowdowns, increasing operational challenges for manufacturers.

Regulatory Hurdles

The complex regulatory landscape in India, including tariffs, trade policies, labor laws, and environmental regulations, poses challenges for textile manufacturers. Stringent quality standards for exports, along with fluctuating import-export duties and trade agreements, add to the cost burden. Navigating these regulatory hurdles requires efficient legal compliance, investment in sustainable production methods, and strategic market expansion planning.

Sustainability and Environmental Pressures

As global awareness of sustainable and eco-friendly textiles grows, Indian manufacturers face increasing pressure to adopt environmentally responsible production practices. Issues such as high-water consumption in textile processing, chemical waste disposal, and carbon emissions have led to rising demand for organic, non-GMO, and sustainable textiles.

Changing Consumer Preferences and Trends

Modern consumers are becoming more design-conscious, health-focused, and sustainability-driven, leading to a shift in preferences for luxury, hypoallergenic, and organic bed linen. Additionally, the rise of fast home fashion and custom-designed home textiles means that manufacturers must constantly innovate, offer trend-responsive designs, and expand premium product lines to remain relevant in the market. Failure to adapt to evolving consumer expectations could result in declining sales and reduced brand loyalty.

Supply Chain Disruptions

The home textile and bed linen industry is highly dependent on global supply chains, making it vulnerable to disruptions in logistics, raw material procurement, and production schedules. Events such as the COVID-19 pandemic, geopolitical tensions, and transportation bottlenecks have exposed the fragility of supply networks, leading to delays in shipments, increased freight costs, and inconsistent inventory levels. Companies must diversify sourcing strategies, invest in digital supply chain solutions, and establish reliable supplier networks to mitigate these risks.

While the Indian home textile and bed linen industry holds immense growth potential, navigating these challenges will require strategic innovation, investment in technology and sustainability, enhanced workforce training, and efficient supply chain management. Companies that focus on product quality, eco-friendly textiles, and customer-driven trends will be better positioned to thrive in the competitive global market.

SWOT Analysis

Despite a robust manufacturing base, the Indian home textile and bed linen industry continues to evolve amidst both opportunities and challenges. India enjoys an advantage due to abundant raw materials like cotton and a cost-effective production ecosystem. The country also benefits from a skilled labor force with expertise in textile craftsmanship, contributing to consistent quality. With a strong domestic demand and rising export potential, Indian players are positioned well in both traditional and modern markets. However, the industry faces several weaknesses that can hinder growth if left unaddressed. Dependence on climate-sensitive raw materials like cotton leads to fluctuating input costs, impacting pricing and profitability. The sector also struggles with a shortage of trained labor in advanced technologies like digital textile printing and sustainable processing methods. Fragmentation within the industry reduces efficiency and limits the ability of smaller players to scale or invest in innovation. Moreover, compliance with environmental and export-related regulations is often burdensome, particularly for mid-sized firms that lack adequate financial or technical resources.

Opportunities lie in the increasing global demand for sustainable, organic, and ethically-produced home textiles. Indian companies can capitalize on this trend by investing in eco-friendly fabrics, green manufacturing processes, and international certifications. Government initiatives promoting textile parks, subsidies for modernization, and trade agreements with key export destinations provide added momentum. Furthermore, adopting digital technologies across design, production, and distribution channels can significantly boost efficiency and global competitiveness. At the same time, the industry faces several external threats that require proactive strategies. Competition from low-cost manufacturing hubs such as China, Bangladesh, and Pakistan remains intense, especially as these countries benefit from economies of scale and better technological infrastructure. Raw material price volatility, supply chain disruptions, and freight uncertainties have become more common in the post-pandemic world, affecting inventory management and delivery timelines. The shift in consumer behavior toward fast fashion and frequent design changes puts pressure on manufacturers to innovate quickly and remain trend-relevant. Finally, sustainability regulations and environmental concerns are growing stricter globally, and failure to adapt may lead to reputational risks and loss of export markets.

Strengths

- India has abundant raw materials and cost-effective production capabilities.
- There is strong demand both domestically and internationally.
- Retail and e-commerce networks support a stable supply chain.
- A skilled workforce ensures consistent and high-quality output.

Opportunities

- Rising global demand for sustainable and organic home textiles.
- Premium and luxury segments offer scope for higher-margin products.
- Digital platforms and e-commerce boost market accessibility.
- Government incentives and export policies support industry growth.

Weaknesses

- Fluctuating cotton prices create cost uncertainties.
- Outdated production techniques limit efficiency and scalability.
- Skilled labor shortages affect product quality and consistency.
- Regulatory compliance adds complexity and operational burden.

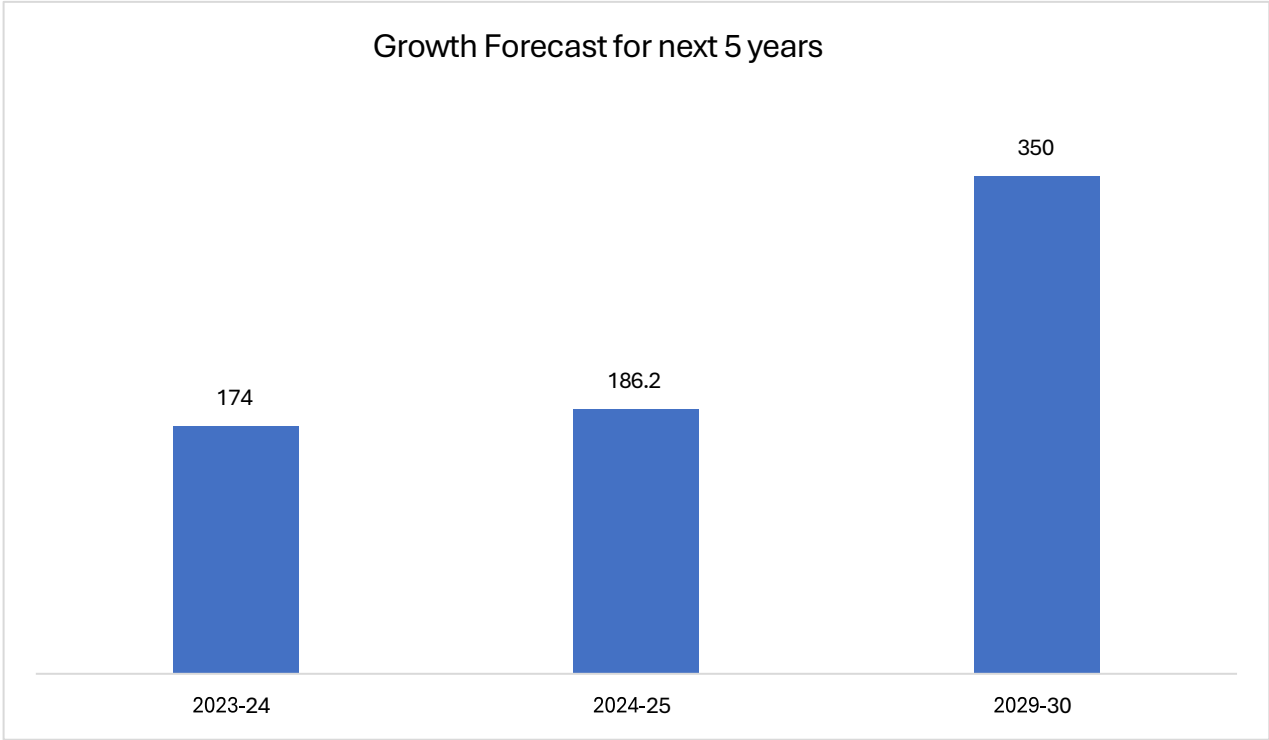
Threats

- Stiff competition from low-cost countries like China and Bangladesh.
- Supply chain disruptions impact production timelines and costs.
- Rapidly changing consumer trends demand constant innovation.
- Sustainability mandates require costly production upgrades.

Growth Forecast: Expected Growth in Industry (5 Years)

Growth Forecast for India Textile Industry:

The growth of the Indian textile industry is expected to accelerate, driven by rising demand across key segments such as home textiles, technical textiles, cotton, and synthetic fiber production, along with advancements in manufacturing and increasing global exports.



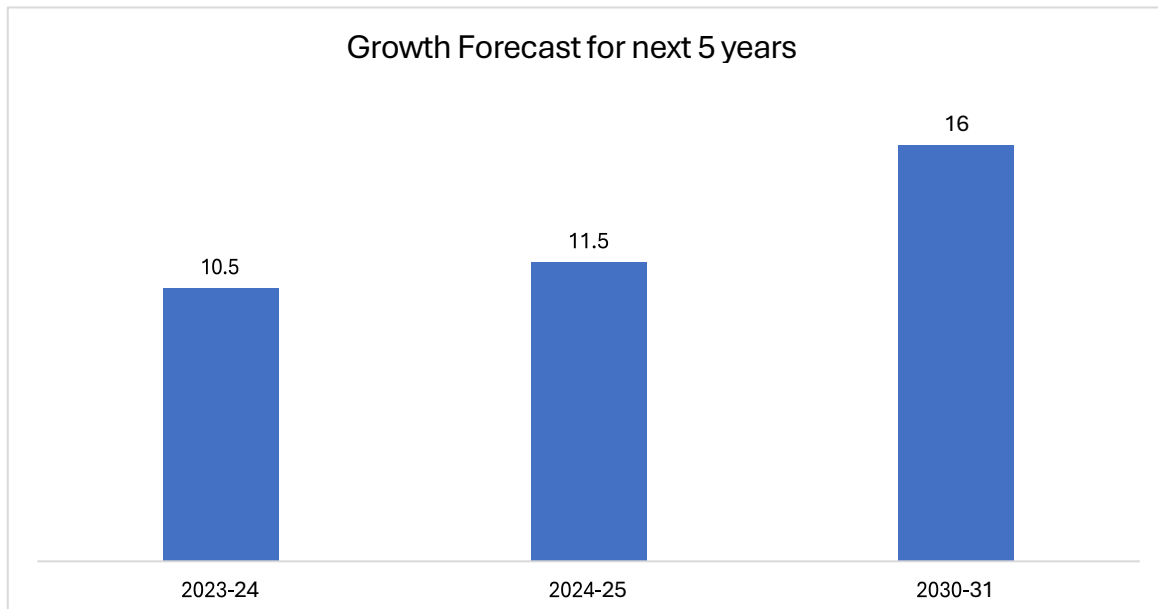
Source: D&B Research Estimates

The Indian textile market has grown from USD 174 billion in 2023-24 to USD 186.2 billion in 2024- 25, reflecting a CAGR of 7%. This steady growth is driven by rising domestic demand, strong export performance, and supportive government policies like the PLI scheme. Additionally, advancements in textile technology, increasing adoption of sustainable materials, and expansion in e-commerce have contributed to the industry's positive trajectory.

Looking ahead, the market is expected to reach USD 350 billion by 2029-30, registering a CAGR of 13.4%. This accelerated growth is fuelled by India's expanding role in global textile supply chains, rising foreign investments, and a shift towards value-added and technical textiles. The sector is also benefiting from increasing brand presence in international markets, a growing middle-class consumer base, and digital transformation in manufacturing, ensuring long-term sustainability and competitiveness.

Growth Forecast for India Home Textile Industry:

The Indian home textile industry is on a steady growth trajectory, driven by increasing consumer demand, advancements in textile technology, and a shift toward sustainable products. With the market projected to reach USD 16 billion by 2030-31, the sector is expected to witness consistent expansion in both domestic and international markets.



Source: D&B Research Estimates

The Indian home textile industry is poised for substantial growth, has risen from USD 10.5 billion in 2023-24 to USD 11.5 billion in 2024-25, eventually reaching an impressive USD 16 billion by 2030-31. This remarkable expansion highlights the industry's resilience and evolving market dynamics, with a strong emphasis on innovation and sustainability.

By 2031, the surge in demand for premium, eco-friendly, and technologically advanced home textiles will be a key driver of growth. Rising urbanization, increasing disposable income, and a growing preference for high-quality home furnishings will further propel the market. Additionally, government initiatives supporting the textile sector, coupled with India's strong export presence in global markets, will play a pivotal role in shaping the industry's long-term trajectory.

Key factors impacting future growth in the industry

For Textile Industry

Rising Domestic and Global Demand: Increasing population, urbanization, and disposable income are fueling demand for textiles, including apparel, home textiles, and industrial fabrics.

Government Support and Policies: Initiatives like the PLI scheme, increased export incentives, and infrastructural developments in textile parks are boosting industry growth.

Technological Advancements: Adoption of automation, AI-driven manufacturing, and sustainable textile production methods are enhancing efficiency and product innovation.

Sustainability and Eco-Friendly Practices: Growing consumer preference for organic fabrics, recycled textiles, and sustainable production methods is shaping future industry trends.

Integration of Technical Textiles: Expanding applications of technical textiles in healthcare, automotive, and industrial sectors are opening new growth avenues.

For Home Textile Industry

Increasing Focus on Home Décor: Changing lifestyle trends and rising spending on premium home furnishings are driving demand for home textiles.

E-commerce and Digital Expansion: Online retail platforms are making home textiles more accessible, boosting sales and market penetration.

Sustainability and Eco-Friendly Products: Demand for organic cotton, bamboo fabrics, and sustainable manufacturing practices is shaping the future of home textiles.

Rising Hospitality and Real Estate Sector: Growth in hotels, housing, and interior design trends is increasing the demand for home textiles like bed linens, curtains, and upholstery.

Export Growth and Global Demand: Strengthening trade relations and rising exports to key markets like the U.S. and Europe are contributing to industry expansion.

Competitive Landscape

The Indian bed & bath linen and home textile industry operates in a highly competitive environment, with a mix of large-scale manufacturers, mid-sized players, and niche brands catering to diverse consumer needs. Leading companies such as Welspun India, Trident Group, Bombay Dyeing, Alok Industries, Indo Count Industries, and Himatsingka Seide dominate the market, leveraging their brand strength, economies of scale, and global distribution networks. These established players compete primarily on product quality, innovation, pricing strategies, and sustainability efforts to maintain their market share in both domestic and international markets.

At the same time, mid-sized and emerging brands are carving out their niche by offering premium, customized, and eco-friendly textile solutions to cater to the evolving preferences of urban consumers. The expansion of organized retail, e-commerce, and direct-to-consumer (D2C) brands has intensified competition, making digital presence and Omni channel distribution crucial factors for success.

Analysis of key factors shaping competition in the sector

Product Innovation & Functional Textiles: As consumer expectations rise, companies are focusing on premium bed linens, moisture-wicking and temperature-regulating fabrics, antibacterial bath towels, and hypoallergenic materials. The demand for luxury and wellness-oriented home textiles is driving R&D investments in organic cotton, bamboo textiles, and smart fabrics.

Quality & Branding: Well-established brands like Welspun, Trident, and Bombay Dyeing emphasize superior fabric quality, high thread counts, durability, and comfort, reinforcing their premium positioning. Consumer trust in recognized brands plays a crucial role in driving sales, particularly in the hospitality, healthcare, and luxury home textile segments.

Cost Competitiveness & Raw Material Sourcing: The industry is highly sensitive to cotton price fluctuations, import/export duties, and supply chain disruptions. Companies that streamline production costs and ensure efficient procurement of raw materials gain a pricing advantage in both domestic and export markets.

E-commerce & Digital Presence: The surge in online shopping, direct-to-consumer (D2C) brands, and marketplace platforms like Amazon, Flipkart, and Myntra has significantly altered the competitive landscape. Brands that leverage digital marketing, influencer collaborations, and seamless customer experiences through e-commerce platforms are gaining a competitive edge.

Sustainability & Eco-Friendly Offerings: Increasing awareness of organic, biodegradable, and ethically sourced textiles is reshaping the industry. Consumers are actively seeking GOTS-certified organic cotton, chemical-free dyes, and sustainable packaging. Companies investing in green manufacturing and sustainable supply chains are attracting eco-conscious buyers.

Export Market & Global Positioning: India is a key exporter of bed and bath linens, with major markets in the US, Europe, and the Middle East. Players like Welspun and Indo Count have a strong international footprint, benefiting from India's cost-competitive yet high-quality textile production. However, competition from China, Bangladesh, and Vietnam remains a significant challenge.

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Financial KPI Peer Benchmarking

(Values are in ₹ Millions unless stated otherwise)

Particular	Unit	TC Terrytex			Welspun Living Limited		
		As at and for Fiscal			As at and for Fiscal		
		FY 2025	FY 2024	FY 2023	FY 2025	FY 2024	FY 2023
Revenue from Operations	₹ in Millions	6,734.80	6,544.22	5,441.31	1,05,450.90	96,792.40	80,937.60
Revenue Growth (in %)	in %	2.91%	20.27%	NA	8.95%	19.59%	-13.08%
EBITDA	₹ in Millions	590.40	503.45	452.36	12,988.9	13,690.2	7,525.9
EBITDA Growth (in %)	in %	17.27%	11.29%	NA	-5.12%	81.91%	-44.62%
EBIT	₹ in Millions	476.67	420.14	347.90	10,776.5	11,203.6	4,317.9
EBIT Growth (in %)	in %	13.46%	20.76%	NA	-3.81%	159.47%	-57.00%
Profit After Tax	₹ in Millions	170.01	134.40	90.28	6,440.2	6,727.4	2,025.1
Profit After Tax Growth (in %)	in %	26.50%	48.87%	NA	-4.27%	232.20%	-66.62%
EBITDA Margin	in %	8.77%	7.69%	8.31%	12.32%	14.14%	9.30%
EBIT Margin	in %	7.08%	6.42%	6.39%	10.22%	11.57%	5.33%
PAT Margin	in %	2.52%	2.05%	1.66%	6.11%	6.95%	2.50%
Net Worth	₹ in Millions	1,813.05	1,641.45	1,504.34	48,210.90	45,158.10	40,878.10
Total Borrowings	₹ in Millions	1,752.00	1,936.00	2,043.90	24,686.20	25,205.10	23,504.00
Debt/Equity	In Times	0.97	1.18	1.36	0.51	0.56	0.57

ROE	in %	9.84%	8.54%	6.19%	13.80%	15.64%	5.03%
ROCE	in %	13.35%	11.79%	9.49%	15.04%	16.63%	6.35%
Total Debt / EBITDA	In Times	2.97	3.85	4.52	1.90	1.84	3.12
Fixed Asset Turnover Ratio	in %	5.56	5.71	5.16	2.99	2.72	2.22
Current Ratio	in %	1.33	1.33	1.39	1.68	1.72	1.66

Note: We have sourced the company's quarterly financials from BSE, and for TC Terrytex, we used the restated financials provided by the company.

(Values are in ₹ Millions unless stated otherwise)

Particular	Unit	TC Terrytex Limited			Trident Limited		
		As at and for Fiscal			As at and for Fiscal		
		FY 2025	FY 2024	FY 2023	FY 2025	FY 2024	FY 2023
Revenue from Operations	₹ in Millions	6,734.80	6,544.22	5,441.31	69,870.80	68,088.30	63,322.60
Revenue Growth (in %)	in %	2.91%	20.27%	NA	2.62%	7.53%	-9.51%
EBITDA	₹ in Millions	590.40	503.45	452.36	9,107.80	9,404.40	9,470.90
EBITDA Growth (in %)	in %	17.27%	11.29%	NA	-3.15%	-0.70%	-37.40%
EBIT	₹ in Millions	476.67	420.14	347.90	6,047.30	6,332.20	6,586.80
EBIT Growth (in %)	in %	13.46%	20.76%	NA	-4.50%	-3.87%	-45.23%
Profit After Tax	₹ in Millions	170.01	134.40	90.28	3,707.30	3,499.90	4,416.10
Profit After Tax Growth (in %)	in %	26.50%	48.87%	NA	5.93%	-20.75%	-47.03%
EBITDA Margin	in %	8.77%	7.69%	8.31%	13.04%	13.81%	14.96%
EBIT Margin	in %	7.08%	6.42%	6.39%	8.65%	9.30%	10.40%
PAT Margin	in %	2.52%	2.05%	1.66%	5.31%	5.14%	6.97%
Net Worth	₹ in Millions	1,813.05	1,641.45	1,504.34	46,209.90	43,154.10	41,926.30
Total Borrowings	₹ in Millions	1,752.00	1,936.00	2,043.90	15,757.80	20,608.10	13,741.10
Debt/Equity	In Times	0.97	1.18	1.36	0.34	0.48	0.33

ROE	in %	9.84%	8.54%	6.19%	8.30%	8.23%	10.99%
ROCE	in %	13.35%	11.79%	9.49%	9.62%	10.60%	12.00%
Total Debt / EBITDA	In Times	2.97	3.85	4.52	1.73	2.19	1.45
Fixed Asset Turnover Ratio	in %	5.56	5.71	5.16	1.59	1.62	1.67
Current Ratio	in %	1.33	1.33	1.39	2.01	1.58	1.40

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. See the chapter titled “Forward Looking Statements” beginning on page 20 of this Draft Red Herring Prospectus for a discussion of the risks and uncertainties related to those statements and “Risk Factors”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 22, 241 and 259, respectively of this Draft Red Herring Prospectus 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 Company’s Fiscal Year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Financial Year Ended are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for Financial Year Ended 2025, 2024 and 2023 included herein is derived from the Restated Financial Statements, included in this Draft Red Herring Prospectus. For further information, see the chapter titled “Restated Financial Statements” beginning on page 241 of this Draft Red Herring Prospectus.

Unless otherwise indicated, all financial, operational, industry and other related information included herein with respect to any particular year refers to such information for the relevant calendar year. Also, see “Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation” at page 16 of this Draft Red Herring Prospectus.

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus is derived from the report titled, “Industry Report on Home Textiles” released in March 2026 (“D&B Report”) prepared by Dun & Bradstreet Information Services India Private Limited (“Dun and Bradstreet”), appointed by Our Company pursuant to an engagement letter dated March 20, 2026 and such the D&B Report has been commissioned by and paid for by Our Company, exclusively in connection with the Offer. For further information, see “Risk Factors 22 Certain sections” of this Draft Red Herring Prospectus which discloses information from the industry report which has been commissioned and paid for by us exclusively in connection with the Offer. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate. This Draft Red Herring Prospectus contains information from an industry report, prepared by an independent third-party research agency, Dun and Bradstreet, which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Offer and reliance on such information for making an investment decision in the Offer is subject to certain inherent risks as detailed on page 22. Also see, “Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation” on page 16. The D&B Report is available on the website of Our Company at <https://tctl.in/> Unless otherwise indicated, financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year.

BUSINESS OVERVIEW

Our Company operates in the cotton based home textile segment of the textile industry and is engaged in the manufacture and export of terry towel products which are supplied primarily to international markets. In addition, our Company undertakes the sale and processing of dyed yarn, primarily in the domestic market.

Our Company has been in operation since August 30, 2005, and our Promoter has business experience and expertise of over 17 years. Our Company has a product portfolio that includes dobby (piece dyed) towels, jacquard towels and a comprehensive product range from terry towels & toweling products such as face & hand towels and bath towels. We focus on delivering textiles that meet industry standards in terms of durability and performance. In addition to finished towels, we are also involved in the sale of dyed yarn in the domestic market, ensuring our business presence in this segment.

Over the years, our Company has developed and expanded our manufacturing capabilities for the production of terry towel products through the installation of advanced semi-automatic machinery imported from select overseas manufacturers, primarily from Japan. Our Company’s manufacturing facilities located at Sarsini, Mohali, Punjab, undertake various stages of the towel manufacturing process including yarn dyeing, warping, weaving, fabric processing, finishing and packaging.

As on March 31, 2025, the manufacturing facility had an installed production capacity of 9,349.90 MTPA for terry towels and 5,845.00 MTPA for dyed yarn.



Our Company supplies its products to customers located in domestic and international markets. Export sales constitute a significant portion of our Company's revenue from operations. Our Company exports premium terry towel products to customers located in several international markets including Australia, the United States, the United Kingdom and Canada. Our Company has been recognized as a "Three Star Export House" by the Directorate General of Foreign Trade (DGFT), Ministry of Commerce and Industry, in the year 2024. This certificate is awarded to exporters with a proven track record in international trade and it underscores our adherence to global quality standards and enhances our credibility among international buyers.

We primarily operate as a business-to-business (B2B) supplier and cater to customers requiring bulk quantities and customized specifications, including private labelling and branding. The Company follows a made-to-order production model, wherein production is undertaken against confirmed customer orders, enabling efficient inventory management and optimal utilization of resources while meeting specific customer requirements.

In the latest fiscal period, our revenue from total sales of products was ₹ 6,198.33 million which comprises of total revenue from terry towels amounting to 75.79%, revenue from sale of dyed yarns amounting 23.67% and sale of other items (scrap sale and towel waste) amounting to 0.54%. Additionally, our other sources of revenue include export incentives and other operating income amounting ₹ 536.48 million. Additionally, during the stub period September 30, 2025 we also have a negligible revenue from domestic sales of terry towels.

Though Terry Towels exports are the main driver of our product sales revenue, the remaining share of product sales was generated from domestic sales of dyed yarn, underscoring our presence in both global and domestic markets. In Fiscals 2023, 2024, 2025 and for the six-month period ended September 30, 2025, our revenue from exports accounted for 78.87%, 70.19%, 75.17% and 76.86%, respectively of total revenue from product sales. In each of the last three fiscals, our Company has exported to more than 25 countries with majority of the export sales being sourced from Australia, United States of America, Canada, United Kingdom and Germany. We sell our products through direct sales to our customers.

Our Company manufactures terry towel products and undertakes various stages of the manufacturing process including yarn dyeing, weaving and finishing at its manufacturing facility and supplies them to customers in domestic and international markets. This has facilitated our diversification into diverse segments which in turn has helped us in serving a large number of customers across retail chains, institutions, trading houses, yarn/textile mills, exporters, and even agencies. As on March 31, 2025, our manufacturing facility located at Dera Bassi has a production capacity of 9,349.90 MTPA and 5,845.00 MTPA installed capacity of Terry Towel and Dyed Yarn respectively. Our revenue from operations has grown from ₹ 5,441.31 million in Fiscal 2023 to ₹ 6,734.80 million in Fiscal 2025, registering a CAGR of 11.25% in last three fiscal years. For Fiscal 2025, Fiscal 2024 and Fiscal 2023, our PAT was ₹ 170.02 million, ₹ 134.40 million and ₹ 90.28 million, respectively. Further, our EBITDA have grown from ₹ 452.37 million in Fiscal 2023 to ₹ 590.41 million in Fiscal 2025, registering a CAGR of 14.24% in three fiscal years.

Our business can be broadly divided into two major business verticals, consisting of a) toweling products and b) dyed yarn. Additionally, there is a third source of revenue segment which is derived from the waste products of our two major verticals which earns us approximately 2% of our products based revenue year on year. The revenue mix from the business verticals for the six month period ended September 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023 respectively was:

Segment Wise Revenue Bifurcation for sale of Products:

(Rs. in millions)

Product	Six month period ended September 30, 2025	% of Total Revenue from product sale	Fiscal 2025	% of Total Revenue from product sale	Fiscal 2024	% of Total Revenue from product sale	Fiscal 2023	% of Total Revenue from product sale
Terry Towel	2,391.65	79.95%	4,697.94	75.79%	4,332.29	71.33%	3,914.35	78.48%
Dyed Yarn	532.77	17.81%	1,467.12	23.67%	1,707.98	28.12%	1,037.97	20.81%
Others	67.14	2.24%	33.26	0.54%	33.09	0.54%	35.63	0.71%
Total Revenue from sale of products	2,991.56	100.00%	6,198.33	100.00%	6,073.37	100.00%	4,987.95	100.00%

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Our Unit caters to various segments of the manufacturing process of terry towel production from procurement of yarn to dispatch. Further, we procure yarn and process it to dyed yarn. This business-to-business vertical serves mostly other manufacturers as clients. Further, we have a marginal residuary revenue generation from other sale of products, which primarily includes towel waste, dyes and chemicals, and terry fabric. We have a dedicated in-house Testing and Quality Control Team (“QC team”) which undertakes testing and quality management. We have dedicated semi-automatic and manual testing machines. Our testing and QC team ensures the quality of raw material dispensed in the production process and also the finished goods delivered to our customers. This helps in improving our procurement process thus reducing wastages, returns and other related costs. Our Company also has an in-house design facility which researches on and caters to all kind of designs and trends as per clients’ needs. Our testing and QC team checks and conducts various tests on the products at various stages starting from the raw materials procured to the finished products manufactured by us.

Our company’s operations commence with the procurement of yarn, the principal raw material used across our manufacturing verticals. Our Company is located in Punjab, a hub for diversified textile products, which facilitates sourcing. The region offers a well-developed ecosystem for yarn trading, enabling easy access to quality raw materials and ensuring smooth procurement operations with minimal lead times or supply disruptions. Rather than relying on a single vendor for procurement of raw material, we have established a supplier base, which enhances our operational resilience, especially during high production periods. This multi-supplier model also strengthens our bargaining position and allows for flexible procurement volumes based on order flow. Based on operational requirements, the Company also imports certain raw materials used in the production and manufacture of terry towels.

To further optimize resource utilization, our procurement strategy is closely aligned with an order-based production system. Yarn purchases are initiated only upon the receipt of confirmed customer orders, ensuring raw material intake is directly tied to actual production requirements. This just-in-time approach minimizes excess inventory, reduces storage overhead, and improves working capital efficiency. By integrating procurement planning with production schedules, we are able to maintain tight control over input costs while supporting our Company’s broader goals of financial discipline and operational agility.

The overall towel export market witnessed an upward trend (in absolute numbers) during the Fiscal year 2023 to Fiscal 2025, and Our Company achieved a growth of 9.55% across these two financial years. This increase was primarily driven by higher sales in key markets the United States by 19%, the United Kingdom by 102%, Canada by 87%, and German by 8% supported by an expanding customer base in these regions as compared to prior year. Though there may not be an appreciable growth of exports of terry towels in certain countries like Australia, in absolute numbers, we have retained our export revenues from such countries. Export revenue is the largest

component of our operational income, underscoring our strong presence in international markets. However, our domestic business continues to represent a significant share, reflecting our growing footprint in India.

Our Company's growth has been primarily sustained by a strong demand from its existing customer base. To effectively address this rising demand, our Company undertook strategic measures to enhance its production capacity. This included expanding capacity through outsourcing certain weaving processes and investing in new machinery, specifically looms, which further augmented in-house manufacturing capabilities. These initiatives have enabled Our Company to meet increased customer requirements efficiently, while maintaining high standards of product quality and timely delivery.

Our Promoter and Chairman and Managing Director, Mr. Akhil Satia, has been associated with our Company since 2005 and has over 17 years of experience in the textile industry. He oversees the day-to-day operations of our Company and manages the production unit with the support of various departmental heads of the Company.

Our Directors, namely Mr. Akhil Satia and Mr. Parminder Singh Barnala, possess experience of over 17 years and approximately 13 years, respectively, in international business practices and market expansion, financial planning and operations, and textile manufacturing, quality control and process management in the textile industry. The experience and continued involvement of our Promoters and Directors support our Company's operational efficiency, quality standards and business operations. Our Promoters also play a role in developing and maintaining relationships with stakeholders, which has supported the expansion of our product portfolio. For further details, see "Our Promoters and Promoter Group" beginning on page 233 of this Draft Red Herring Prospectus.

GEOGRAPHICAL PRESENCE

Export revenue is the largest component of our operational income, underscoring our strong presence in international markets. However, our domestic business continues to represent a significant share, reflecting our growing footprint in India. The table below presents a detailed breakdown of our revenue from domestic and export sales for the six-month period ended September 30, 2025 and Fiscal 2025, 2024 and 2023 based on our Restated Financial Statements:

(₹ in millions)

Particulars	Six-month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of revenue from product sales	Amount	% of revenue from product sales	Amount	% of revenue from product sales	Amount	% of revenue from product sales
Exports	2,299.35	76.86%	4,659.05	75.17%	4,262.71	70.19%	3,934.13	78.87%
Domestic	692.21	23.14%	1,539.27	24.83%	1,810.66	29.81%	1,053.81	21.13%
Total	2,991.56	100.00%	6,198.33	100.00%	6,073.37	100%	4987.95	100%

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During the Six months period ending September 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023, our revenue from exports was 76.86%, 75.17%, 70.19% and 78.87% of total revenue from sale of products. While revenue from export sales is the largest component of our revenue from operations, a significant portion of our revenues also emanate from domestic sales.

In the international market, our Company exports to the following Countries:

(₹ in millions)

Country	Six-month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Revenue from export	Amount	% of Revenue from export	Amount	% of Revenue from export	Amount	% of Revenue from export
Australia	987.10	42.93%	1978.79	42.47%	2031.66	47.66%	1793.25	45.58%

USA	724.57	31.51%	1875.10	40.25%	1580.37	37.07%	1399.74	35.58%
UK	118.95	5.17%	305.15	6.55%	150.80	3.54%	58.61	1.49%
Canada	100.07	4.35%	230.27	4.94%	123.08	2.89%	88.90	2.26%
Germany	88.54	3.85%	31.70	0.68%	29.27	0.69%	120.33	3.06%
Others*	280.12	12.18%	238.04	5.11%	347.54	8.15%	473.31	12.03%
Total Export Revenue	2,299.35	100%	4,659.05	100%	4,262.71	100%	3,934.13	100%

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*In addition to our key export markets, we have also undertaken exports to certain other countries including Argentina, Chile, Croatia, Caucedo (Dominican Republic), Norway, Japan, Colombia, Sri Lanka, Hong Kong, Israel, UAE, Dominican Republic, Philippines, Sweden, Finland, Netherlands, Turkey, New Zealand, South Africa, Singapore, Mexico, Mauritius and Qatar.

As an export-oriented enterprise, Our Company benefits from key government export incentives, which enhance our cost competitiveness:

- **ROSTL (Rebate of State and Central Taxes and Levies):** We receive 8.2% of the FOB value of all our exports under this scheme, offered in the form of duty credit scrips. These can either be used to offset import duties or monetized through sale in the open market. As Our Company does not import raw materials, we opt to sell these scrips to derive financial benefit.
- **Duty Drawback:** We also receive 2.8% of the FOB value as Duty Drawback. This incentive is intended to refund customs duties paid on imported inputs used in the manufacture of exported goods. These incentives effectively lower our cost base, enhancing margins and supporting competitive pricing in international markets.

State-wise bifurcation of domestic sales of our products (primarily dyed yarn) are as follows:

(₹ in millions)

State	Six month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Domestic revenue	Amount	% of Domestic revenue	Amount	% of Domestic revenue	Amount	% of Domestic revenue
Haryana	210.25	30.37%	513.41	33.35%	389.37	21.50%	264.53	25.10%
Delhi	147.22	21.27%	425.27	27.63%	308.28	17.03%	202.09	19.18%
Tamil Nadu	103.18	14.91%	249.25	16.19%	369.30	20.40%	313.49	29.75%
Punjab	116.41	16.82%	200.12	13.00%	506.39	27.97%	156.93	14.89%
Himachal Pradesh	50.51	7.30%	109.75	7.13%	148.63	8.21%	0.04	0.00%
Other States*	64.64	9.33%	41.47	2.70%	88.69	4.89%	116.73	11.08%
Grand Total	692.21	100%	1,539.27	100%	1,810.66	100%	1053.81	100%

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* The "Other States" category primarily includes Chandigarh, Uttarakhand, Rajasthan, Uttar Pradesh, Arunachal Pradesh, Mizoram, West Bengal, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Telangana and Andhra Pradesh.

The table set forth below is contribution of our top customers towards our revenue from operations:

(₹ in million)

Particulars	Six month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Revenue from operations	Amount	% of Revenue from operations	Amount	% of Revenue from operations	Amount	% of Revenue from operations
Top 1*	946.67	29.17%	1,725.50	25.62%	1,803.17	27.55%	1,496.45	27.50%
Top 5	1,571.24	48.41%	3,180.02	47.22%	2,935.95	44.86%	2,384.41	43.82%
Top 10	1,987.25	61.23%	4,183.08	62.11%	3,801.68	58.09%	3,044.10	55.94%

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*Our top 1 customer is KMART Australia Ltd, names of balance customers have not been provided either because relevant consents for disclosure of their names were not available or in order to preserve confidential.

Based on the said table, we can state that our Company has a well-diversified customer base, with our top 10 clients contributing approximately 56% to 62% of our total revenue from operations during the six month period Ended on September 30, 2025 and Fiscal 2025, Fiscal 2024 to Fiscal 2023. However, it is pertinent to note that our Company derives around 26% to 29% of its total revenue from operations from a single client internationally, indicating a degree of revenue concentration risk.

Our procurement of raw materials, particularly yarn, is dependent on a number of suppliers, who contribute a significant portion of our total purchases.

Our procurement of key raw materials, particularly yarn, is dependent on a limited number of suppliers, resulting in a concentration of purchases. Based on our historical procurement data, our top suppliers contribute a significant portion of our total purchases. For the period ended September 30, 2025, our top supplier accounted for approximately 54.54% of our total purchases, while our top five and top ten suppliers accounted for approximately 74.82% and 95.86% of our total purchases, respectively.

The table set forth below are contribution of our top suppliers towards our total purchases during the period:

(₹ in millions)

Particulars	Six-month Period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Total Purchase	Amount	% of Total Purchase	Amount	% of Total Purchase	Amount	% of Total Purchase
Top 1	1,080.94	54.54%	828.77	17.82%	830.91	17.98%	474.67	13.07%
Top 5	1,482.93	74.82%	2,077.42	44.67%	2,011.08	43.52%	1,550.61	42.70%
Top 10	1,900.06	95.86%	2,846.12	61.19%	2,796.95	60.52%	2,304.96	63.48%

Key Performance Indicators

The following table sets forth certain key performance indicators of our Company for the periods indicated below:

(₹ in million unless otherwise stated)

Particulars	Six-month period ended September 30, 2025	FY 2025	FY 2024	FY 2023
Revenue from Operations	3245.79	6734.8	6544.22	5441.31
Revenue Growth (in %) ⁽¹⁾	NA	2.91%	20.27%	-0.30%
EBITDA ⁽²⁾	271.99	590.41	503.63	452.37
EBITDA Growth (in %) ⁽³⁾	NA	17.23%	11.33%	10.85%
EBIT ⁽⁴⁾	217.82	476.68	420.14	347.90
EBIT Growth (in %) ⁽⁵⁾	NA	13.46%	20.76%	11.90%
Profit After Tax ⁽⁶⁾	78.73	170.01	134.40	90.28
Profit After Tax Growth (in %) ⁽⁷⁾	NA	26.50%	48.87%	123.29%
EBITDA Margin ⁽⁸⁾	8.38%	8.77%	7.70%	8.31%

EBIT Margin ⁽⁹⁾	6.71%	7.08%	6.42%	6.39%
PAT Margin ⁽¹⁰⁾	2.43%	2.52%	2.05%	1.66%
Net Worth ⁽¹¹⁾	1889.43	1813.05	1641.45	1504.34
Total Debt ⁽¹²⁾	1594.48	1752.00	1936.00	2043.90
Debt/Equity ⁽¹³⁾	0.84	0.97	1.18	1.36
ROE ⁽¹⁴⁾	4.25%	9.84%	8.54%	6.19%
ROCE ⁽¹⁵⁾	6.18%	13.35%	11.79%	9.81%
Total Debt / EBITDA ⁽¹⁶⁾	5.86	2.97	3.84	4.52
Fixed Asset Turnover Ratio ⁽¹⁷⁾	2.84	5.56	5.71	5.16
Current Ratio ⁽¹⁸⁾	1.31	1.33	1.33	1.39

Notes:

i. KPI as identified and approved by the Audit Committee of the board of directors of our Company pursuant to their resolution dated Marh 28, 2026) and as certified by J Mandal & Co LLP pursuant to their certificate dated March 30, 2026.

ii. For both the Company and its listed peers, components of Other Equity have been considered after excluding balances of Other Comprehensive Income (OCI) that are subject to potential reclassification to the Statement of Profit and Loss in the future. Such re- classifiable items have been excluded on the basis that they do not represent permanent equity and may affect future earnings.

(1) Revenue Growth (%) = (Revenue from operation in Current Period–Revenue from operation in Previous Period)/Revenue in Previous Period*100

(2) Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) = Profit Before Tax (PBT) + Finance Costs + Depreciation & Amortization - Other Income

(3) EBITDA Growth (%) = (EBITDA in Current Period - EBITDA in Previous Period) / EBITDA in Previous Period) * 100

(4) Earnings Before Interest and Taxes (EBIT) = Profit Before Tax (PBT) + Finance Costs

(5) EBIT Growth (%) = (EBIT in Current Period - EBIT in Previous Period) / EBIT in Previous Period) * 100

(6) PAT= Profit before Tax (PBT) – Total Tax Expenses

(7) PAT Growth (%) = (PAT in Current Period - PAT in Previous Period) / PAT in Previous Period) * 100

(8) EBITDA Margin (Earnings Before Interest, Taxes, Depreciation, and Amortization Margin) = (EBITDA / Revenue from Operations) *100

(9) EBIT Margin (Earnings Before Interest and Taxes Margin) = (EBIT / Revenue from Operations) *100

(10) PAT Margin (Profit After Tax Margin) = (PAT / Revenue from Operations) *100

(11) Net worth = Paid-up share capital + Other Equity

(12) Total Debt = Total Borrowings (Long-term + Short-term)

(13) Total Debt to Equity = Total Debt / Equity

(14) Return on Equity (ROE) (%) = (PAT/ Average Equity (here Equity= Equity Share Capital + Other Equity) *100

(15) Return on Capital Employed (ROCE) (%) = Earnings Before Interest and Taxes (EBIT)/ Average Capital Employed (here Capital Employed = Net worth + Total Debt)) * 100

(16) Total Debt to EBITDA = Total Debt / Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)

(17) Fixed Asset Turnover = Revenue from Operations / Average Net Fixed Assets (here Net Fixed Assets = Net property plant and equipment as per restated financial statement

(18) Current ratio=Current Asset/Current Liabilities

Set out below are certain operational key performance indicators pertaining to our business

(₹ in millions, unless specified)

Particulars	Six-month Period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Number of Employee's ⁽¹⁾	1,714.00	1,630.00	1,677.00	1,471.00
Total Sale of Products (in million) ⁽²⁾	2,991.56	6,198.32	6,073.37	4,987.95
Revenue per Employee (₹ in million) ⁽³⁾	1.75	3.80	3.62	3.39
Capacity Utilization (in %) ⁽⁴⁾				
- Towel	87.83%	88.60%	88.27%	87.92%
- Dyed Yarn	89.14%	93.13%	88.64%	87.50%
Loom Efficiency (%) ⁽⁵⁾	91.13%	95.59%	89.60%	87.92%
Yield Rate (%) ⁽⁶⁾	95.36%	95.73%	94.64%	95.85%

Rejection Rate (%) ⁽⁷⁾	4.64%	4.27%	5.36%	4.15%
Energy Consumption per Kg of Output (kWh/MTPA) ⁽⁸⁾	2.25	2.51	2.56	2.45

- (1) Number of Employee's represents the total number of employees engaged with the Company as on the end of the respective financial year.
- (2) Total Sale of products represents the total sale from finished goods, traded goods and scrap sale earned by the Company during the respective financial year.
- (3) Revenue per Employee's calculated by dividing the Revenue from sale of product by Total Number of Employee's.
- (4) Capacity utilization is the total number of units produced out of total installed capacity.
- (5) Loom Efficiency is calculated by dividing the actual operating hours of the looms by the total available loom hours in a day, expressed as a percentage.
- (6) Yield Rate is calculated as the proportion of defect-free production to the total production (in metric tonnes) sourced from external capacities, expressed as a percentage.
- (7) Rejection rate is calculated as 1-Yield Rate
- (8) Total Energy Consumption is calculated by dividing the total electricity consumed for the Towel Division (in kWh) by the total output produced (in metric tonnes per annum), and then dividing the result by 1,000 to express it in kWh per kg of output

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OUR PRODUCT PORTFOLIO

Sr No.	Product Category	Description	Sample Image
1	Terry Towels	Terry towels are a staple in households, hotels, and healthcare facilities, known for their high absorbency, durability and soft texture. These towels are manufactured using looped pile fabric construction, where raised loops on both sides enhance water absorption, making them suitable for drying and cleaning purposes. Terry towels are generally made from cotton yarn and may also be manufactured using premium yarns such as Supima cotton, organic cotton, bamboo blends or other specialty yarns to enhance softness, strength and durability. Terry towels are manufactured in various sizes, designs, GSM ranges and finishes to cater to different end-use requirements such as household, hospitality, healthcare and institutional use. With evolving customer preferences, manufacturers have adopted improved yarn technologies, quick-dry features, zero-twist yarns, and eco-friendly processes including organic cotton usage and dyeing techniques. The Company is engaged in the manufacturing of terry towel products, which include various categories such as Suvin Towels, Organic Towels, Splendid Supima Cotton Towels, Hotel Towel Range, Solid Towels, Fashion Towels, Kitchen Towels and Dobby Piece Dyed Towels Range. These are different variants of terry towels manufactured using different yarn types, qualities, designs and GSM specifications to cater to domestic as well as export customers. We have a wide range of products within our terry towels vertical, an elaboration of the same is provided below: Jacquard Towels Jacquard towels are woven using jacquard looms which allow intricate patterns and designs to be directly woven into the fabric, making them suitable for premium home textiles, hospitality and institutional use. Presently Our Company has 16 looms dedicated at Our Unit for the manufacture of such Jacquard towels.	  

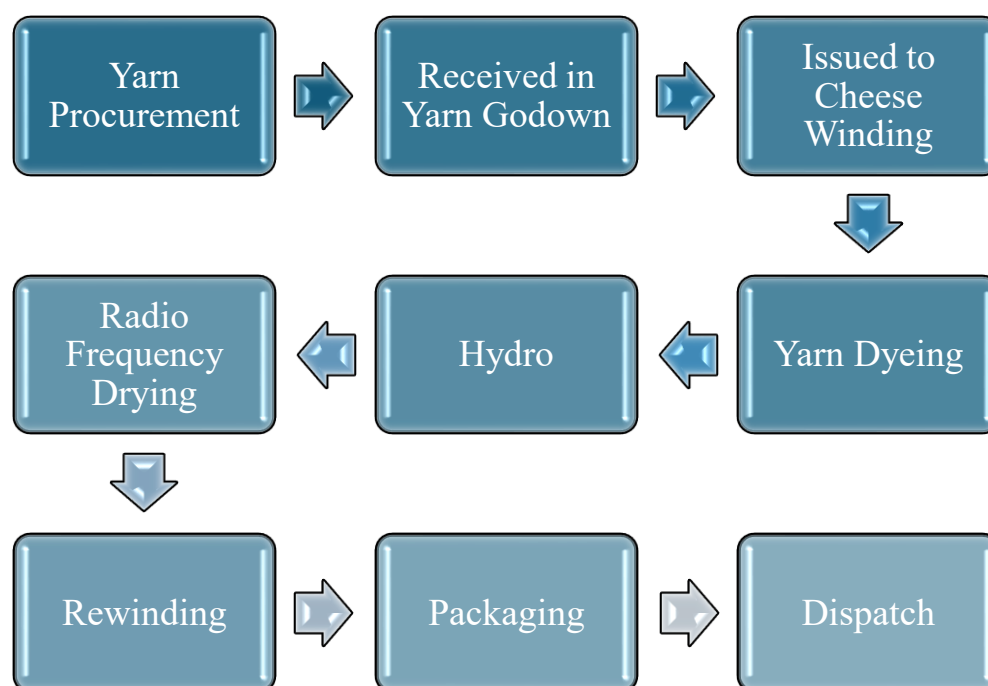
	Combed and carded towels These towels are manufactured using combed or carded cotton yarn, where combed yarn provides superior softness and durability, while carded yarn offers cost-effective and durable towels suitable for regular and institutional use. Zero twist Towels Zero twist towels are made using long-staple cotton yarn without twisting, resulting in enhanced softness, high absorbency and lightweight texture, making them suitable for premium bath linen and hospitality segments. Duet Towels Duet towels are dual-finish towels having terry loops on one side and smooth or velour finish on the other side, providing both absorbency and aesthetic appearance. Reversible beach towels These towels are designed with different colours or patterns on both sides and are generally larger in size, making them suitable for beach, poolside and outdoor use. Aero spun Towels Aero spun towels are manufactured using air-spinning technology, resulting in lightweight, soft and quick-dry towels with good absorbency and durability. Institutional white Towels These towels are designed for heavy usage in hotels, hospitals and institutions and are manufactured to withstand frequent washing while maintaining absorbency and strength.	  

		• Beach Towels Beach towels are large-sized, highly absorbent towels manufactured in different colours, designs and GSM, mainly used for beach, poolside and outdoor applications in retail and hospitality segments. • Egyptian Towels These are premium towels made using extra-long staple cotton yarn, offering superior softness, durability and high absorbency, mainly used in luxury hospitality and export markets.	
2.	Dyed Yarn	Dyed yarn is pre-colored yarn used in textiles, knitting, and weaving. It is available in various shades, textures, and compositions, including cotton, wool, polyester, and acrylic. Different dyeing techniques, such as fiber dyeing, hank dyeing, and package dyeing ensure vibrant and long-lasting colors. Dyed yarn enhances the aesthetic appeal of fabrics and is widely used in fashion, upholstery, and embroidery. Its durability, color fastness, and versatility make it a preferred choice in the textile industry.	

PROCESS FLOW OF ACTIVITIES:

Our manufacturing process commences with the procurement of yarn, which is subsequently subjected to dyeing processes and further processed for the manufacture of terry towels. The dyeing of yarn forms an integral part of our production process for finished towel products:

i) YARN DYEING PROCESS



1. Yarn Procurement

Our Company procures raw yarn from approved and reliable suppliers based on our production requirements, quality specifications and customer orders. The procurement process involves vendor evaluation, price negotiation and quality checks to ensure that the raw material meets our standards and supports efficient downstream processing.

2. Received in Yarn Godown

Upon receipt, the yarn is transferred to our yarn godown where it is inspected, verified against purchase specifications and recorded in our inventory management system. We maintain appropriate storage conditions to preserve the quality of the yarn and prevent damage or contamination.

3. Issued to Cheese Winding

Based on production planning, the yarn is issued from the godown to the cheese winding department. In this stage, the yarn is wound into a uniform “cheese” form, which facilitates efficient dyeing and further processing. This step ensures consistency in yarn structure and reduces handling issues in subsequent stages.

4. Yarn Dyeing

The wound yarn is then subjected to the dyeing process, where it is treated with dyes and chemicals to achieve the desired colour and shade as per customer specifications. Our Company ensures adherence to quality standards and process controls to maintain colour consistency, fastness and overall product quality.

5. Hydro

After dyeing, the yarn undergoes hydro extraction, wherein excess water is removed using centrifugal force. This process helps in reducing moisture content and prepares the yarn for efficient drying, while also minimizing energy consumption in the subsequent stage.

6. Radio Frequency Drying

The yarn is then dried using radio frequency drying technology, which enables uniform and controlled drying. This method helps in maintaining the physical properties of the yarn, prevents damage due to overheating and ensures that the moisture level is reduced to the required standard.

7. Rewinding

Post drying, the yarn is rewound to improve uniformity, correct tension variations and remove any defects. This process ensures that the yarn meets the required quality parameters and is suitable for final use or sale.

8. Packaging

The processed yarn is then packed in accordance with customer requirements and industry standards. Our Company ensures proper labeling, protection and handling during packaging to prevent any damage during storage and transit.

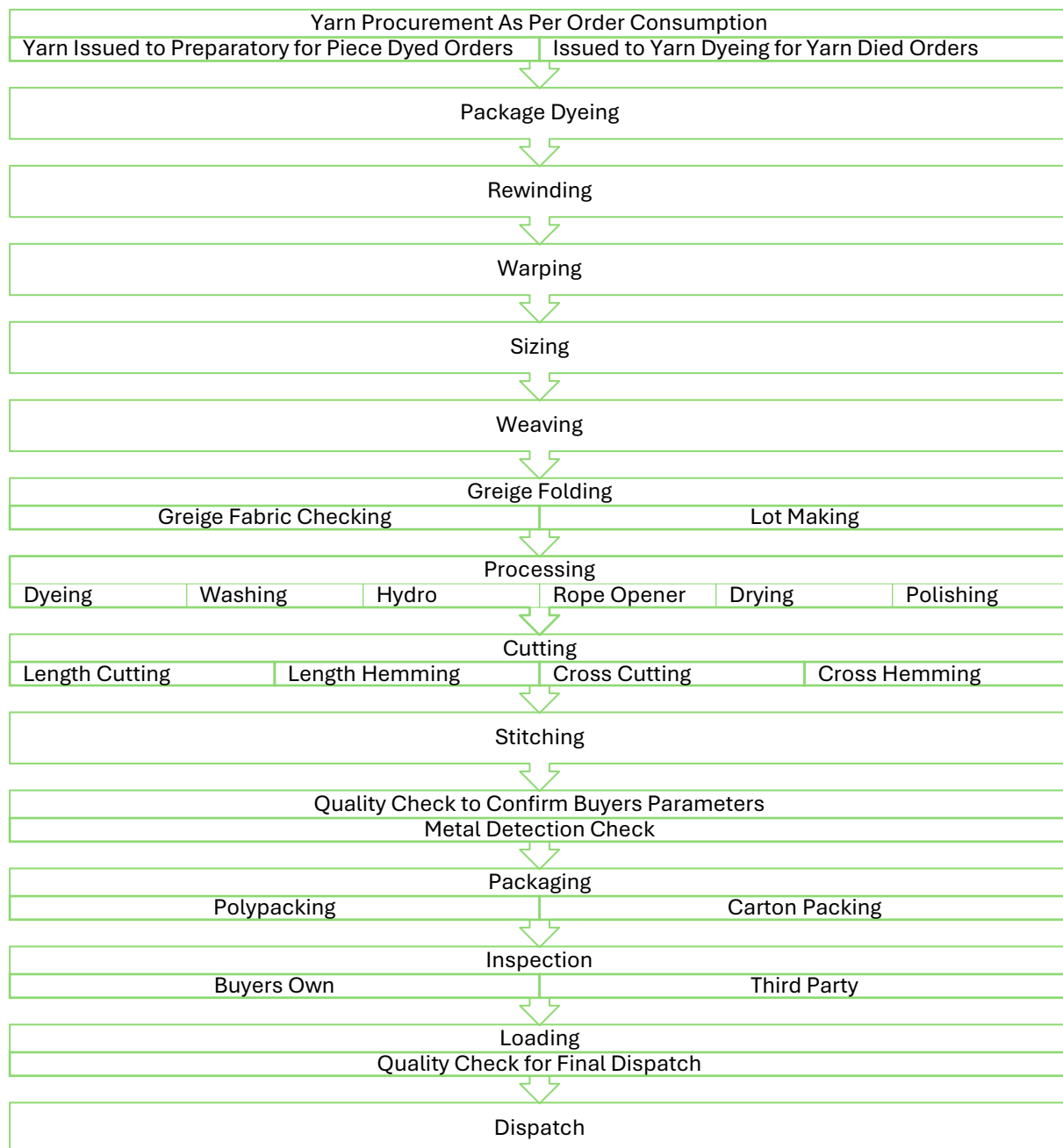
9. Yarn Utilisation in Weaving and Sale to Customers

The processed and packaged yarn is primarily utilized for captive consumption in our manufacturing operations as an input in the weaving process for the production of terry towels. The balance quantity is dispatched and sold to customers through appropriate logistics arrangements. The Company coordinates dispatch schedules to ensure timely delivery and fulfillment of customer orders.

ii) MANUFACTURING PROCESS OF TERRY TOWELS

Our Company is engaged in the manufacture of terry towels using a combination of raw cotton procured from various parts of the country and processed dyed yarn. Our Company has installed advanced machinery at its manufacturing facility and produces high-quality towels and fabric products, including machinery sourced from Japan.

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1. Yarn

The yarn is procured from the local markets. The yarns will be received on cones from spinning units, which will be stored in the godown. The godown will also accommodate the remnants of yarn after warping process.

2. Package Dyeing / Yarn dyeing

For dyeing the yarns in cones / cheeses, the yarn cones received from spinning units shall be rewound on dye springs to prepare soft package so that dye can penetrate to the inner layers. The penetration of the soft package with equal density at each layer is important for uniform dyeing. After dyeing, the hydro squeezing is done on hydro extractor. Finally, yarn is dried on R.F. Drier.

3. Rewinding

The dyed yarn on springs is rewound on yarn cones for feeding to the warping machine or using as weft yarn or transferred to packing section for packing the same for dispatch to the market.

4. Warping

In this process, the project will prepare a warp sheet wound on a warper's beam containing ends between 450-600 depend upon the requirement as per sort and capacity. The quality of the warping, and tension on each end in the sheet, largely influences the efficiency of the next sizing & weaving operations.

5. Sizing

In this process, 6-12 back beam shall be combined and the sheet would pass through sizing boxes of the sizing machine, followed by squeezing, end splitting, aeration and drying operations, and ultimately the warp sheet be wound on the waver's beams.

6. Sized Beam Storage

Sized beams are stored in the area. The numbers of beams with at least more than one day consumption are stored in this area.

7. Drawing-in

All warp ends shall be knotted on the weaving machine and this shall be done through drawing in operation where each end shall be drawn through dents of the reeds and then these ends shall be knotted to the leads of the warp ends on the loom.

8. Weaving

Most of the terry fabrics are produced on loom having either dobby or jacquard machines. The main requirement for looms producing terry fabrics is: -

- Two Separate beams for ground warp and pile warp.
- Tension control system for pile warp beams in forming piles.
- Tow cylinder cross border dobby for terry pile designing and also controlling various devices of terry towel weaving.
- Terry mechanism for loose and fast beat up of picks.
- Heading motion
- Fringing motion
- 2 to 4 weft feeder for inserting colored picks of weft in the heading of towel.

9. Fabric Dyeing

The grey fabrics from the terry looms shall be dyed in the rope form in the soft flow dyeing machines. Dyeing machines installed are micro process control to regulate rise in temperature at one level, drop in temperature etc. The dyes to the machine will be fed through a dye kitchen where dye solution will be prepared.

10. Rope opening, hydro squeezing and drying

Fabrics received from dyeing machines will be in the rope form. Opening of ropes will be achieved through a continuous line consisting of rope opening devices, squeezing rollers, turn table and spreader, and relax dryer. At this stage, the terry pile structure opens up and becomes softer and more voluminous, enhancing the absorbency and overall feel of the fabric.

11. Raising and polishing

Some of the terry towels with loops of the terry are cut and brushed. This process imparts a soft touch to the surface of the towels. The process is carried out on a special machine, and the process will be done in one sequence on the same machine.

12. Cutting and Hemming

This includes lines for cutting the towels longitudinally. The towel width after finishing will be about 3 meters. The width will be cut in required sizes vertically. After length cutting, the hemming / stitching are done.

13. Checking and Packing

After stitching, the towels are inspected, and gradation are done and finally packed for delivering to the customer.

PROCESS OF MARKETING AND CUSTOMER ACQUISITION

Design Development and Market Identification

The Company develops its own towel designs based on evolving market trends and customer preferences and identifies potential customers through market research and industry insights.

Lead Generation through Events, Exhibitions and Outreach

The Company actively participates in industry exhibitions, trade fairs and events, which serve as key platforms for showcasing its product range, designs and capabilities. These events facilitate direct interaction with prospective customers, enhance brand visibility and enable the Company to generate business leads. In addition, leads are generated through direct outreach and references from existing customers.

Customer Engagement and Requirement Analysis

The Company engages with prospective customers to understand their specific requirements relating to design, quality, quantity and branding.

Product Offering and Negotiation

Customized product proposals are shared with customers based on their requirements, followed by commercial discussions and finalization of terms.

Order Confirmation and Conversion

Upon finalization, orders are confirmed and converted into business contracts for execution and relevant Purchase order received.

DESIGN PROCESS

The Company has an in-house design team engaged in research and development of new designs and product variations in terry towels. The team continuously works on developing a variety of designs in line with customer requirements and prevailing market trends:

TCTL-driven design

Our Company approaches their customers directly with the designs they have. They maintain a design book or digital catalog showcasing different towel patterns, colorways, and weaving styles. Customers select from these available designs, sometimes requesting minor modifications to suit their preferences. Once the design is finalized, Our Company develops samples for approval. After approval, bulk production is carried out in-house across spinning, dyeing, weaving, finishing, and stitching units. The final goods undergo stringent quality checks, packing, and are dispatched as per the customer's delivery schedule.

Customer-driven designs

In this approach, the customer provides their own concepts, mood boards, or specific design files. These designs may include technical specifications such as GSM, yarn type (combed, carded, bamboo blend, etc.), weave pattern (dobby/jacquard), and finishing requirements. Our Company's in-house design and product development team then translates these inputs into workable samples using their dyeing and weaving facilities. The samples are

shared with the customer for approval, and any adjustments requested are incorporated. Once the customer gives the final go-ahead, Our Company moves to large-scale production, ensuring strict adherence to the buyer's design requirements and quality benchmarks. The finished towels are then packaged and shipped as per agreed Incoterms, with Our Company handling documentation, logistics, and compliance where required.

OUR COMPETITIVE STRENGTHS

Fast sampling due to specialized machines

In the highly competitive textile industry, speed and efficiency in product development are crucial to maintaining a strong market position. To enhance our responsiveness to customer demands, we have invested in specialized machinery that enables fast sampling and prototyping of new towel designs and yarn variants. This advanced equipment significantly reduces lead times in developing new products, allowing us to swiftly cater to evolving market trends, seasonal demands, and customized requirements from our global clientele. With exports forming a major part of our revenue, our ability to rapidly create high-quality samples plays a pivotal role in securing large-scale orders from international buyers who seek quick turnarounds and consistent quality.

By integrating fast sampling technology into our operations, we not only improve efficiency but also enhance our capacity for innovation. Our ability to quickly test and refine different fabric compositions, colors, and textures ensures that our premium product range such as Suvin towels, organic towels, and kitchen towels—meets the highest industry standards. This agility in product development strengthens our relationships with existing customers while also attracting new business opportunities. Additionally, by reducing development cycles, we optimize our manufacturing process, minimize waste, and improve overall cost efficiency, reinforcing our competitive edge in both domestic and international markets.

Ability to manufacture small order lots on time

In an industry where flexibility and timely delivery are crucial, we have developed the capability to efficiently manufacture small order lots without compromising on quality or lead time. Our advanced production setup, combined with a well-optimized supply chain, enables us to cater to customized, low-volume orders, meeting the specific needs of both domestic and international clients. This capability is particularly beneficial for niche markets, boutique brands, and premium retailers who require specialized towel products such as Suvin towels, organic towels, and kitchen towels in limited quantities. By maintaining operational agility, we ensure that even small-batch orders receive the same attention to detail and quality assurance as bulk productions, allowing us to serve a diverse customer base effectively.

Our ability to process small orders with speed and precision not only enhances customer satisfaction but also strengthens our relationships with clients seeking quick replenishments and just-in-time inventory solutions. This operational flexibility positions us as a preferred manufacturing partner for businesses that value reliability and responsiveness. Additionally, by optimizing our production processes and utilizing efficient resource allocation, we minimize waste and maximize productivity, ensuring that our small-batch manufacturing remains both cost-effective and sustainable. Here we are able to attain high prices leading to higher margins. This approach further reinforces our commitment to maintaining global quality standards while expanding our reach in both established and emerging markets.

Dedicated design team for developing quality products

Innovation and quality are at the core of our product development strategy. To strengthen our position in the premium textiles market, we have established a dedicated design team focused on creating high-quality, durable towel products that meet evolving consumer preferences. Our team works closely with industry experts, market analysts, and customers to develop advanced textile solutions which offer enhanced color retention and longevity, as well as highly durable towels designed for extended use. By incorporating the latest trends in fabric technology and sustainable dyeing techniques, we ensure that our products stand out in both domestic and international markets.

Our design team plays a crucial role in maintaining our reputation for excellence by constantly researching and experimenting with new materials, weaving techniques, and finishing processes. With a focus on both aesthetics and functionality, we develop products that not only meet high durability standards but also align with the latest style trends in the home and hospitality sectors. Additionally, our investment in innovation allows us to customize solutions for our clients, helping them differentiate their offerings in competitive markets. By combining creativity with technical expertise, our design team enhances our ability to deliver superior products while reinforcing our commitment to sustainability and long-term customer satisfaction.

Timely delivery of goods while meeting quality standards

Ensuring the timely delivery of high-quality products is a core focus of our operations. In the highly competitive textile industry, where meeting strict deadlines is essential for customer satisfaction, we have implemented a well-structured supply chain management system that optimizes every stage of production and distribution. Our advanced manufacturing infrastructure, combined with efficient production planning, allows us to streamline processes, reduce lead times, and ensure that every order whether large or small is delivered as per the agreed schedule. This is particularly crucial for our export-driven business, where international buyers expect precision in both product quality and delivery timelines. Our ability to meet these expectations has strengthened our reputation as a reliable supplier in the global market.

To maintain the highest quality standards while ensuring timely delivery, we have adopted stringent quality control measures at every stage, from sourcing raw materials to final packaging. Our in-house quality assurance team rigorously inspects all finished products, ensuring that they meet international standards before shipment. Additionally, our efficient coordination between manufacturing, warehousing, and logistics minimizes delays and enhances supply chain efficiency. By integrating digital tracking systems and proactive communication with logistics partners, we ensure that shipments reach their destinations on time, maintaining customer confidence. This strategic focus on timely and quality-driven delivery not only enhances client satisfaction but also gives us a competitive edge, fostering long-term business relationships and reinforcing our standing in the premium textile industry.

Experienced management team and promoters with a qualified workforce

Our company is led by an experienced management team and promoters who bring deep expertise in the textile industry. With years of industry experience, strategic decision-making capabilities, and a strong focus on operational excellence, our leadership has played a vital role in shaping the company's growth. Their hands-on approach has enabled us to establish a strong presence in both domestic and international markets, ensuring sustainable expansion and business resilience. Under their guidance, we continue to invest in innovation, enhance product quality, and explore new business opportunities.

In addition to strong leadership, our success is driven by a skilled and qualified workforce that forms the backbone of our operations. We have a dedicated team of professionals across various functions, including manufacturing, quality control, research and development, logistics, and customer service. Their expertise and commitment to excellence ensure that our premium towel products meet the industry standards. By fostering a culture of teamwork and continuous learning, we empower our employees to contribute effectively to the company's growth while maintaining our commitment to quality and customer satisfaction.

By keeping them updated with the latest advancements in textile technology, sustainable manufacturing practices, and industry best practices, we ensure that our operations remain efficient and innovative. This seamless collaboration between experienced leadership and a highly trained workforce allows us to consistently deliver superior products, meet evolving market demands, and uphold our reputation as a trusted name in the premium textile industry.

Long standing association with leading consumer brands.

We have established long-standing relationships with few of the leading consumer brands such as K Mart, which we believe has been possible due to decades of association, delivery of quality products, made to order products and by maintaining high quality standards. As noted down in table below is the share of the top 10 and top 5 customers in our revenue from operations for six-month period September 30, 2025 and Fiscal 2025, Fiscal 2024, and Fiscal 2023 based on our Restated Financial Statements.

The table set forth below are contribution of our top customers towards our revenue from operations:

(₹ in millions)

Particulars	Six-month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Revenue from operations	Amount	% of Revenue from operations	Amount	% of Revenue from operations	Amount	% of Revenue from operations
Top 1	946.67	29.17%	1,725.50	25.62%	1,803.17	27.55%	1,496.45	27.50%
Top 5	1,571.24	48.41%	3,180.02	47.22%	2,935.95	44.86%	2,384.41	43.82%

Top 10	1,987.25	61.23%	4,183.08	62.11%	3,801.68	58.09%	3,044.10	55.94%

Based on the above, our Company has a relatively diversified customer base, with the top 10 customers contributing approximately 61.23% of total revenue from operations for the six-month period ended September 30, 2025 and 62.11% during Fiscal 2025. However, a significant portion of revenue is derived from a key customer, with a single customer contributing approximately 25% to 29% of total revenue during the aforesaid periods. However, a significant portion of revenue is derived from a key customer, namely Kmart, a well-established retail brand in Australia, which contributed approximately 25% to 29% of total revenue during the aforesaid periods.

We rely on the quality of our products which we believe is reflected in our relationship with our customers. We have been associated with our top 10 customers for an average period of over 3 years. Our long-term association with key customers also offers significant competitive advantages such as revenue visibility, industry goodwill and also allows us to up-sell and cross-sell our diverse range of products.

Healthy financial performance

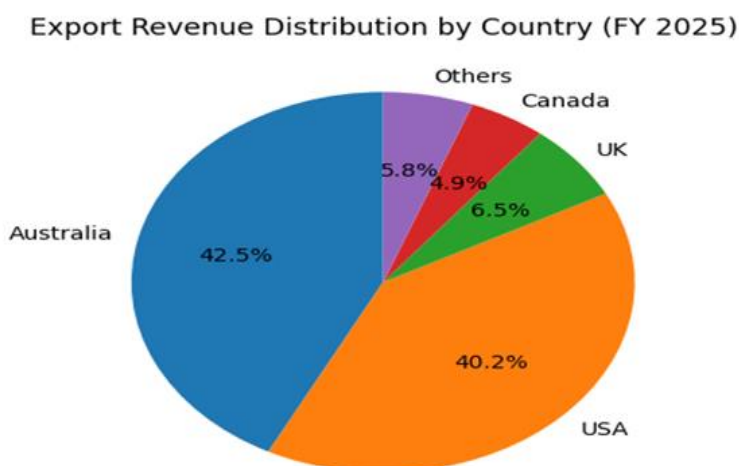
We believe that our focus on operational and functional excellence has contributed to our track record of healthy financial performance. For Fiscal 2025, Fiscal 2024, and Fiscal 2023 based on our Restated Financial Statements:

- Our total revenue from operations were ₹6,734.80 million, ₹ 6,544.22 million and ₹ 5,441.31 million respectively.
- Our EBITDA (i.e., sum of restated profit/loss for the year, tax expense, depreciation expense and finance cost less other income) was ₹ 590.41 million, ₹ 503.63 million, and ₹ 452.37 million respectively.
- Our profit after tax was ₹ 170.01 million, ₹ 134.40 million and ₹ 90.28 million respectively.

We believe that our strong financial performance reflects the efficacy of the manufacturing and supply-chain management protocols that we have implemented. Our steady operating cash flow enables us to meet the present and future needs of our customers and develop new value-added products. We further believe that this aids us in strengthening our trust and engagement with our customers and which further enhances our ability to retain these customers and extend our engagement across products and geographies.

Strong presence in the Australia, US and UK markets

Our Company has strong presence in Australia, US and UK markets. The Australia, US and UK markets contributed 42.47%, 40.25% and 6.55% of its revenue respectively during the Fiscal 2025. A country-wise break up of the made-up sales during the Fiscal 2025 is provided below:



Vertically integrated producer with strategically located operations

Our Company carries out various stages of the manufacturing process for terry towel products at its manufacturing facility located at Sarsini, Mohali, Punjab . The production process includes activities such as yarn dyeing, warping, weaving, fabric processing, finishing and packaging.

The manufacturing facility is equipped with machinery used in these processes including weaving looms, jacquard machines, dyeing machines and finishing equipment. These operations enable our Company to manufacture terry towel products for supply to customers in domestic and international markets.

In addition to manufacturing terry towel products, our Company also undertakes the sale and trading of dyed yarn.

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OUR STRATEGIES

Debt reduction:

We aim to make our company more efficient and maximize capacity utilization and enhance synergies by reducing debt. We, intend to improve our operational efficiencies, to reduce debt burden while enhancing profitability, reflecting our commitment to sustainable financial management and long-term viability. Our operating profit margins for the six months ended September 30, 2025, i.e. EBITDA stood at 8.38%, following 8.77% in Fiscal 2025, 7.70% in Fiscal 2024, and 8.31% in Fiscal 2023. This consistency reflects better resource management, effective product merchandising, and efficient planning of working capital requirements. This stability is attributable to better resource management, effective product merchandising, and efficient planning of working capital requirements. Our total borrowings stood at ₹2,043.90 million, ₹1,936.00 million, ₹1,752.00 million, and ₹1,594.48 million as of Fiscal 2023, Fiscal 2024, Fiscal 2025, and the six months ended September 30, 2025, respectively. Increase in the growth of our business would lead to increase in the production thereby achieving economies of scale through which we aim to improve our production efficiency, inventory management and supply chain management and reduce our overhead costs. This would help us increase our EBITDA margin percentage. Our strategy focuses on reducing debt, improving operational efficiency and expanding our product portfolio with the objective of improving operational performance.

Continuous expansion of manufacturing capacity

Our Company is currently operating at near full capacity in the production of terry towel fabric and, in order to meet growing customer demand, has been outsourcing a portion of its weaving process. To strengthen its in-house manufacturing capabilities, the Company has undertaken capacity expansion initiatives. Subsequent to September 30, 2025, the Company has procured and installed 34 additional looms, resulting in an increase in installed production capacity from approximately 4,343.5 MT to 4,964.0 MT of terry towel production, representing an increase of approximately 46.46% to 53.09%. This expansion is expected to reduce dependence on outsourced processes, improve operational efficiency and support our Company's growth in line with increasing customer demand.

Strengthening our export-led growth strategy

As an export-centric company, a major part of our revenue is derived from international markets, making global expansion a key pillar of our growth strategy. We focus on strengthening our presence in key export destinations by catering to the evolving demands of international consumers and building long-term relationships with global retailers, wholesalers, and hospitality businesses. Our Three Star Export House certification reinforces our credibility and enables us to position ourselves as a preferred supplier of high-quality terry towel products. The Company continues to focus on expanding its presence in high-potential international markets such as North America, Europe and the Middle East, with an objective to further strengthen its position in the global textile industry and progress towards achieving a higher export house recognition.

To support this strategy, we have developed a export-oriented operational framework, which includes stringent quality control measures, compliance with international regulatory standards, and an efficient logistics network to ensure timely deliveries. Our ability to manufacture a diverse range of premium towel products that meet global standards enables us to attract and retain a strong customer base across different geographies. Furthermore, we continuously monitor international market trends and adapt our product offerings to align with changing consumer preferences, ensuring sustained demand for our products in the global market.

By leveraging our manufacturing expertise, commitment to quality, and efficient supply chain management, we strive to enhance our export capabilities and drive sustainable growth. Our strategic focus on product customization, innovation, and superior service strengthens our competitive advantage, allowing us to further penetrate international markets.

Product innovation and diversification

Innovation and product diversification are key drivers of our growth strategy, enabling us to cater to a wide range of customer preferences across global markets. We continuously invest in research and development to introduce high-quality, differentiated towel products, such as organic towels for sustainability-conscious consumers, and highly durable towels for long-term usage. Our ability to develop unique, value-added products allows us to stay ahead of market trends and meet the evolving needs of both domestic and international customers.

To further strengthen our competitive edge, we focus on expanding our product portfolio by incorporating advanced textile technologies, sustainable manufacturing practices, and innovative design elements. This includes the introduction of specialized products such as quick-dry towels, antibacterial fabrics, and custom-designed towels for premium hospitality and retail clients. Our in-house design and development team plays a crucial role in ensuring that our offerings not only meet functional and aesthetic requirements but also adhere to global quality standards. For instance we intend to add more value added enhancements at the textile level to our products.

By continuously diversifying our product range and integrating customer feedback into our development process, we enhance our market positioning and drive demand across various consumer segments. Our commitment to product innovation not only strengthens our brand presence in the premium textiles market but also reinforces long-term partnerships with international buyers who seek high-quality, customized textile solutions.

Operational efficiency and cost optimization

Achieving high levels of operational efficiency while optimizing costs is fundamental to our long-term growth and competitiveness in the global textile industry. We have implemented advanced manufacturing technologies, automation, and lean production methodologies to improve productivity, reduce waste, and enhance overall efficiency. By continuously refining our processes, we ensure that we can manufacture premium-quality towel products while maintaining cost-effectiveness. Our strategic approach to raw material procurement and supply chain management allows us to mitigate price fluctuations, secure cost advantages, and maintain stable production cycles, ultimately improving our financial performance.

A key aspect of our cost optimization strategy is our focus on sustainable and energy-efficient manufacturing processes. We have adopted water-efficient dyeing techniques, waste reduction programs, and renewable energy initiatives to minimize environmental impact while lowering operational costs. By integrating these sustainability-driven measures, we not only align with global best practices but also enhance our reputation as a responsible manufacturer in the international textile market. Additionally, our investment in real-time data analytics and production planning systems will allow us to manage inventory efficiently, optimize raw material usage, and reduce excess production, leading to significant cost savings possible due to new implementation of ERP system.

Furthermore, our ability to scale operations efficiently and maintain flexibility in production ensures that we can meet the needs of both large-scale international buyers and smaller, customized orders without incurring unnecessary overheads. By continually improving our cost structures, refining production workflows, and leveraging economies of scale, we enhance our profitability while delivering high-quality products at competitive prices.

Enhancing sustainability and eco-friendly practices

Sustainability is at the core of our business strategy, and we are committed to adopting eco-friendly manufacturing processes that minimize our environmental footprint while maintaining the highest product quality standards. As a responsible textile manufacturer, we focus on utilizing sustainable raw materials, such as organic cotton and bamboo fibers, to create environmentally friendly towel products. Additionally, we emphasize non-toxic and low-impact dyeing techniques, which enhances color longevity while reducing chemical waste. By prioritizing sustainable sourcing and production methods, we align ourselves with global sustainability standards and cater to the growing demand for eco-conscious products in international markets. We aim to be more sustainable and eco-friendly by focusing on the purchase of Responsible cotton (an international brand): Responsible cotton refers to ethically and sustainably sourced cotton that is grown using environmentally friendly practices and fair labor standards. It includes cotton certified by organizations such as the Better Cotton Initiative (BCI), Organic Cotton Standard (OCS), or Global Organic Textile Standard (GOTS), ensuring reduced water consumption, minimal pesticide use, and improved working conditions for farmers. Responsible cotton is used in eco-conscious textiles, including towels, bed linens, and apparel, catering to consumers and businesses prioritizing sustainability, ethical sourcing, and environmental responsibility.

To further enhance our sustainability efforts, we have implemented water-efficient and energy-saving technologies across our manufacturing facilities. Our investment in wastewater treatment and recycling systems allows us to significantly reduce water consumption, a critical aspect of responsible textile production. Additionally, we are focused on reducing our carbon footprint by incorporating renewable energy sources and energy-efficient machinery to optimize power usage. These initiatives not only contribute to environmental conservation but also result in long-term cost savings, reinforcing our commitment to both sustainability and operational efficiency.

Beyond our internal processes, we actively promote sustainability-driven innovation and collaborations with global partners, retailers, and suppliers who share our vision for an eco-friendly textile industry. We continuously explore new materials, adopt circular economy principles, and enhance waste management practices to further

improve our environmental impact. By integrating sustainability into our core business strategy, we strengthen our brand reputation, meet the expectations of conscious consumers, and position ourselves as a leader in the sustainable textile manufacturing space.

Customer-centric approach and brand building

Our business strategy is deeply rooted in a customer-centric approach, ensuring that we meet and exceed the expectations of our clients through high-quality products, timely deliveries, and exceptional service. We prioritize understanding customer preferences by maintaining close relationships with our domestic and international buyers, allowing us to develop customized towel products that cater to their specific needs. Our ability to offer small-lot manufacturing, quick sampling, and tailored product solutions further strengthens our position as a flexible and reliable supplier. By continuously gathering customer feedback, we refine our product offerings and enhance service levels, fostering long-term partnerships built on trust and satisfaction.

To strengthen our brand positioning, we actively focus on building a strong market presence through innovation, premium quality, and sustainability-driven initiatives. Our commitment to eco-friendly manufacturing and superior product standards resonates with modern consumers and international buyers who seek ethical and high-performance textile solutions. By leveraging digital marketing, trade shows, and collaborations with global retailers, we enhance our visibility and expand our reach in key international markets. Our Three Star Export House certification further reinforces our credibility and brand reputation, enabling us to secure larger contracts and long-term business relationships.

Additionally, we plan to invest in enhancing our direct-to-consumer presence by exploring online platforms, exclusive partnerships, and premium retail collaborations. By strategically positioning our brand both B2B and B2C segments, we create a stronger brand recall and ensure sustainable demand for our products.

Expansion of small order capabilities

Recognizing the growing demand for customized and limited-quantity orders, we have strategically enhanced our ability to efficiently manufacture small order lots while maintaining the same high-quality standards as bulk production. Our advanced production setup, combined with specialized machinery and streamlined processes, allows us to cater to boutique brands, luxury retailers, and businesses requiring tailored solutions. This capability enables us to serve a wider customer base, particularly in international markets where flexibility in order size is a key differentiator. By offering low minimum order quantities (MOQs) with quick turnaround times, we strengthen our relationships with niche customers and emerging brands looking for premium textile solutions.

To further optimize our small-order capabilities, we have invested in agile production planning, digital order management systems, and efficient inventory control. These improvements enable us to swiftly adjust production schedules, minimize lead times, and ensure on-time delivery, even for customized and short-run orders. Our expertise in quick sampling and prototyping also plays a crucial role in this strategy, allowing customers to test new designs and concepts before placing larger orders. This responsiveness positions us as a preferred manufacturing partner for brands seeking flexibility, innovation, and reliability.

Additionally, expanding our small-order capabilities aligns with our customer-centric approach and market expansion strategy. By accommodating businesses that require frequent yet smaller shipments, we create new revenue streams and strengthen our foothold in global markets. This adaptability not only enhances our competitiveness but also future-proofs our business by catering to the evolving preferences of modern buyers who prioritize quality, customization, and just-in-time inventory solutions.

Strengthening workforce capabilities

A skilled and motivated workforce is the foundation of our operational excellence and long-term success. We are committed to investing in employee training, skill development, and leadership programs to enhance the technical expertise and efficiency of our workforce. By providing continuous learning opportunities in advanced textile manufacturing, quality control, and sustainable production practices, we ensure that our employees stay updated with the latest industry trends and innovations. This approach not only improves productivity but also fosters a culture of excellence, innovation, and accountability within our organization.

To further strengthen our workforce, we emphasize creating a positive and growth-oriented work environment that attracts and retains top talent. We implement structured employee engagement initiatives, performance-driven incentive programs, and career progression pathways to encourage professional development. Additionally, we focus on workplace safety, compliance with labor regulations, and well-being initiatives to ensure a safe and supportive working atmosphere. By prioritizing employee satisfaction, we enhance overall operational efficiency and maintain a highly motivated workforce.

As we continue to expand our global presence, we recognize the need for a diverse and adaptable workforce capable of addressing the evolving demands of international markets. We actively recruit and train professionals with expertise in international trade, logistics, design innovation, and customer service to strengthen our competitive edge. By integrating talent development into our core business strategy, we empower our workforce to contribute effectively to our growth while reinforcing our commitment to delivering high-quality products and services to our customers worldwide.

MANUFACTURING FACILITY

We manufacture our products at our facility at Sarsini, Mohali, Punjab. As on March 31, 2025, this manufacturing facility has a production capacity of 9,349.90 MTPA and 5,845.00 MTPA installed capacity of Terry Towel and Dyed Yarn respectively. The capacity and capacity utilization of our facility for the last three financial year March 31, 2024 and 2023 respectively, are illustrated below:

Installed Capacity in Metric Tonnes Product Wise:

Particulars	Units	Six-month Period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Installed Capacity					
Terry Towels	MTPA	4674.95	9,349.90	9,349.90	9,349.90
Dyed Yarn	MTPA	2922.50	5,845.00	5,845.00	5,845.00
Actual Production					
Terry Towels	MTPA	4106.00	8,284.14	8,252.97	8,220.20
Dyed Yarn	MTPA	2605.00	5,443.51	5,181.16	5,114.20
Capacity Utilisation (%)					
Terry Towels	%	87.83%	88.60%	88.27%	87.92%
Dyed Yarn	%	89.14%	93.13%	88.64%	87.50%
Fabric Outside of House Production*	MTPA	700.00	1800.00	1200.00	0.00

**Our Company outsources a portion of its weaving activities by supplying dyed or grey yarn to third-party weavers, as it is currently operating at near full utilization of its in-house loom capacity and is unable to fully meet existing demand. The third-party weavers undertake the fabric conversion process, after which the Company performs the subsequent processing activities.*

As certified by Chartered Engineer ER Pardeep Kumar Nanda dated March 25, 2026

***Note:** Subsequent to September 30, 2025, our Company procured and installed 34 additional looms, increasing its annual terry towel production capacity approximately 4,343.5 MT to 4,964.0 MT. This represents a growth of approximately 46.46% to 53.09%. The expansion is expected to reduce reliance on outsourced weaving, enhance operational efficiency, and support our Company's growth in line with rising customer demand.*

GLIMPSES FROM OUR MANUFACTURING FACILITY



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OUR CERTIFICATIONS



Our company upholds the standards of quality and



sustainability through internationally recognized certifications, including OEKO-TEX®, Global Recycled Standard (GRS), Recycled Claim Standard (RCS), and ISO 9001:2015. The OEKO-TEX® certification ensures our textiles are free from harmful substances, meeting stringent safety requirements for consumer products. Our GRS and RCS certifications validate our commitment to using recycled materials, promoting environmental responsibility and circular economy practices. Additionally, the ISO 9001:2015 certification reflects our robust quality management system, ensuring consistent product excellence, operational efficiency, and customer satisfaction. Together, these certifications demonstrate our dedication to ethical production, sustainability, and uncompromising quality at every stage of our supply chain.

INFRASTRUCTURE

Plant and Machinery

All our manufacturing units are equipped with a range of machinery, technology and equipment, including those imported from Japan and other countries, as well as sourced domestically, to effectively carry out our manufacturing processes. Some of the key machinery installed at our manufacturing facilities are set out below as on September 30, 2025:

Sr.	Description	Department	Quantity
1	Looms	Weaving	103
2	Jacquard	Weaving	28
3	Air Compressor	COMPRESSOR	17
4	Cad/ Cam System	Designing	1
5	Knotting Machine	Weaving	3
6	High Speed Warping Machine	Warping	3
7	Sizing Machine	Sizing	3
8	Fabric Inspection Machine	Fabric Dyeing	2
9	Generator Set	Power House	3
10	Soft Flow Dyeing Machine	Fabric Dyeing	16
11	Tumbler Drier	Fabric Dyeing	8
12	Weft Straightener & Rope Opening	Fabric Dyeing	1

13	Shearing Machine	Fabric Dyeing	4
14	Hydro Extractor	Fabric Dyeing	6
15	Single Needle Lock Stitch Machine	Finishing	55
16	Sof Winding	Winding	1
17	Cone Winding	Winding	2
18	Yarn Drier	Yarn Dyeing	3
19	Boiler & Turbine	Boiler	1
20	Boiler	Boiler	2
21	Borewell & Feed Pump	ETP	4
22	Effluent Treatment Plant	ETP	1
23	Humidification Plant	Weaving	1
24	Eot Crane 7.5 Mt Capacity	Yarn Dyeing	5
25	Seiger (Yarn Conditioning Plant)	Yarn Dyeing	1
26	Yarn Dying	Yarn Dyeing	8
27	Soft Packing Winding Machine With 192 Spindels	Winding	3
28	Polishing Machine	Fabric Dyeing	1
29	Fire Fighting Equipment	Utility	1
30	Sectional Warping Machine	Warping	4
31	Length Hemming Machine	Finishing	7
32	Cross Cutting Machine	Finishing	2
33	Length Cutting Machine Model No. Schmala Durate 510	Finishing	2
34	TFO & Rewinding Machine	Winding	3
35	66kv Grid Sub Station Transfer Installation	Power House	1
36	Garment Washing Machine	Fabric Dyeing	1
37	Strapping Machine	Finishing	1
38	Cross Hemming Machine	Finishing	1
39	Rope Opening Machine	Fabric Dyeing	1
40	Assembly Winder	Winding	1
41	Salce Colour Dispenser	Lab	1
42	Pallet Stretch Machine	Weaving	1
43	Eco Stain Paddy Cutter Machine	Boiler	1
44	Metal Detector Machine	Finishing	1
45	Winding Machine	Winding	1

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List of Properties

Sr. No.	Nature of the Property	Purpose	Location	Address	Owner/Lessor	Owned /Leased	Lease Amount	Area	Agreement Validity
1	Office	Office Flat	Delhi	602 on the 6th Floor, admeasuring 365 sq.ft. at Kailash Building 26, K.G. Marg, New Delhi – 110001.	Isha Satia ⁽¹⁾	Leased	₹ 91,250.00 Per Month	365 Sq ft	1-07-205 to 31-05-2026
2	Guest House	Guest House for Company Guests	Delhi	Entire First floor of the house No. C- 47, Neeti Bagh, New Delhi	Sabhyata Satia ⁽²⁾	Leased	₹ 1,25,000 Per Moth	Premises#	1-07-205 to 31-05-2026
3	Manufacturing Facility	Manufacturing Facility and R/O*	Sarsini Land – 8609	Vill. Sarsini, Near Lalru, Tehsil Dera Bassi, Distt. Mohali, Punjab -140501	TC Terrytex Limited	Owned	-	26,484.45 Square Metres	-
4	Manufacturing Facility	Manufacturing Facility and R/O*	Sarsini Land - 8718	Vill. Sarsini, Near Lalru, Tehsil Dera Bassi, Distt. Mohali, Punjab -140501	TC Terrytex Limited	Owned	-	21,688.46 Square Metres	-
5	Manufacturing Facility	Manufacturing Facility and R/O*	Sarsini Land - 8719	Vill. Sarsini, Near Lalru, Tehsil Dera Bassi, Distt. Mohali, Punjab -140501	TC Terrytex Limited	Owned	-	27,557.80 Square Metres	-
6	Manufacturing Facility	Manufacturing Facility and R/O*	Sarsini Land - 8745	Vill. Sarsini, Near Lalru, Tehsil Dera Bassi, Distt. Mohali, Punjab -140501	TC Terrytex Limited	Owned	-	4,727.85 Square Metres	-

*R/O: Registered Office

Entire First Floor of comprising of 3 bedrooms with attached bathrooms, living room/dining room, kitchen, balcony, servant room on terrace, common area like entrance, staircase and include all the fixtures & fittings furniture.

⁽¹⁾⁽²⁾: Properties on leasehold taken from related parties.

INSURANCE

Our operations are subject to risks inherent to towel manufacturing industry, which include defects, liability for product and/or property damage, malfunctions and failures of manufacturing equipment, fire, riots, strikes, explosions, loss-in-transit for our products, accidents, personal injury or death, environmental pollution and natural disasters. Our operations are subject to various risks inherent in our industry. We have obtained insurance in order to manage the risk of losses from potentially harmful events, including: (i) Public Liability Policy; (ii) Boiler Policy; (iii) Group Term Insurance; (iv) Money Policy; (v) Commercial Liability Policy; (vi) Fire Policy; (vii) Group Medici-claim insurance policy; (viii) Burglary insurance policy; and (ix) Marine Cargo Turnover policy. These insurance policies are renewed periodically to ensure that the coverage is adequate. The insurance policies covered by the company are:

The insurance policies covered by the company are:

Sr No	Name of the Insurance Company	Type of Policy	Sums Insured (₹ in Million)	Policy End Date
1	SBI GENERAL INSURANCE COMPANY LTD.	MARINE CARGO TURNOVER POLICY	6,000.00	11-Jun-26
2	SBI GENERAL INSURANCE COMPANY LTD.	BURGLARY INSURANCE POLICY	1,800.00	06-Aug-26
3	SBI GENERAL INSURANCE COMPANY LTD.	BOILER & PRESSURE PLANT INSURANCE	105.68	05-Nov-26
4	SBI GENERAL INSURANCE COMPANY LTD.	MONEY POLICY	40.00	12-Mar-27
5	SBI GENERAL INSURANCE COMPANY LTD.	FIRE POLICY	6,765.00	27-Mar-27
6	SBI GENERAL INSURANCE COMPANY LTD.	GROUP HEALTH INSURANCE	1.56349976	14-May-26
7	Star Union Dai-ichi Life Insurance Company Limited	GROUP TERM INSURANCE PLUS	240.74	30-Dec-26
8	SBI GENERAL INSURANCE COMPANY LTD.	GROUP PERSONAL ACCIDENT POLICY	2218	01-Jan-27
9	SBI GENERAL INSURANCE COMPANY LTD.	PUBLIC LIABILITY INSURANCE	100	05-Nov-26
10	ECGC LTD	MULTI BUYER EXPOSURE POLICY	6.09	Applied*

*Company has made an application for renewal as on March 17, 2026

Export Performance and Average Export Obligation

Our Company's export performance for the last three financial years reflects a consistent upward trend. The FOB/FOR value of exports/supplies increased from ₹392.30 crore (USD 49.42 million) in FY 2022–23 to ₹426.82 crore (USD 51.99 million) in FY 2023–24, and further to ₹463.91 crore (USD 55.38 million) in FY 2024–25.

There are no specific export obligations reported against other EPCG authorizations during the above period. Accordingly, the net FOB/FOR value of exports remains the same as the gross export value for each respective year.

The total export value over the three-year period aggregates to ₹1,283.04 crore (USD 156.79 million). Based on this, the average export obligation works out to ₹427.68 crore (USD 52.26 million), calculated as the average of the net export values for the said period.

LOGISTICS FRAMEWORK

Our Company has established a logistics system to manage the movement of raw materials and finished goods across domestic and export markets. Raw materials are largely transported by road under F.O.R. or Ex-Works terms, while finished goods are dispatched domestically through road transport and internationally through major ports such as Nhava Sheva, Mundra, and Pipavav, with air shipments used in specific cases.

Our Company engages third-party logistics partners for freight handling and uses insurance, tracking systems, and delivery performance monitoring to ensure timely supply. Cost efficiency is supported through freight consolidation, route planning, and alternate transporter arrangements during seasonal demand or disruptions.

HUMAN RESOURCES

We believe our employees and personnel are one of our most important assets and critical to maintaining our competitive position in our industry. Our human resource policies focus on recruiting qualified and talented personnel, whom we believe integrate well with our current workforce. We develop and train our employees in order to facilitate the growth of our operations and have instituted programs for the employees which aid in their personal development and enhances their productivity. We conduct regular events to recognize and award employees based on performance and the impact they have made, irrespective of their designation, department or location.

As of September 30, 2025, we had 1714 employees, as set forth below, by function: -

DEPARTMENT	Employee Count
Administration	62
DESIGNING	50
DISPATCH	16
Engineering	129
FABRIC DYEING	102
FINANCE	10
FINISHING	420
GENERAL STORE	4
GREY FOLDING	115
HUMAN RESOURCES	15
IT	5
LABORATORY	27
LOGISTICS	10
MARKETING	25
PLANNING	11
PREPARATORY	107
QUALITY MANAGEMENT	52
SECURITY	38
STORAGE	28
STORES	3
WEAVING	190
WINDING	209
YARN DYEING	86
Total	1714

Employee Details and Attrition

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Employees at the beginning	1,630	1,677	1,471	1,447
New Joiners	675	1,056	1,135	859
Employees Left	591	1,103	929	835
Total Employees at End	1,714	1,630	1,677	1,471
Total Average employee	1,672	1,654	1,574	1,459
Attrition Rate (%)	35.35%	66.71%	59.02%	57.23%

Note: Attrition rate is calculated as employees left divided by employees at the beginning of the period.

UTILITIES

Power

Our manufacturing units are supported by adequate power infrastructure to ensure uninterrupted manufacturing operations. The Company sources electricity from Punjab State Power Corporation Limited and has installed diesel generator sets across its manufacturing facilities to address contingencies arising from power outages. In addition, the Company utilizes captive thermal power generation to support its operational requirements.

The Company has undertaken various initiatives to improve energy efficiency, resulting in a reduction in electricity consumption per kg of towel manufactured from 0.48 kWh in Fiscal 2023 to 0.40 kWh in Fiscal 2024.

As part of its focus on sustainable and responsible operations, the Company installed a 2 MW solar power plant at its manufacturing facility in Fiscal 2020 under a public-private partnership (PPP) model. The power generated from this installation is utilized for captive consumption, thereby meeting a portion of the Company's energy requirements.

The Company's total energy consumption during the periods indicated below is as follows:

Period	Six-month period September 30, 2025	Mar-25	Mar-24	Mar-23
Total Energy Consumed (kWh) for Towel and dyed Yarn	11472263	22739164	20740735	18466368

Water and Waste Management

Our Unit utilizes groundwater, along with water sourced through pipelines provided by the municipal corporation and water tankers, as required, to meet its cleaning, sanitation and dyeing requirements for towels and yarn. A significant portion of the water used is recycled and reused within the facility through an Effluent Treatment Plant (ETP) installed at the Unit.

The Company has installed effluent treatment plants for the treatment of wastewater generated during the manufacturing process and operates a zero liquid discharge (ZLD) system, enabling complete in-house treatment and reuse of wastewater in compliance with applicable environmental regulations.

Further, the Company has entered into arrangements with authorized third parties for the disposal and processing of hazardous waste generated from its manufacturing operations. The Company has obtained the requisite consents and environmental approvals from the relevant regulatory authorities for operating its Unit. For further details, see "Government and Other Approvals" on page 305.

Inventory Management

The Company plans its production based on a combination of confirmed customer orders and anticipated demand, enabling efficient inventory management. Raw materials are procured in advance in anticipation of price fluctuations and expected customer demand. Further, finished goods are primarily produced against confirmed orders or anticipated demand, and are maintained at optimal levels to minimize inventory holding while ensuring timely fulfillment of customer requirements.

Repair and Maintenance

We conduct regular repair and maintenance programs for our manufacturing facilities. Our machinery and electrical repair teams carry out periodic maintenance and repair of the plants and machinery on an as-needed basis. In addition, our manufacturing facilities are periodically inspected by our engineers and technicians.

Transportation

The Company manages its logistics operations through a network of third-party service providers and does not maintain an in-house transportation fleet. Domestic dispatches are primarily carried out through road transport, ensuring timely delivery of products to customers. For export operations, the Company utilizes sea freight services through major ports such as Nhava Sheva and Mundra. The logistics strategy is focused on efficient route planning, cost optimization and timely delivery. The Company also undertakes measures for risk mitigation, including transit insurance for goods in transit, and adopts sustainable practices such as the use of recyclable packaging materials, where feasible.

Quality Control

We place significant emphasis on quality control. We inspect the raw material, work-in-progress and final product. We have implemented internal procedures to ensure quality control at various stages of production, from procurement of raw material, production to inventory stage.

Health and Safety

Our Company is committed to maintaining a safe and healthy working environment across all its facilities. Our Company has established a Health and Safety Policy that sets clear standards for workplace safety, compliance with statutory regulations, and proactive risk management. Safety protocols are implemented to minimize hazards, with regular monitoring and reviews to ensure compliance.

Our Company places emphasis on employee well-being through safety training, use of protective equipment, and preventive maintenance of machinery. Emergency preparedness measures, including fire safety, first-aid, and evacuation drills, are also part of the framework. Continuous review of safety practices ensures alignment with regulatory requirements and supports the overall operational efficiency of our Company.

Distribution & Marketing

As on the date of this Draft Red Herring Prospectus, our Company does not have any third-party distribution or marketing channels and primarily undertake all marketing, customer acquisition and sales activities through our in-house marketing and sales team. Our lead generation is driven through a combination of digital outreach, direct customer engagement, industry networking and participation in trade fairs, following which our internal sales team manages customer interactions, negotiations and order conversions.

While this direct-to-customer model enables us to maintain control over pricing, customer relationships and service quality, it also results in limited market reach compared to companies that leverage established third-party distribution networks. Our dependence on internal resources for marketing and sales may constrain our ability to scale rapidly across new geographies and customer segments, and any inability to effectively expand or strengthen our in-house marketing capabilities could adversely affect our ability to acquire new customers and grow our business.

Competition

Our Company operates in a highly competitive and fragmented textile industry, particularly in the segments of terry towels and dyed yarn, where we face competition from a large number of organized as well as unorganized players, both domestically and internationally. Our competitors include integrated textile manufacturers, export-oriented units, and specialized players in home textiles and yarn processing, many of whom may have larger scale of operations, established brand recognition, wider distribution networks, advanced technology, and greater financial resources than us.

In the terry towel segment, competition is driven by factors such as product quality, design innovation, pricing, customization capabilities, delivery timelines and relationships with large global buyers. In the dyed yarn segment, competition is influenced by pricing, consistency in quality, color fastness, timely supply and the ability to cater to bulk requirements. Further, international competition from countries such as China, Pakistan, Turkey and Bangladesh,

which benefit from cost advantages, government incentives or established export ecosystems, may adversely impact our competitiveness in export markets.

Additionally, the industry is characterized by relatively low entry barriers in certain segments, leading to pricing pressures and margin constraints. Any inability on our part to effectively compete on quality, pricing, customer relationships or innovation may result in loss of market share and adversely affect our business, results of operations and financial condition.

For further details relating to the competitive landscape, industry structure and key growth drivers, please refer to the chapter titled “Industry Overview” beginning on page 128 of this Draft Red Herring Prospectus.

CORPORATE SOCIAL RESPONSIBILITY

At our Company, we are deeply committed to integrating sustainability and social responsibility into our core business operations. Our Corporate Social Responsibility (CSR) initiatives are designed to create a meaningful and lasting impact on the lives of our employees, their families, and the communities we operate in. With a strong focus on Health & Wellness, Education, Social Equality, and Environmental Sustainability, we continuously strive to foster a more inclusive, healthier, and environmentally responsible society.

Health & wellness

As part of our commitment to promoting the well-being of our employees and the larger community, we have implemented several healthcare initiatives aimed at preventive care and emergency medical support. We organize eye-checking camps and family health check-up camps at regular intervals of every three months, ensuring early detection and timely medical intervention. To provide immediate medical assistance in case of emergencies, we have a 24x7 ambulance facility available for employees and their families. Furthermore, we actively encourage voluntary participation in blood donation camps, reinforcing our dedication to saving lives and improving public health.

Education & social upliftment

Education plays a crucial role in empowering individuals and fostering economic and social progress. As part of our CSR initiatives, we actively contribute to the education sector by distributing books to orphanage schools, thereby supporting access to learning resources for underprivileged children. Additionally, we extend higher education support to the children of Our Company’s employees, enabling them to pursue academic and professional growth opportunities. These initiatives align with our broader vision of nurturing a skilled and knowledgeable workforce for the future.

Social equality & welfare

At Our Company, we believe in fostering an equitable and inclusive society. Recognizing the importance of gender equality, we have introduced the Ladli and Shagun Schemes, aimed at supporting the welfare of female members within the TC Terrytex family. Under the Ladli Scheme, every girl born into a TC Terrytex family receives a financial grant to promote financial security and encourage gender parity. Similarly, the Shagun Scheme provides financial assistance to female employees and the daughters of TC Terrytex employees upon their marriage. Additionally, our Variddhi Scheme is dedicated to supporting maternity benefits, wherein female employees receive a fixed deposit in the name of their newborn child, reinforcing our commitment to the well-being of working mothers and their families.

Sustainability & Green Initiatives

Environmental stewardship is an integral part of our corporate philosophy. We have adopted a holistic approach to sustainability by integrating zero liquid discharge treatment plants, rainwater harvesting systems, and sustainable waste management practices into our operations to minimize our environmental impact. Our facilities are equipped with renewable energy solutions, including solar energy systems and biomass boilers that utilize agricultural waste fuel, to enhance energy efficiency and reduce reliance on non-renewable resources. In addition, we have implemented 100% LED lighting for illumination, promoting energy conservation.

Corporate Social Responsibility (“CSR”) as per Company Act, 2013

Apart from the above internal initiatives, the Company has adopted a Corporate Social Responsibility (“CSR”) policy in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014. In terms of its CSR policy, the Company undertakes activities in areas such as general social welfare, community development, disaster management and public health emergency relief, among others.

(₹ in millions)

Period	Six-month period September 30, 2025	Mar-25	Mar-24	Mar-23
CSR Expenditure	1.24	1.46	1.58	1.00

INTELLECTUAL PROPERTY

ss.	Authority Granting Approval	Approval/Registration No.	Applicable Laws	Nature of Approvals	Status	Validity
1.	Registrar of Trademarks	5346998	Trademarks Act, 1999		Registered	February 26, 2032
2.	Registrar of Trademarks	4438619	Trademarks Act, 1999		Registered	February 12, 2030
3.	Registrar of Trademarks	6716614	Trademarks Act, 1999		Formalities ChkPass	NA
4.	Registrar of Trademarks	4338650	Trademarks Act, 1999		Registered	November 05, 2029
5.	Registrar of Trademarks	4740334	Trademarks Act, 1999		Registered	November 10, 2030

KEY INDUSTRY REGULATIONS AND POLICIES

Given below is a summary of certain major sector specific and relevant statutes, rules and/or policies, which are applicable to our business operations in India. Taxation statutes such as the Income-tax Act, 1961, Customs Act, 1962, the Central Goods and Service Tax Act, 2017, and other miscellaneous regulations and statutes apply to us as they do to any Indian company.

The information in this section has been obtained from various statutes, rules and/or local legislations available in the public domain. The description of the applicable statutes, rules and/or local legislations as given below has been provided in a manner to provide general information to the investors and may not be exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The indicative summary is based on the current provisions of applicable law, which are subject to change or modification or amended by subsequent legislative, regulatory, administrative, or judicial decisions.

Under the provisions of various Central Government and State Government statutes and legislations, our Company is 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 305.

Business Related Laws

The Textiles Committee Act, 1963

The Textile Committee Act, 1963 (**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 (**Textile Committee**) with the general objective of ensuring a standard quality of textiles both for internal marketing and export purposes as well as standardisation of the type of textile machinery used for manufacture. In addition to the general objection as mentioned above, the function of the Textile Committee inter alia include, to undertake, assist and encourage, scientific, technological and economic research in textile industry and textile machinery, promotion of export of textile and textile machinery, establishing or adopting or recognising standard specifications for textile and packing materials used in the packing of textiles or textile machinery for purpose of export and internal consumption and affix suitable marks on such standardized varieties of textiles and packing materials, specify the type of quality control or inspection which will be applied to textile or textile machinery, provide for training in the techniques of quality control to be applied to textiles or textile machinery, provide for inspection and examination of textiles, textile machinery and packing material used in the packing of textile and textile machinery, establishing laboratories and text houses for testing of textiles and data collection and such other matters related to the textile industry.

Textile Development and Regulation Order, 2001 (Textile Order)

The Central Government in exercise of the powers conferred upon it under section 5 of the Essential Commodities Act, 1955 and in supersession of the Textile (Development and Regulation) Order, 1993 brought in force the Textile Order. Under the Textile Order every manufacturer of textiles, textile machinery and every person dealing with textiles is required to maintain books of accounts, data and other records relating to the business in the matter of production, processing, import, export, supply, distribution, sale, consumption etc. and shall furnish such returns or information in respect to the business as and when required by the Textile Commissioner. The Textile Order confers upon the Textile Commissioner powers to offer 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.

Export Promotion Capital Goods Scheme (the “EPCG” Scheme)

To facilitate import of capital goods for producing quality goods and services to enhance India’s export competitiveness. EPCG Scheme covers manufacturer exporters with or without supporting manufacturer(s), merchant exporters tied to supporting manufacturer(s) and service providers. Also covers a service provider who is designated/certified as a Common Service Provider (CSP) by the DGFT.

The EPCG Scheme allows import of capital goods for pre-production, production, and post-production at 5% customs duty subject to and export obligation equivalent to 8 times of the duty saved on capital goods imported under the EPCG Scheme to be fulfilled over a period of 8 years reckoned from the date of issuance of license. Capital Goods would be allowed at 0% duty for exports of agricultural products and their value-added variants. However, in respect of EPCG licenses with a duty saved of ₹ 1,000 million or more, the same export obligation shall be required to be fulfilled over a period of 12 years.

National Textile Policy, 2000 (the “NTP”)

The National Textile Policy, 2000 (NTP) aims at facilitating the growth of the textile industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing. The objective is sought to be achieved by liberalising controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment. In furtherance of its objectives, the strategic thrust of the NTP is on technological upgradation, enhancement of productivity, quality consciousness, product diversification, maximising employment opportunities, and so on. The NTP also envisages certain sector specific initiatives, including the sector of raw materials, spinning, weaving, powerloom, handloom, jute and textile. The Policy also lays down certain delivery mechanisms for the implementation of the policy and to enable the Indian textile industry to realise its full potential and achieve global excellence.

Salient objective of NTP is as follows –

- Equip the textile industry to withstand pressures of import penetration and maintain a dominant presence in the domestic market;
- Develop a strong multi-fiber base with thrust on product up-gradation and diversification;
- Sustain and strengthen the traditional knowledge, skills and capabilities of our weavers and craftspeople;
- Enrich human resource skills and capabilities, with special emphasis on those working in the decentralized sectors of the textile industry; and for this purpose to revitalize the institutional structure;
- Make Information Technology (IT), an integral part of the entire value chain of textile;
- Production and thereby facilitate the textile industry to achieve international standards in terms of quality, design and marketing; and
- Involve and ensure the active co-operation and partnership of the State Governments, Financial Institutions, Entrepreneurs, Farmers and Non-Governmental Organizations in the fulfilment of these objectives, vide the NTP, the Government has conveyed its commitment towards providing a conducive environment to enable the Indian textile industry to realise its full potential, achieve global excellence, and fulfil its obligation to different sections of society.

The Petroleum Act, 1934 (the “Petroleum Act”) and Petroleum Rules, 2002

The Petroleum Act was passed to consolidate and amend the laws relating to the import, transport, storage, production, refining and blending of petroleum. Under the Petroleum Rules, 2002, any person intending to store furnace oil/petroleum, of such class and in such quantities, otherwise than under a license shall take the approval of the Chief Controller before commencing storage.

The Boilers Act, 2025 (the “Boilers Act”)

The Boilers Act and rules thereof encompass rules and regulations for the safe and proper construction, erection, repair, use and operation of boilers. The Boilers Act also lays down the process for formulation of boiler rules, examination by and appointment of boiler inspectors, provisions for inspection certifications and imposition of penalties for the violations of any provisions of the Boilers Act.

Legal Metrology Act, 2009 (the “Metrology Act”) and the Legal Metrology (Packaged Commodities) Rules, 2011 (Metrology Rules)

The Legal Metrology Act seeks 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 incidental thereto. The Legal Metrology Act, inter alia, provides for: (a) regulation of weight or measure used in transaction or for protection; (b) approval of model of weight or measure; (c) verification of prescribed weight or measure by Government approved Test Centre; (d) exempting regulation of weight or measure or other goods meant for export; (e) nomination of a person by the companies who will be responsible for complying with the provisions of the enactment; and (f) empowering the Central Government to make rules for enforcing the provisions of the

enactment. Any non-compliance or violation of the provisions of the Legal Metrology Act may result in, among others, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

The Metrology Rules prescribe specific rules for pre-packaging and the sale of packaged commodities. Such rules include inter alia the nature of declarations that are required to be made such as the name and address of the manufacturer, the dimensions and weight of the commodity, increased visibility of the retail price.

Bureau of Indian Standards Act, 2016 (the “BIS” Act)

The BIS Act provides for the establishment of the Bureau of Indian Standards (BIS) to take all necessary steps for the harmonious development of the activities of standardisation, conformity assessment and quality assurance of goods, articles, processes, systems, and services as may be necessary, to protect the interests of consumers and various stakeholders. The BIS Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, plant health, safety of the environment, or prevention of unfair trade practices, or national security. Further, the BIS Act also provides for, among other things, repairing or replacement or reprocessing. 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 (Consumer Protection Act) and the rules made thereunder

An Act to provide for protection of the interests of consumers and for the said purpose, to establish authorities for timely and effective administration and settlement of consumers' disputes and for matters connected therewith. The Act established a Council to be known as the Central and State Consumer Protection Council. The Act establish Consumer Disputes Redressal Agencies. The Act provide speedy and simple redressal to consumer disputes, a quasi-judicial machinery is sought to be set up at the district, State and Central level. These quasi-judicial bodies will observe the principles of natural justice and have been empowered to give relief of a specific nature and to award, wherever appropriate, compensation to consumers. Penalties for non-compliance of the orders given by the quasi-judicial bodies have also been provided.

Electricity Act, 2003

The Electricity Act, 2003 provides the legal framework for the generation, transmission, distribution and trading of electricity in India. The Act aims to promote competition, protect consumer interests and ensure the development of the electricity sector in an efficient and environmentally sustainable manner. It also provides for the regulation of captive power generation and supply of electricity and empowers the appropriate regulatory commissions to oversee tariff determination, licensing and compliance requirements under the Act.

Environment Related Laws:

The Environment Protection Act 1986 (the “Environment Protection Act”) and Environment Protection Rules, 1986 (the “Environment Protection Rules”)

The Environment Protection Act was enacted to provide a framework for co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorises the central government to protect and improve environmental quality, control and reduce pollution. The Environment Protection Act specifies that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environmental pollutants in excess of such standards as prescribed. The contravention or failure to comply with the provisions of the Environment Protection Act may attract penalties in the form of imprisonment or fine. Further, the Environment Protection Rules specifies, amongst others, the standards for emission or discharge of environmental pollutants, and restrictions on the handling of hazardous substances in different areas.

The Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”) and Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set out by the concerned PCB. The Water Act also provides that the consent of the concerned PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent. Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”) The Air Act requires that any industry or institution emitting smoke or gases must apply in a prescribed form and obtain consent from the state PCB prior to commencing any

activity. The state PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

Air (Prevention and Control of Pollution) Act 1981

The Air (Prevention and Control of Pollution) Act 1981 has been enacted to provide for the prevention, control and abatement of air pollution. The statute was enacted with a view to protect the environment and surroundings from any adverse effects of the pollutants that may emanate from any factory or manufacturing operation or activity. It lays down the limits with regard to emissions and pollutants that are a direct result of any operation or activity. Periodic checks on the factories are mandated in the form of yearly approvals and consents from the corresponding Pollution Control Boards in the state.

Noise Pollution (Regulation and Control) Rules, 2000 (“Noise Pollution Rules”)

The Noise Pollution Rules were enacted to regulate and decrease the ambient noise levels in public places from various sources, inter-alia, industrial activity, construction activity, (firecrackers, sound producing instruments), generator sets, loud speakers, public address systems, music systems, vehicular horns and other mechanical devices which have deleterious effects on human health and the psychological well-being of the people. The State Government shall take measures for abatement of noise including noise emanating from vehicular movements, (blowing of horns, bursting of sound emitting fire crackers, use of loud speakers or public address system and sound producing instruments) and ensure that the existing noise levels do not exceed the ambient air quality standards specified under these rules.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”)

The Hazardous Waste Rules define the term ‘hazardous waste’ to include any waste which by reason of physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive characteristics cause danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances including waste specified in the schedules to the Hazardous Waste Rules. In terms of the Hazardous Waste Rules, occupiers, being persons who have control over the affairs of a factory or premises or any person in possession of hazardous or other waste, have been, inter alia, made responsible for safe and environmentally sound management of hazardous and other wastes generated in their establishments and are required to obtain license/ authorization from the respective State PCB for handling, generation, collection, storage, packaging, transportation, usage, treatment, processing, recycling, recovery, pre-processing, co-processing, utilization, selling, transferring or disposing hazardous or other waste.

Solid Waste Management Rules, 2016

The Solid Waste Management Rules, 2016 have been issued under the Environment (Protection) Act, 1986 and regulate the management, handling and disposal of solid waste generated by industrial, commercial and residential establishments. The rules prescribe responsibilities for waste generators, including segregation of waste at source, storage, transportation and environmentally sound disposal of solid waste. Industrial establishments are required to ensure that waste generated from their operations is managed and disposed of in accordance with the procedures prescribed under the rules and the directions issued by the relevant local authorities and pollution control boards.

Intellectual Property Laws:

The Trade Marks Act, 1999

The Trademarks Act governs the statutory protection of trademarks and prohibits any registration of deceptively similar trademarks, among others. The Trade Marks Act was enacted to provide exclusive rights to trademarks, including brands, labels, and headings, and to provide relief from trademark infringement. Trademark registration for goods and services is allowed in India. As per the provisions of the Trademarks Act, any individual or joint applicant who believes they are the owner of a trademark may submit an application for trademark registration to the Trademark Registry. This application may be based on the applicant's intention to use a trademark in the future or on their actual use of the trademark. A trademark registration can be renewed after it has been granted and is valid for ten years unless it is revoked. The mark expires if it is not renewed, and then the registration needs to be renewed. Additionally, owners of both domestic and foreign trademarks now have access to simultaneous protection of their marks in India and other nations thanks to the Trade Marks (Amendment) Act, 2010 (the “Trademark Amendment Act”). The

Trademark Amendment Act also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law to international practice.

The Patents Act, 1970

In India, the patent system is regulated by the Patents Act and as per the Patents Act, a patent is a type of intellectual property right that relates to inventions. The government grants the patentee a limited-time exclusive right in exchange for full disclosure of his invention, preventing others from creating, utilizing, importing, or selling the patented product, or from using the process to produce it. Since India is a party to the Agreement on Trade Related Aspects of Intellectual Property Rights, it must acknowledge both process and product patents. The Patents Act stipulates that certain types of inventions and materials may not be granted patent protection, even if they meet the aforementioned requirements, in addition to the general requirement that an invention must satisfy the requirements of novelty, utility, and non-obviousness in order to avail patent protection.

Labour Law Legislations

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws, including the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Gratuity Act, 1972, the Payment of Bonus Act, 1965, Contract Labour (Regulation and Abolition) Act, 1970, the Maternity Benefit Act, 1961, the Employee's Compensation Act, 1923, the Trade Unions Act, 1926, Equal Remuneration Act, 1976, the Industrial Dispute Act, 1947, Apprentices Act, 1961, Industrial Employment (Standing Orders) Act, 1946, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Equal Remuneration Act, 1976, the Child Labour (Prohibition and Regulation) Act, 1986, and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes:

- (a) Code on Wages, 2019, which regulates and amalgamates wage and bonus payments and subsumes 4 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. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.
- (b) Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.
- (c) Code on Social Security, 2020, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.
- (d) The Occupational Safety, Health and Working Conditions Code, 2020, consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Contract Labour (Regulation and Abolition) Act, 1970 and received the presidential assent on September 28, 2020.
- (e) Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 ("POSH Act") provides a framework for the prevention and redressal of complaints relating to sexual harassment of women at the workplace. The Act requires employers to provide a safe working environment and mandates the constitution of an Internal Complaints Committee for redressal of complaints, implementation of policies against workplace harassment, and compliance with prescribed reporting and awareness requirements.
- (f) The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 regulates the employment of children and adolescents and prohibits the engagement of children below the age of 14 years in any occupation or process, except in limited circumstances as permitted under the Act. The Act also regulates the conditions of employment of adolescents and prescribes penalties for employers who contravene its provisions. Employers are required to ensure compliance with the restrictions and conditions prescribed under the Act to prevent child labour and safeguard the

welfare of adolescents in the workplace.

Public Liability Insurance Act, 1991 (the “PLI” Act) and the Public Liability Insurance Rules, 1991 (the “PLI Rules”)

The Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the Act has been enumerated by the government by way of a notification. Under the Act, the owner or handler is also required to take out an insurance policy insuring against liability. In exercise of its powers conferred under Section 23 of the Act, the Government of India has notified the PLI Rules which mandates the employer to contribute towards the ‘Environmental Relief Fund’ with a sum equal to the premium paid on the insurance policies.

Foreign Investment And Trade Regulations

Foreign Exchange Management (the “FEMA”) Act, 1999 and Rules

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations, and notifications thereunder, as issued by the RBI from time to time, and the FEMA Rules and the Consolidated FDI Policy. In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval for foreign investment under the Consolidated FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

The FEMA Rules were enacted on October 17, 2019, in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except for things done or omitted to be done before such supersession. The total holding by any individual NRI, on a repatriation basis, shall not exceed five percent of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

The total holding by each FPI or an investor group shall be less than 10 percent of the total paid-up equity capital on a fully diluted basis or less than 10 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together, including any other direct and indirect foreign investments in the Indian company permitted under these rules, shall not exceed 24 percent of paid-up equity capital on a fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent shall be called the individual and aggregate limit, respectively.

Foreign Trade (Development and Regulation) Act, 1992

The Foreign Trade (Development and Regulation) Act, 1992 (the “**Foreign Trade Act**”) empowers the Government of India to: (a) make provisions for development and regulation of foreign trade; (b) prohibit, restrict or otherwise regulate exports and imports; (c) formulate a foreign trade policy; and (d) appoint a Director General of Foreign Trade for the purpose of administering foreign trade and advising the Central Government in formulating and implementing the foreign trade policy. The Foreign Trade Act mandates that every importer and exporter shall obtain an ‘importer exporter code number’ from the Director General of Foreign Trade or from any other duly authorized officer.

Foreign Trade Policy (the “FTP”) 2023

The foreign trade policy of India is governed and regulated by the Foreign Trade (Development and Regulation) Act, 1992, as amended (“FTA”). The FTA empowered the Central Government to make provisions for the development and regulation of foreign trade by way of facilitating imports into as well as augmenting exports from the country and in all other matters related to foreign trade. The government has also been given wide power to prohibit, restrict, and regulate exports and imports in general as well as specified cases of foreign trade. It is authorized to periodically formulate the FTP and amend it thereafter whenever it deems fit. All exports and imports are required to be in compliance with this policy. The FTP provides for certain schemes for the promotion of export of finished goods and import of inputs. The FTP shall continue to be in operation unless otherwise specified or amended. The FTA read

with the FTP, also provides that no person or company can make exports or imports without having obtained an importer exporter code number (“IEC”) granted by the Director General of Foreign Trade, Ministry of Commerce (“DGFT”) pursuant to Section 7 of the FTA unless exempted from doing so. Any person who makes any export or import in contravention of any provision of the FTA or any rules or orders made thereunder, or the foreign trade policy would become liable to 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.

Tax Related Laws

Central Goods and Services Tax Act, 2017 (the "GST Act")

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017, and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state is levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

Income Tax Act, 1961 (the "IT Act")

The IT Act is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its Residential Status and Type of Income involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source.

Duty Drawback Scheme and Rebate of State and Central Taxes and Levies (RoSCTL), 2019T

The Duty Drawback Scheme and the Rebate of State and Central Taxes and Levies (RoSCTL) Scheme are export promotion schemes introduced by the Government of India to promote exports of textile and apparel products. These schemes provide rebates or refunds of certain duties, taxes and levies incurred during the manufacturing and export of goods, which are otherwise not refunded through other mechanisms. The schemes are aimed at reducing the cost burden on exporters and enhancing the competitiveness of Indian textile products in international markets. Exporters may avail benefits under these schemes subject to compliance with the applicable provisions and procedures prescribed under the relevant notifications and guidelines issued by the Government of India from time to time.

Punjab State Development Tax Act, 2018

The Punjab State Development Tax Act, 2018 provides for the levy and collection of a tax on professions, trades, callings, and employment in the State of Punjab. It applies to individuals and entities engaged in such activities, subject to income thresholds, with tax generally prescribed at ₹200 per month as per the Schedule. Employers are required to deduct and deposit tax on behalf of employees and obtain registration, while other liable persons must obtain enrolment and comply with return filing and payment obligations. The Act also provides for assessment, audit, interest and penalties for non-compliance, recovery as arrears of land revenue, and an appellate mechanism for grievance redressal.

Customs Act, 1962 ("Customs Act")

The Customs Act empowers the Central Government to prohibit the export or import of goods for reasons including the maintenance of public order, the maintenance of the security of India, the prevention of smuggling and the prevention of shortage of goods. The Customs Act also governs the detection of illegally imported goods, the detection of illegal export of goods, the valuation of imported and exported goods, the determination of rate of duty and tariff, and the refund of export or import duties in certain cases. The Customs Act prescribes the imposition of penalties or

the confiscation of goods in specified circumstances, including the improper export of goods, and empowers any authorised officer of customs to arrest any person who has committed a punishable offence under the Customs Act.

State Specific Laws

Punjab Shops and Commercial Establishments Act, 1958

The Punjab Shops and Commercial Establishment Act, 1958 regulates the conditions of work and employment in shops and commercial establishments in the State of Punjab. It provides for matters relating to registration of establishments, working hours, weekly holidays, leave, wages, employment of women and young persons, and maintenance of records and registers. Establishments operating in Punjab are required to obtain registration under this Act and comply with its provisions relating to working conditions and employee welfare.

Punjab Factories Rules, 1952

The Punjab Factories Rules, 1952 prescribes detailed requirements relating to health, safety, welfare of workers, working hours, hazardous processes, and maintenance of machinery in factories situated within the State of Punjab. These rules are administered by the Directorate of Factories, Government of Punjab and apply to manufacturing units operating in the state.

Punjab Labour Welfare Fund Act, 1965

The Punjab Labour Welfare Fund Act, 1965 provides for the constitution of a Labour Welfare Fund for financing and promoting welfare activities for workers employed in establishments within the State of Punjab. The Act is administered by the Punjab Labour Welfare Board and aims to support various welfare measures such as healthcare, housing, education, recreational facilities and other benefits for workers. Under this Act, employers and employees are required to make prescribed periodic contributions to the Labour Welfare Fund

Punjab Pollution Control Board Regulations

Industrial establishments in Punjab are required to obtain necessary consents such as **Consent to Establish (CTE)** and **Consent to Operate (CTO)** from the Punjab Pollution Control Board under applicable environmental laws, including the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, for regulating emissions, effluents and environmental compliance.

Other Applicable Laws

Companies Act, 2013

The Companies Act, 2013 (“**Companies Act**”) deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning, and winding up of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial, and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors.

The Registration Act, 1908

The Registration Act, 1908 The Registration Act, 1908 (“**Registration Act**”) was passed to consolidate\ the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records\ could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

Indian Stamp Act, 1899

Indian Stamp Act, 1899 and various state-wise legislations made thereunder (the “**Stamp Act**”) The Stamp Act requires stamp duty to be paid on all instruments specified in Schedule 1 of 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, cannot be admitted in court as evidence of the transaction contained therein. The Stamp Act further provides for impounding of instruments that are not sufficiently stamped or not stamped at all by the collector and he may impose a penalty of the amount of the proper stamp duty, or the amount of deficient portion of the stamp duty payable.

In addition to the above, our Company is also required to comply with the provisions of the Companies rules framed thereunder, foreign exchange laws, contract laws, customs act, Civil Procedure Code (CPC), Bharatiya Nyaya Sanhita (BNS), Bharatiya Nagarik Suraksha Sanhita (BNSS), Competition Act, Indian Contract Act, Negotiable Instrument Act, Indian, Arbitration and Conciliation Act, Municipality Laws, and other applicable statutes enacted by the Centre or relevant State Governments and authorities for our day-to-day business and operations. Our Company is also subject to various Central and State tax laws where we operate.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was Incorporated as “T.C. Terrytec Limited” at Muktsar, Punjab as a Limited Company under the Companies Act, 1956, pursuant to a certificate of incorporation dated August 30, 2005 issued by Assistant Registrar of Companies, Punjab, H.P. & Chandigarh. The Corporate Identification Number of our Company is U17220PB2005PLC28877.

Changes in the Registered Office of our Company

Except as disclosed below, there has been no change in the registered office of our Company since incorporation:

Effective date of change	Details of change	Reasons for change
November 01, 2008	Registered office of our Company was changed from Railway Road, Muktsar, Punjab, India to Village Sarsini, Amb-Chd Highway, Near Lalru, Tehsil Derabassi, Lalru, Punjab, India 140501.	Administrative convenience

Main Objects of our Company

The main objects of our Company contained in the Memorandum of Association are as disclosed below:

- To carry on the business of manufacturers ,traders, dealers, exporters, spinners, weavers, finishers, processors, printers, dyes, of all kind of Terry Towels, Denim, Blankets, Shawls, Carpets, rugs and other covering of Mesta and coir, including other kinds fibres fabrics and yarns of cotton, wool, jute , silk, ayon, naylon, terrene, teerelene, hamp and other natural synthetic and /or fibrous substance.

The main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried out and proposed to be carried out by it.

Amendments to our Memorandum of Association in the last ten years

The amendments to our Memorandum of Association in the 10 years immediately preceding the date of this Draft Red Herring Prospectus are as detailed below:

Date of Meeting	Meeting	Nature of Amendment						
04 th March 2017		Clause V of our Memorandum of Association was amended to reflect:						
		Authorised Share Capital increased from ₹ 1,03,50,00,000 /- consisting of 10,35,00,000 equity shares of ₹10/- to ₹ 1,18,50,00,000 /- consisting of 11,85,00,000 equity shares of ₹10/- and 20,00,000 preference shares of Rs. 10/- to 20,00,000 preference shares of Rs. 10/-						
		Nature of Share Capital	Before Amendment			After Amendment		
			No. of Shares	Face Value (in ₹)	Amount (in ₹)	No. of Shares	Face Value (in ₹)	Amount (in ₹)
		Equity Share Capital	10,35,00,000	10	1,03,50,00,000	11,85,00,000	10	1,18,50,00,000
		Preference Share Capital	20,00,000	10	2,00,00,000	20,00,000	10	2,00,00,000
		Total	10,55,00,000	10	1,05,50,00,000	12,05,00,000	10	1,20,50,00,000

Date of Meeting	Meeting	Nature of Amendment					
10 th April 2018		Clause V of our Memorandum of Association was amended to reflect					
		Authorised Share Capital increased from ₹ 1,18,50,00,000/- consisting of 11,85,00,000 equity shares of ₹10/- to ₹ 1,30,50,00,000/- consisting of 13,05,00,000 equity shares of ₹10/- and 20,00,000 preference shares of Rs. 10/- to 20,00,000 preference shares of Rs. 10/-					
		Nature of Share Capital	Before Amendment			After Amendment	
			No. of Shares	Face Value (in ₹)	Amount (in ₹)	No. of Shares	Face Value (in ₹)
		Equity Share Capital	11,85,00,000	10	1,18,50,00,000	13,05,00,000	10
		Preference Share Capital	20,00,000	10	2,00,00,000	20,00,000	10
March 26, 2026		Total	12,05,00,000	10	1,20,50,00,000	13,25,00,000	10
		Clause V of our Memorandum of Association was amended to reflect					
		Authorised Share Capital increased from ₹ 1,30,50,00,000/- consisting of 13,05,00,000 equity shares of ₹10/- to Rs. 195,00,00,000/- (One Hundred Ninety Five Crore Only) divided in to 19,50,00,000 (Nineteen Crore Fifty Lakhs Only) Equity Shares of Rs. 10/- each and 20,00,000 (Twenty Lakhs) Preference Share of Rs. 10/-each					
		Nature of Share Capital	Before Amendment			After Amendment	
			No. of Shares	Face Value (in ₹)	Amount (in ₹)	No. of Shares	Face Value (in ₹)
		Equity Share Capital	13,05,00,000	10	1,30,50,00,000	19,30,00,000	10
		Preference Share Capital	20,00,000	10	2,00,00,000	20,00,000	10
		Total	12,05,00,000	10	1,20,50,00,000	19,50,00,000	10

Major events and milestones

The table below sets forth some of the major events and milestones in the history of our Company:

Years	Incorporation and establishment phase:
2005	Incorporation of Company T.C Terrytex Limited
	DGFT Recognition and Enhancement of Capacity Into Dyed Yarn
2010	Got recognition as an as Export House
2013	Our Company completed expansion of the then existing capacity by adding 29 looms.
2014	Our Company increased the fabric dyeing capacity by taking term loan of Rs 7.79 crore from PNB.
2018	Established a new fabric dyeing machine and universal tying machine. Due to Increase in export revenues procured further term loan of Rs 54.60 crore and which enabled an implementation of expansion project of 27 looms.
2019	Procured two new double sided sewing machine, 11 air jet looms, lab-scale dyeing machine and hamming device.
	Enhanced Efficiencies and Further Recognitions
2020	Our company installed solar panel of 2MW for inhouse consumption of power on PPP model.
2021	KMART Recognised Our Company as their Supplier of the year

2023	SCAN gave Our Company a compliance score of 98% and received KMART's Partnership Award in CATALYST 23.
2024	Our Company was recognised as three star Export House by DGFT
2025	New ERP System Under Implementation

Awards and Accreditations

As on this date of the Draft Red Herring Prospectus our Company has not received any awards and accreditations.

Significant financial and strategic partnerships

As of the date of this Draft Red Herring Prospectus, our Company does not have any significant financial or strategic partnerships.

Time/cost overrun

There has been no time or cost over-run in respect of our business operations.

Launch of key products or services, entry into new geographies or exit from existing

For details of key services launched by our Company, entry into new geographies or exit from existing markets, see "*Our Business*" on page no 174.

Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last ten years

Our Company has not made any material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. since its incorporation.

Defaults or rescheduling/restructuring of borrowing with financial institutions/ banks

There have been no instances of rescheduling/ restructuring of borrowings with financial institutions/ banks in respect of our current borrowings from lenders.

Capacity/facility creation, location of plants

For details in relation to capacity/facility creation, location of plants, see "*Our Business*" on page no 174.

Number of shareholders of our Company

Our Company has Fifteen (15) equity shareholders as on the date of filing of this Prospectus.

Shareholders' agreement and other agreements

Our Company has not entered into any shareholders' agreements and other agreements, other than the agreements entered into by it in ordinary course of its business as on the date of this Prospectus. There are no inter-se agreements/ arrangements between the shareholders of our Company. Further, there are no inter se agreements/ arrangements 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 minority/ public shareholders. Further, there are no agreements, deed of assignments, acquisition agreements, shareholders agreements, inter-se agreements, and agreements of like nature.

Material Agreements with strategic partners, joint venture partners and/ or financial partners and other agreements

There are no existing material agreements with strategic partner and/or financial partners or other material agreements entered into by our Company, as on the date of this Prospectus.

Details of holding company

As on the date of this Prospectus, our Company does not have any holding company.

Joint Ventures of our Company

As on the date of this Prospectus, our Company does not have any Joint Venture.

Subsidiary of our Company

As on the date of this Prospectus, our Company does not have any Subsidiary Company.

Special Rights

There are no special rights available to the Promoters/ Shareholders as on the date of this Prospectus.

Lock-out or strikes

There have been no lock-outs or strikes in our Company since inception.

Changes in the activities of our Company during the last five years

There has been no change in the business activities of our Company during the last five years preceding the date of this Prospectus which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

Changes in the management

For details of change in management, please see the section ‘Changes in our Board during the last three years’ in the chapter titled “Our Management” on page 221 of this Prospectus.

Changes in accounting policies in last three (3) years

There have been no changes in accounting policies of our Company in last three years.

Guarantees provided by our Promoters

Except as disclosed in the chapter titled “Financial Indebtedness” on page 244 of this Prospectus our Promoters have not given any guarantees to third parties that are outstanding as on the date of filing of this Prospectus.

Agreements with Key Managerial Personnel or Senior Management or Directors or Promoter or any other employee:

As on the date of this Prospectus, there are no agreements entered into by our Key Managerial Personnel or Senior Management or Directors 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.

OUR MANAGEMENT

Board of Directors

In terms of our Articles of Association and subject to the provisions of the Companies Act, our Board shall comprise of not less than three (03) Directors and not more than fifteen (15) Directors. As on the date of this Draft Red Herring Prospectus, we have six (6) Directors on our Board, comprising of two (2) Executive Directors, one (1) Non-Executive Director and three (3) Independent Directors, including one (1) Woman Director. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act and the SEBI Listing Regulations.

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

Name, Date of Birth, Age, Address, Occupation, Term, Period of Directorship and DIN	Designation	Other Directorships
Mr. Akhil Satia Date of Birth: February 10, 1983 Age (years): 43 Address: House No. 44, Sector - 8A, Near Gurudwara Sahib, Sector 18, Chandigarh – 160018, India. Occupation: Business Term: 5 Years Period of Directorship: Since Incorporation DIN: 01138038	Managing Director	<i>Indian Companies</i> <i>Nil</i> <i>Foreign Companies</i> <i>Nil</i>
Barnala Parminder Singh Date of Birth: April 25, 1969 Age (years): 56 Address: Flat No. 403, Block H1, Chandigarh Amabala Highway, Maya Garden City, Ziriakpur, SAS Nagar Mohali-140603 Punjab, India. Occupation: Business Term: 5 years (<i>liable to retire by rotation</i>) Period of Directorship: Since April 04, 2024 DIN: 10578371	Whole-Time Director	<i>Indian Companies</i> <i>Nil</i> <i>Foreign Companies</i> <i>Nil</i>
Ms. Aishwaria Sethi Date of Birth: October 21, 1996 Age (years): 29 Address: 10, Maqbool Road, Amritsar – I, Amritsar, G.P.O, Amritsar, Punjab, 143001 Occupation: Business	Non-Executive Women Director & Chairperson	<i>Indian Companies</i> <i>Nil</i> <i>Foreign Companies</i> <i>Nil</i>

Name, Date of Birth, Age, Address, Occupation, Term, Period of Directorship and DIN	Designation	Other Directorships
Term: 5 Years Period of Directorship: Since June 05, 2025 DIN: 11136468		
Mr. Jagjit Singh Date of birth: May 14, 1947 Age (years): 78 Address: H. No. 39, Phase 3 A, Sector 53, (Mohali), S.A.S. Nagar (Mohali), Punjab, 160055 Occupation: Lawyer Term: 5 Years Period of Directorship: Since June 05, 2025 DIN: 11119861	Non-Executive Independent Director	<i>Indian Companies</i> <i>Nil</i> <i>Foreign Companies</i> <i>Nil</i>
Mr. Tanuj Gaba Date of Birth: September 06, 1994 Age (years): 31 Address: 17, Royal Estate Near Punjab Bagh, Nabha, Patiala, Punjab 147201 Occupation: Chartered Accountant Term: 5 Years Period of Directorship: Since June 05, 2025 DIN: 11137519	Non-Executive Independent Director	<i>Indian Companies</i> <i>Nil</i> <i>Foreign Companies</i> <i>Nil</i>
Mr. Sourabh Kansal Date of birth: May 28, 1997 Age (years): 28 Address: Makan no. 733/7 gali no. 6 Arya Up Nagar Narwana Narwana Jind Haryana - 126116 Occupation: Company Secretary Term: 5 years Period of Directorship: Since June 05, 2025 DIN: 11137445	Non-Executive Independent Director	<i>Indian Companies</i> <i>Nil</i> <i>Foreign Companies</i> <i>Nil</i>

Brief profiles of our Directors

Mr. Akhil Satia aged 43 years, is a seasoned business leader with deep expertise in international business practices

and a proven track record in the textile industry. Since 2005, he has been serving as Managing Director of TC Terrytex, where his vision, dedication, and innovative approach have transformed our Company into a prominent name in the sector. He completed his Master of Science in International Business from the University of Birmingham, UK, where he specialized in global trade, international marketing, supply chain management, and economics an academic foundation that prepared him for success in global markets. Under his leadership, TC Terrytex has expanded its presence both in India and abroad, introduced innovative textile products, achieved consistent financial growth through strategic planning, and embraced sustainability by adopting eco-friendly and socially responsible practices. Known for his hands-on and inclusive leadership style, Akhil fosters a culture of open communication, innovation, and continuous learning, which has strengthened organizational performance and attracted top talent. His personal attributes—hard work, visionary thinking, integrity, and responsibility continue to drive TC Terrytex toward long-term growth, resilience, and global recognition.

Mr. Parminder Singh Barnala aged 56 years, holds a Three-Year Diploma in Textile Technology (Weaving) from the Punjab Institute of Textile Technology, Amritsar, completed in June 1994. He joined T.C. Terrytex Limited on 4th July 2013 and initially served as Unit Head in the administration department, where he managed production processes with a focus on efficiency, quality and timely delivery. On 4th April 2024, he was appointed as Whole-Time Director. In this role, he oversees daily operations, technology integration, manpower management, quality compliance, and contributes to our Company's strategic planning and governance.

Ms. Aishwaria Sethi aged 29 years, has completed her Bachelor's Degree in Multimedia from Guru Nanak Dev University, equipping her with a strong foundation in visual communication, digital design and media technologies. She has recently joined T.C. Terrytex Ltd. as a Non-Executive Director, bringing with her a creative perspective and valuable technical skills in multimedia and digital content development. Mrs. Sethi is actively involved in supporting and guiding the Marketing Department. She contributes by offering strategic insights on digital branding, content creation, and the use of modern multimedia tools to enhance our Company's promotional campaigns. Her knowledge in areas such as graphic design, video production, and social media content development is proving instrumental in strengthening the Company's online and offline marketing presence. Her role as a Non-Executive Director with technical specialization is expected to play a significant part in our Company's efforts to modernize its marketing practices and create a stronger brand identity in both the domestic and international markets.

Mr. Jagjit Singh aged over 70 years, has a background in law and brings with him extensive professional experience. He joined T.C. Terrytex Limited as an Independent Director on 5th June 2025. In this role, he contributes to our Company's governance framework, provides oversight on compliance, regulatory matters and supports the Board in strategic decision-making.

Mr. Tanuj Gaba aged 31 years, is a Chartered Accountant engaged in independent practice. He joined T.C. Terrytex Limited as an Independent Director on 5th June 2025. He has over 9 years of experience in financial reporting, tax preparation, GST compliance, audits, and strategic tax planning. Demonstrated expertise in managing statutory audits, preparing reconciliation reports, and ensuring adherence to financial regulations. Adept at analyzing financial data, budgeting, forecasting, and providing actionable recommendations to improve organizational efficiency. Skilled in client advisory for big-ticket corporates and proficient in leading audit teams to deliver high-quality outcomes under strict timelines. In this role, he contributes to audit and financial oversight, supports compliance functions, and assists the Board in strengthening corporate governance practices.

Mr. Sourabh Kansal aged 28 years, is a qualified Company Secretary with professional experience in handling corporate and regulatory compliances. He was appointed as an Independent Director of T.C. Terrytex Limited on 5th June 2025. With a strong foundation in legal and secretarial compliance, Mr. Kansal has worked extensively in the areas of Company law, FEMA/RBI regulations, secretarial audits, legal drafting and regulatory advisory. Backed by diverse exposure across industries, he has advised numerous clients on incorporations, corporate structuring and statutory compliances under the Companies Act, 2013. In his role, he provides oversight on compliance with statutory and regulatory requirements, assists in strengthening governance practices, and supports the Board in ensuring adherence to applicable corporate laws and policies. His expertise in compliance management adds value to our Company's governance framework.

Terms of appointment of our Executive Directors and Compensation paid

Mr. Akhil Satia, Managing Director

The following table sets forth the terms of appointment of Mr. Akhil Satia with effect from November 09, 2023 to

November 08, 2028:

Sr. No	Particulars	Salary and perquisites
1.	Basic Salary	Mr. Akhil Satia shall be entitled to gross salary amounting up to ₹ 3.6 million per annum.
2.	Other Benefits	Medical reimbursement for self and family, personal accident insurance, leave travel concession for self and family once in a year, leave encashment, provident fund and superannuation contribution, conveyance facilities, communication facilities, actual entertainment and travelling expenses and other allowances
3.	Remuneration paid for Fiscal 2024-25	₹ 7.91 Million

Mr. Parminder Singh Barnala, Whole Time Director

The following table sets forth the terms of appointment of Mr. Parminder Singh Barnala with effect from April 04, 2024 to April 03, 2029

Sr. No	Particulars	Salary and perquisites
1.	Basic Salary	Mr. Parminder Singh Barnala shall be entitled to basic gross amounting up to ₹3.075 million per annum.
2.	Other Benefits	Nil
3.	Remuneration paid for Fiscal 2024-25	₹ 3 million

Sitting Fees and commission paid to our Non-executive Directors and Independent Directors:

Pursuant to resolution passed by our Board on June 05, 2025, our Non-Executive Directors including our Independent Directors are entitled to receive a sitting fee of ₹12,000 for attending each meeting of our Board and ₹12,000 for attending each committee meeting of our Board.

Bonus or profit-sharing plan for the Directors

Our Company does not have any performance linked bonus or profit-sharing plan for our Directors.

Compensation of Whole-time Director/ Compensation of Managing Directors

The details of the Remuneration paid to our Executive Directors in the Fiscal 2025 is set out as below:

Name of Director	Designation	Remuneration (₹ in millions)
Mr. Akhil Satia	Managing Director	7.91
Mr. Parminder Singh Barnala	Whole Time Director	3.00

Remuneration paid or payable to our Directors from our Subsidiaries or Associate Companies

Our Company does not have any Subsidiaries or Associate Companies as on date of this Draft Red Herring Prospectus.

Shareholding of our Directors

Our Articles of Association do not require our Directors to hold any qualification shares.

The details of shareholding of our Directors as on the date of this Draft Red Herring Prospectus is set out below.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) [*]
1.	Mr. Akhil Satia	64,856,130	50.15

Contingent and/or deferred compensation payable to our Whole-time Director

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to our

Directors, which does not, form part of their remuneration.

Relationship between Directors and Key Managerial Personnel or Senior Management

Except as stated below, none of our Directors, Key Managerial Personnel and Senior Management Personnel are related to each other.

Name of the Director	Related	Relationship
NA	NA	NA

Service Contracts entered into by Director

Other than the statutory benefits that the Directors are entitled to, upon their retirement, as per Company policies, they have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

Interest of Directors

Our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company for attending meetings of our Board or committees thereof.

Our Directors may be interested to the extent of Equity Shares, if any, held by them, or held by the entities in which they are associated as partners, 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 and any dividend and other distributions payable in respect of such Equity Shares.

None of our Directors have availed any loan from our Company.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Directors have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others. For details, see "History and Certain Corporate Matters" beginning on page 217.

Borrowing Powers of our Board

In accordance with the applicable provisions of the Companies Act and our Articles of Association and pursuant to our Special resolution passed by our shareholders dated 13th September 2014 respectively, our Board is authorized to borrow from time to time any sum or sums of money, where the money / monies to be borrowed, together with the monies already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) may exceed the aggregate of our Company's paid-up share capital, free reserves and securities premium, but the total amount that may be borrowed by the Board and outstanding at any point of time shall not exceed ₹ 500 crore.

Interest land and property acquired or proposed to be acquired by our Company

Except as stated in the section "***Our Business***" and "***Financial Information***", beginning on pages 174, and 241, respectively, our Directors are not interested in any properties of our Company.

Interest in promotion or formation of our Company

Except for our Promoter, Mr. Akhil Satia, none of the Directors have an interest in the promotion or formation of our Company. For further details is regarding our Promoters, see "***Our Promoters and Promoter Group***" on page 233.

Business interest

Except as stated in the sections titled “*Restated Financial Statements – Note 34– Related Party Transactions*” on page 241, our Directors do not have any other business interest in our Company.

Confirmation

None of our Directors is or was a director of any listed Company whose shares have been or were suspended from being traded on any stock exchanges in India during the term of their directorship in such companies, in the last five years preceding the date of this Draft Red Herring Prospectus.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchanges, during the term of their directorship in such companies.

None of our Directors have been declared as wilful defaulters or fraudulent borrowers.

No proceedings/ investigations have been initiated by SEBI against any Company, the board of directors of which also comprises any of our Directors.

None of our Directors, 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.

Confirmation in relation to RBI Circular dated July 1, 2016

Neither our Company nor any of our Directors have been declared as Fraudulent Borrowers by RBI in terms of the RBI circular dated July 1, 2016.

Details of struck-off companies in which at the time of struck off the director were associated

Except as stated below, none of our Directors have been directors of struck-off Companies in which, at the time of, strike off, the directors were associated.

Persons	Struck-off Entities
Mr. Akhil Satia	T.C. Fabrics and Papers Limited

Changes in our Board during the last three years

The changes in our Board of our Company during the last three years till the date of this Draft Red Herring Prospectus are set forth below.

Name of Director	Date of Change	Nature of Event
Mr. Tanuj Gaba	June 05, 2025	Appointment as an Independent Director
Mr. Sourabh Kansal	June 05, 2025	Appointment as an Independent Director
Mr. Jagjit Singh	June 05, 2025	Appointment as an Independent Director
Ms. Aishwaria Sethi	June 05, 2025	Appointment as a Non-Executive Director
Neha Singla	April 05, 2025	Cessation as an Independent Director
Manjeet Singh	April 05, 2025	Cessation as an Independent Director
Mr. Parminder Singh Barnala	April 04, 2024	Appointment as an Additional Whole-Time Director
Mr. Parminder Singh Barnala	April 04, 2024	Change in designation to Whole-Time Director
Neha Sehgal	August 22, 2024	Cessation as an Independent Director
Sunil Kaura	March 28, 2024	Cessation as a Whole-Time Director

Corporate Governance

As on the date of this Draft Red Herring Prospectus, we have we have six (6) Directors on our Board, comprising of Two (2) Executive Directors, One (1) Non-Executive Women Director and Chairperson and three (3) Non-Executive Independent Directors. The present composition of our Board and its committees is in accordance with the corporate

governance requirements provided under the Companies Act and the SEBI Listing Regulations.

The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act, 2013 and the SEBI Listing Regulations in relation to the composition of our Board and constitution of committees thereof. Our Company undertakes to take all necessary steps to continue to comply with all applicable requirements of the SEBI Listing Regulations and the Companies Act.

Our Company undertakes to take all necessary steps to continue to comply with all applicable requirements of the SEBI Listing Regulations and the Companies Act, as may be applicable.

Board committees

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- a) Audit Committee;
- b) Nomination and Remuneration Committee;
- c) Stakeholders Relationship Committee; and
- d) IPO Committee.

Details of each of these committees are as follows:

Audit Committee

The Audit Committee was re-constituted pursuant to a meeting of our Board held on June 11, 2025.

The Audit Committee currently consists of:

- a) Mr. Tanuj Gaba (*Chairperson*)
- b) Mr. Sourabh Kansal (*Member*); and
- c) Mr. Jagjit Singh (*Member*).

Further, the Company Secretary of our Company shall act as the secretary to the Audit Committee.

The scope, functions and the terms of reference of the Audit Committee is in accordance with the Section 177 of the Companies Act, 2013 and Regulation 18 (3) Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II Part C.

The role of the audit committee shall include the following:

1. Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Reviewing and monitoring the auditor's independence and performance and the effectiveness of audit process;
4. Approving of payments to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions;
 - (g) Qualifications and modified opinion(s) in the draft audit report

6. Reviewing, with the management, the quarterly, the half yearly and annual financial statements before submission to the board for approval;
7. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right 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;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievance;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Reviewing the functioning of the whistle blower mechanism, in case the same is existing;
16. Discussion with internal auditors any significant findings and follow up there on;
17. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. 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;
19. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non – payment of declared dividends) and creditors;
21. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases;
22. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
23. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
24. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary (if any) exceeding rupees 1,000 million 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;
25. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholder;
26. Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws.

A. Mandatory review by the Audit Committee: The Audit Committee shall mandatorily review the following:

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. management letters / letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses;
5. the appointment, removal and terms of remuneration of the chief internal auditor;
6. statement of deviations involving:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations;
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

Nomination and Remuneration Committee:

The Nomination and Remuneration committee was re-constituted by a resolution of our Board dated June 11, 2025.

The Nomination and Remuneration Committee currently consists of:

- a) Mr. Jagjit Singh (*Chairperson*);
- b) Mr. Sourabh Kansal (*Member*); and
- c) Ms. Aishwaria Sethi (*Member*)

The scope, functions and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of Nomination and Remuneration Committee shall include the following:

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. 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 agencies, if required; b. consider candidates from a wide range of backgrounds, having due regard to diversity; and c. consider the time commitments of the candidates;
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. Devising a policy on diversity of board of directors;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. Recommend to the board, all remuneration, in whatever form, payable to senior management.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was re-constituted pursuant to a meeting of our Board dated June 11, 2025.

The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently consists of:

- a) Ms. Aishwaria Sethi (*Chairperson*);
- b) Mr. Sourabh Kansal (*Member*); and
- c) Mr. Parminder Singh Barnala (*Member*).

Role of Stakeholders' Committee

The role of Stakeholder Relationship Committee, together with its powers, is as follows:

1. Resolving grievances of our security holders, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by our Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review of various measures and initiatives taken by our Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
5. A Resolving grievance of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants.

IPO Committee

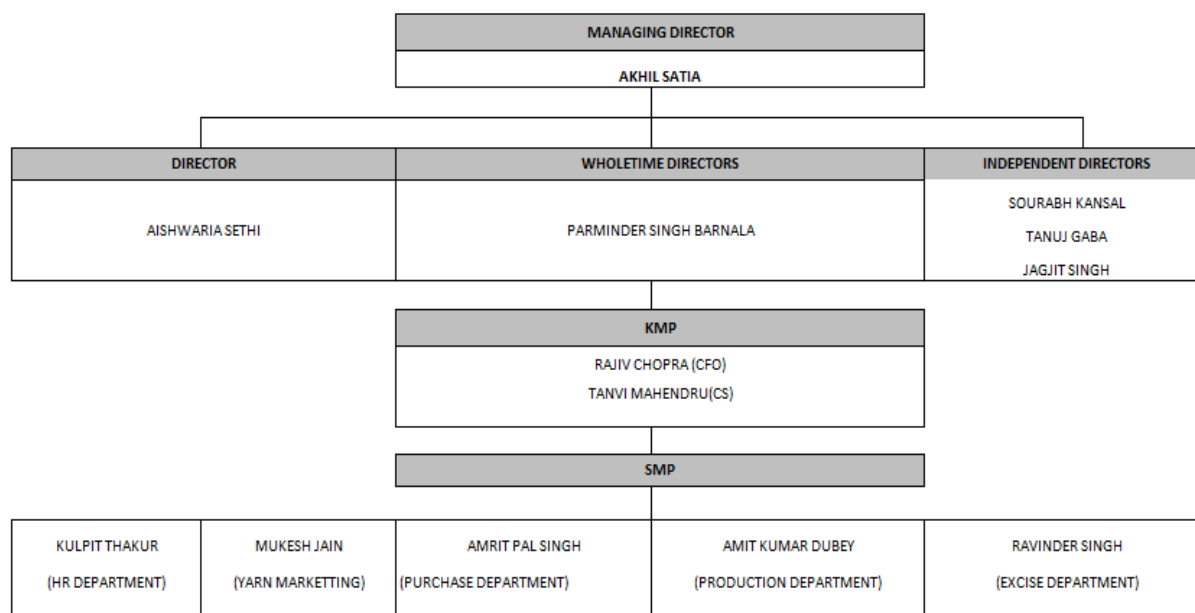
The IPO Committee was constituted pursuant to a meeting of our Board dated July 26, 2025.

The IPO Committee currently consists of:

- a) Mr. Akhil Satia, Managing Director – Chairperson
- b) Mr. Tanuj Gaba, Independent Director – Member
- c) Mr. Parminder Singh Barnala, Whole-time Director – Member

Role of Stakeholders' Committee

The role of Stakeholder Relationship Committee, together with its powers, is as follows:



1. Supervise preparation, review, and filing of DRHP, RHP, and Prospectus.
2. Ensure compliance with SEBI, stock exchanges, and other regulatory requirements.
3. Appoint and coordinate with merchant bankers, legal advisors, auditors, registrars, and other intermediaries.
4. Approve IPO strategy, structure, size, price range, allocation, and timeline.
5. Identify and mitigate risks associated with the IPO.
6. Liaise with stock exchanges for listing approvals and ensure pre- and post-listing compliance.
7. Seek external professional advice, access company records, and delegate tasks as required.
8. Report activities and recommendations to the Board periodically.
9. Approve the basis of allotment.

Management Organization Structure:

Key Managerial Personnel and Senior Management Personnel

Key Managerial Personnel

Other than Mr. Akhil Satia, Managing Director and Mr. Parminder Singh Barnala, Whole-Time Director, whose details are provided hereinabove, the details of our Key Managerial Personnel, as on the date of this Draft Red Herring Prospectus are set forth below.

Tanvi Mahendru, the Company Secretary, joined as an Associate Company Secretary with effect from August 26, 2022. Thereafter, she was appointed as the Compliance Officer of our Company with effect from March 30, 2023. She is an Associate of the Institute of Company Secretaries of India and has over 3 years of experience in the field of secretarial compliance. She received a compensation of ₹0.290 million in Fiscal 2025.

Mr. Rajiv Chopra is the Chief Financial Officer of our Company and has been associated with the Company since

May 14, 2009. He has completed his degree in Bachelors of Commerce from the Kurukshetra University. He has over 16 years of experience in the field of finance. His roles and responsibilities include leading finance and accounts department, managing Company's budgeting, forecasting and financial planning, handling all banking operations and overall implementation of sound financial policies. He received a compensation of ₹1.43 million in Fiscal 2025.

Senior Management

In addition to the Chief Financial Officer and our Company Secretary and Compliance Officer of our Company, whose details are provided in "*Our Management – Key Managerial Personnel*" on page 221, the details of our other Senior Management Personnel are set out below:

Kulpit Thakur is General Manager in the Department of Human Resources and Administration of our Company and has been associated with our Company since December 23, 2009, initially joining as a Timekeeper in the Department of Personnel and HR and was later appointed General Manager in the Department of Human Resources and Administration on September 01, 2021. He has completed his Master's Degree in Business Administration from Punjab Technical University, Jalandhar. He has over 15 years of experience in the field of Human Resources. He received a gross remuneration of ₹ 0.72 million in Fiscal 2025.

Mukesh Jain is the Deputy General Manager in the Department of Marketing (Yarn) of our Company and has been associated with our Company since March 15, 2016. He has completed his Diploma in Business Management from the Indian Institute of Management and Services. He has over 28 years of experience in the field of sales and marketing. He has received a gross remuneration of ₹ 1.36 million in Fiscal 2025.

Amitkumar Dubey is the Assistant General Manager in the Department of Weaving and Preparatory of our Company. He has been associated with our Company since March, 2010 as Manager Preparatory, till December 2011. He rejoined our Company as Assistant General Manager in the Department of Weaving and Preparatory on March 28, 2017. He has completed his Diploma in Handloom Technology from the Indian Institute of Handloom Technology. He has over 11 years of experience in the field of Textile. He has received a gross remuneration of ₹1.30 million in Fiscal 2025.

Ravinder Singh is the Assistant General Manager in the Department of Excise of our Company and has been associated with our Company since August 23, 2010, as Senior Officer in the Department of Excise and later was appointed as Assistant General Manager in the Department of Excise on April 01, 2023. He has completed his degree in Bachelor of Arts from Kurukshetra University. He also has completed his Masters in Business Administration from Sikkim Manipal University. He has over 22 years of experience in the Department of Excise and Dispatch.

Amrit Pal Singh is the Assistant General Manager in the Department of Store and Purchase of our Company and has been associated with our Company since April 04, 2013, as an Executive in the Department of Store and Purchase and later was appointed as Assistant General Manager in the Department of Store and Purchase on September 01, 2017. He has completed his Diploma in Material Management from All India Institute of Management Studies Chennai. He has over 12 years of experience in the Department of Store and Purchase. He has received a gross remuneration of ₹ 0.95 million in Fiscal 2025.

Service Contracts with Key Managerial Personnel and Senior Management Personnel

No Key Managerial Personnel and Senior Management has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Interest of Key Managerial Personnel and Senior Management Personnel

For details of the interest of our Managing Director and Whole-time Directors in our Company, see "*Our Management – Interest of Directors*" on page 221.

Other than to the extent of the remuneration, benefits, interest of receiving dividends on the Equity Shares, reimbursement of expenses incurred in the ordinary course of business, our Key Managerial Personnel and Senior Management Personnel have no other interest in the equity share capital of our Company.

No loans have been availed by our Key Managerial Personnel and Senior Management Personnel from our Company as on the date of this Draft Red Herring Prospectus.

Relationship amongst Key Managerial Personnel and Senior Management Personnel

Except as disclosed in the "*Our Management - Relationship between Directors and Key Managerial Personnel or Senior Management*", none of our Key Managerial Personnel and Senior Management Personnel are related to each other.

Arrangements and understanding with major Shareholders, customers, suppliers or others.

None of our Key Managerial Personnel and Senior Management Personnel have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Payment or benefit to officers of our Company (non-salary related)

No non-salary related amount or benefit has been paid or given to any officer of our Company including Key Managerial Personnel or Senior Management within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

Contingent and deferred compensation payable to our Key Managerial Personnel and Senior Management Personnel

There is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management Personnel.

Bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management Personnel

There is no bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management Personnel.

Status of Key Managerial Personnel and Senior Management Personnel

All our Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company.

Shareholding of Key Managerial Personnel and Senior Management Personnel

Except as stated below, none of our Key Managerial Personnel and Senior Managerial Personnel hold any Equity Shares of our Company, as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the KMP/SMP	No. of Shares held	Percentage
1.	Mr. Rajiv Chopra	100	Negligible

Changes in Key Managerial Personnel and Senior Management Personnel during the last three years

The changes in our Key Managerial Personnel and Senior Management Personnel during the last three years till the date of this Draft Red Herring Prospectus are set forth below.

Name of KMP/SMP	Date	Nature of Event	Reason
Manjeet Kharb	15-12-2022	Resignation	Unavoidable reasons
Tanvi Mahendru	30-03-2023	Appointment	-

Attrition of Key Managerial Personnel and Senior Management Personnel

The average attrition of Key Managerial Personnel and Senior Management Personnel is not high in our Company as compared to the industry.

Employee Stock Options and Stock Purchase Schemes

As on date of this Draft Red Herring Prospectus, our Company does not have any Employee Stock Options and other Equity-Based Employee Benefit Schemes

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

The Promoters of our Company are Mr. Akhil Satia, Mr. Shravan Sethi and Shiv Parivar Trust.

As on the date of this Draft Red Herring Prospectus, our Promoters' shareholding in our Company is as follows:

Name of the Promoter	No. of Equity Shares	% of pre-Issue issued, subscribed and paid-up Equity Share Capital
Mr. Akhil Satia	64,856,130	50.15%
Shiv Parivar Trust	49,770,400	38.49%
Mr. Shravan Sethi	Nil	Nil
Total	114,626,530	[•]

For further details, see “*Capital Structure – The aggregate shareholding of our Promoters and Promoter group*” on page 79.

Promoters

The details of our Promoters are as follows:

A. Details of our Individual Promoters

	Mr. Akhil Satia Mr. Akhil Satia, aged 43 years, is the Promoter and Managing Director of our Company. Permanent Account Number: ASGPS2205K For his complete profile along with the details of his date of birth, personal address, educational qualifications, experience in business or employment, positions/posts held in the past, other directorships held, special achievements, his business and financial activities, please see “<i>Our Management</i>” on page 221. Other ventures promoted: He is not involved in any other ventures.
	Mr. Shravan Sethi Mr. Shravan Sethi, aged 32 years is the Promoter of our Company. Permanent Account Number: DTUPS6388P Address: 10, Near Sukh Sagar Hospital, Maqbool road, Amritsar- 1, Amritsar G.P.O, Amritsar, Punjab- 143 001, India He holds a bachelor's degree in Business Administration from Amity University. He does not have any business related experience. Other Ventures promoter: Nil

Our Company confirms that the permanent account number, bank account number(s), passport number, Aadhar card number and driving license number, as applicable, for each Promoter shall be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

B. Details of our non- individual Promoter

Shiv Parivar Trust

(a) Trust Information

The trust was originally constituted as Anil Satia Trust pursuant to a trust deed dated March 25, 2015 and was subsequently renamed as Shiv Parivar Trust through a supplementary deed dated August 17, 2017. The primary office of Shiv Parivar Trust is located on the first floor, SCO 90-91-92, Sector 8-C, Chandigarh, India. Further, pursuant to a supplementary deed dated January 6, 2022, changes were made to the board of trustees, including the resignation of existing trustees and the appointment of new trustees. Subsequently, Ms. Deepti Arora resigned as trustee with effect from July 31, 2025, which was accepted by the board of trustees on August 27, 2025. As of date, the trust is managed and controlled by the remaining trustees, Mr. Mr. Akhil Satia and Mr. Mr. Shravan Sethi.

Shiv Parivar Trust's PAN number is AAETA7241D

(b) Board of Trustees

As on the date of this Draft Red Herring Prospectus, the Trustees of Shiv Parivar Trust are Mr. Akhil Satia and Mr. Shravan Sethi.

(c) Managing Trustee

Managing Trustees of the trust are Mr. Akhil Satia and Mr. Shravan Sethi.

(d) Beneficiaries of Shiv Parivar Trust

The beneficiaries Shiv Parivar Trust includes Sharanya Satia, Sifat Satia and Atharv Satia

(e) Settlor

The settlor of Shiv Parivar Trust is Anil Satia.

(f) Objects and Purpose

The overall objective of Shiv Parivar Trust is to establish a framework to maintain, protect, preserve such assets, for the interest and benefit of the beneficiaries, and to provide for, in a fair and transparent manner, the maintenance, income, welfare, expenses and other contingencies of the beneficiaries along with flexible succession planning.

Change in control of the Shiv Parivar Trust

Except stated below, there has been no change in control of the Shiv Parivar Trust in the three years immediately preceding the date of this Draft Red Herring Prospectus.

Person	Date of Resignation
Deepti Arora	July 31, 2025

Other ventures of our Promoters

Other than as disclosed in “— *Entities forming part of the Promoter Group*” and in “*Our Management*” on pages 221 and 221 of this Draft Red Herring Prospectus, our Promoters are not involved in any other ventures in the same line of business as our Company.

Change in control of our Company

There has been no change in the control of our Company in the five (5) years immediately preceding the date of this Draft Red Herring Prospectus. Mr. Shravan Sethi has been named as Promoter in accordance with Regulation 2(o) of ICDR Regulation 2018 and also due to his capacity to act as trustee in Shiv Parivar Trust.

Interest of our Promoters

(a) Interest in the promotion of our Company

Our Promoters are interested in our Company to the extent (a) that they are the promoters of our Company; (b) of their respective shareholding in our Company, the shareholding of their relatives and entities in which our Promoters are interested and which hold the Equity Shares, and the dividends payable upon such shareholding, if any; (c) any other distributions in respect of the Equity Shares held by them, their relatives or such entities, if any; (d) of being Directors and Key Managerial Personnel of our Company and the sitting fees / remuneration, benefits and reimbursement of expenses, payable to them as per the terms of their appointment as such, by our Company; and; (e) that our Company has undertaken transactions with them, or their relatives or entities in which our Promoters hold shares or have an interest. For details of the Promoters' shareholding in our Company, see section titled as "***Capital Structure – History of the share capital held by our Promoters and the members of our Promoter Group in our Company – Build-up of our Promoters' shareholding in our Company***" on page 79. For details of the interest of our Promoters as Directors of our Company, see "***Our Management – Interest of Directors***" and "***Restated Financial Information – Note [●] – Related Party Disclosures***" on pages 221 and 241, respectively.

(b) Interest in the property (including acquisition of land, construction of building and supply of machinery) of our Company

Except as disclosed in the chapter titled "Our Business - Properties" on page 174, 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 with respect to the acquisition of land, construction of building and supply of machinery

(c) Interest in our Company arising out of being a member of a firm or company

Our Promoters are not interested as a member of a firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce any of our Promoters to become, or qualify them as a director, or otherwise for services rendered by any of our Promoters or by such firm or company in connection with the promotion or formation of our Company.

(d) Interest in our Company other than as Promoter

Our Promoter are interested in our Company to the extent of their directorship (and consequently remuneration payable to them and reimbursement of expenses) in our Company and the dividends payable, if any, and any other distribution in respect of their respective shareholding in our Company or the shareholding of their relatives in our Company. For further details, please see sections titled "***Our Management***", "***Capital Structure***" and "***Restated Financial Information***" on pages 221, 79 and 241, respectively, our Promoters do not have any other interest in our Company.

(e) Other Interests in our Company

Our Promoter, Mr. Akhil Satia had given residential building and residential plot as collateral security towards financial facilities availed by our Company from some of its lenders, therefore, they are interested to the extent of the said guarantees. For further information, please see "***Financial Indebtedness***" and "***Restated Financial Information***" on pages 244 and 241, respectively.

Our Promoters, Mr. Akhil Satia and Shiv Parivar Trust, have given personal guarantees, towards financial facilities availed from the Bankers of our Company, therefore, they are interested to the extent of the said guarantees. Further, he has also extended unsecured loans and are therefore also interested to the extent of the said loans. For further information, see "***Financial Indebtedness***" on page 244 and "***Restated Financial Information***" on page 241.

Experience of our Promoter in the business of our Company

Our Promoter have adequate experience in the industry in which our Company conducts its business. For further details please see “*Our Management – Brief profiles of our directors*” on page 221.

Material Guarantees given by our Promoters

Our Promoters have not provided any material guarantee to any third party in respect of the Equity Shares as on the date of this Draft Red Herring Prospectus.

However, our Individual Promoters and certain members of our Promoter Group have extended personal guarantees in favour of the lenders in connection with the borrowings availed by our Company, including term loans, working capital facilities, cash credit facilities, and both funded and non-funded facilities such as letters of credit. For further details, please refer to “Financial Indebtedness” on pages 244.

These guarantees shall remain valid and enforceable until the underlying borrowings are fully repaid by our Company. In the event of any default by our Company in meeting its repayment obligations, the lenders shall have the right to invoke such personal guarantees. The financial liability of the guarantors may extend, inter alia, to the outstanding principal amount, along with accrued interest, default interest, penal charges, and any other costs, charges, or expenses incurred by the lenders.

For further details, please refer to the section titled “Risk Factors” on page 22.

Payment of Amounts or Benefits to the Promoters or Promoter Group During the last two years

Except in the ordinary course of business and as stated in the section titled “*Financial Information*” on page 241 there has been no payment of amounts or benefits to our Promoters or Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to our Promoters or members of our Promoter Group.

Except as set out below, none of our Promoter or natural persons forming part of the Promoter Group are persons appearing in the list of directors of struck-off companies by the respective Registrar of Companies or the MCA.

Persons	Struck-off Entities
Mr. Akhil Satia	T.C. Fabrics and Papers Limited

**Voluntary Strike-off*

Confirmations

As on the date of this Draft Red Herring Prospectus, our Promoter and members of our Promoter Group 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 jurisdiction or any other authority / court.

Our Promoter are not a promoter of any other company which is debarred from accessing the capital market by SEBI.

Our Promoter have not been identified as wilful defaulters or as fraudulent borrowers under the SEBI ICDR Regulations.

Our Promoter Group company, Satia Synthetics Limited, whose Managing Director and Promoter is Anil Satia, the father of Mr. Akhil Satia, had defaulted on certain loan obligations in the past, and our Promoter and Managing Director, Mr. Mr. Akhil Satia, along with Mr. Ankit Satia (a member of the Promoter Group and brother of Mr. Mr. Akhil Satia), had extended personal guarantees in connection therewith. Although such defaults have been resolved pursuant to a one-time settlement with an asset reconstruction company and no longer subsist as on the date of this Draft Red Herring Prospectus, any adverse developments in relation thereto, any violation of the terms and conditions of such one-time settlement, or any similar instances in the future may adversely affect our business, reputation, and financial condition.

Our Promoter have not been declared as fugitive economic offenders under section 12 of the Fugitive Economic Offenders Act, 2018, as amended.

Our Promoter and members of our Promoter Group are in compliance with the Companies (Significant Beneficial

Ownership) Rules, 2018, as amended, to the extent applicable to them, as on the date of this Draft Red Herring Prospectus.

None of our Promoters or Promoters Group or person in control of our Company has been refused listing of any of the securities issued by such entity by any Stock Exchange, in India or abroad.

Details of companies / firms from which our Promoters have disassociated

None of our Promoters have disassociated themselves from any other company or firms in the 3 (three) years preceding the date of this Draft Red Herring Prospectus.

Other Confirmations

Our Promoters 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 as on the date of filing of DRHP.

Further, there are no violations of securities laws committed by our Promoter and members of the Promoter Group in the past, and no proceedings for violation of securities laws are pending against them.

Our Promoters and members of our Promoter Group have not been debarred from accessing the capital market for any reasons by SEBI or any other regulatory or governmental authorities.

Our Promoters are not promoter or director of any other Company which is debarred from accessing capital markets.

Our Promoters are not interested in any other entity which holds any intellectual property rights that are used by our Company.

Our Promoters have not been declared as fugitive economic offender under section 12 of the Fugitive Economic Offender Act, 2018.

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 as a member, in cash or shares or otherwise by any person either to induce them to become or qualify them as a director or Promoters or otherwise for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Our Promoter Group

Persons constituting the Promoter Group (other than our Promoters) of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations 2018 are set out below:

Natural persons forming part of our Promoter Group (other than our Promoters):

Sr. No.	Name of Individuals	Relationships
Mr. Akhil Satia		
1.	Anil Satia ¹	Father
2.	Saloni Satia	Mother
3.	Ankit Satia ¹	Brother
4.	Sifat Satia (Minor)	Daughter
5.	Sharanya Satia (Minor)	Daughter
6.	Sabhyata Satia	Spouse
7.	Rajesh Mehra	Spouse Father
8.	Deepika Mehra	Spouse Mother
9.	Parinay Mehra	Spouse Brother
Mr. Shravan Sethi		
10.	Sanjeev Sethi	Father
11.	Leenu Sethi	Mother
12.	Kangan Ahuja	Sister
13.	Alaya Sethi (Minor)	Daughter

Sr. No.	Name of Individuals	Relationships
14.	Aishwarya Sethi	Spouse
15.	Bhawna Sajdeh	Spouse's mother
16.	Sumesh Sajdeh	Spouse's father
17.	Nishchay Sajdeh	Spouse's brother
Other Promoter Group		
18.	Atharav Satia (Minor)	Beneficiary of Shiv Parivar Trust

Entities forming part of our Promoter Group (other than the Promoters):

Sr. No.	Name of Entities	Nature
1.	Satia Synthetic Limited ¹	Company
2.	Aay Ess Reality Private Limited	Company
3.	TC Leasing & Investment LLP	Partnership
4.	Rajesh Mehra HUF	HUF

Note:1

Our Promoter Group company, Satia Synthetics Limited, whose Managing Director and Promoter is Anil Satia, the father of Mr. Akhil Satia, had defaulted on certain loan obligations in the past, and our Promoter and Managing Director, Mr. Akhil Satia, along with Mr. Ankit Satia (a member of the Promoter Group and brother of Mr. Akhil Satia), had extended personal guarantees in connection therewith. Although such defaults have been resolved pursuant to a one-time settlement with an asset reconstruction company and no longer subsist as on the date of this Draft Red Herring Prospectus, any adverse developments in relation thereto, any violation of the terms and conditions of such one-time settlement, or any similar instances in the future may adversely affect our business, reputation, and financial condition.

OUR GROUP COMPANIES

In accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“**SEBI ICDR Regulations**”) and applicable accounting standards, for the purpose of identification of ‘group companies’, our Company has considered:

- (i) the companies with which there were related party transactions, in accordance with Ind AS 24, during the period for which the Restated Financial Information has been disclosed in this Draft Red Herring Prospectus; and
- (ii) any other company as considered material by the Board pursuant to the materiality policy (“**Materiality Policy**”).

In relation to point (ii) above (in addition to the companies identified as “group company” under point (i) above), our Board, through its resolution dated July 26, 2025, has also considered such companies as material for classification as “group companies”, that are members of the Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, and have entered into one or more related party transactions during the last completed financial year and the stub period, if any, which individually or in the aggregate, exceed 10% of the total restated revenue from operations of our Company, for the most recent financial year, as included in the Issue Documents until the date of filing of the Issue Documents.

Based on the parameters outlined above, as on the date of this Draft Red Herring Prospectus, our Company does not have any group company (as defined under the SEBI ICDR Regulations and in terms of the Materiality Policy).

DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by the Board of Directors and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the Companies Act, 2013 together with the applicable rules notified thereunder and the SEBI Listing Regulations, as amended. Further the Board shall also have the absolute power to declare interim dividend in compliance with the Companies Act and the SEBI Listing Regulations. The dividend distribution policy of our Company was approved and adopted by our Board on July 26, 2025 (the "**Dividend Distribution Policy**").

The Dividend Distribution Policy provides that our Board may consider the following financial/internal parameters while declaring or recommending dividend to Shareholders: (i) financial performance including profits earned by the Company (standalone) during the financial year; (ii) available distributable reserves; (iii) cash balance and operating cash flows of the Company, (iv) earnings per share (EPS); (v) working capital requirements; (vi) capital expenditure requirement such as for business expansion, technological advancement, corporate restructuring including investments in subsidiaries, joint ventures and associates of the Company, if any; (vii) likelihood of crystalization of contingent liabilities, if any; (viii) upgradation of physical infrastructure; (ix) fund requirement for contingencies and unforeseen events with financial implications; (x) cost of borrowing; (xi) Past Dividend payout ratio / trends ; and (xii) any other factor as may be deemed fit by the Board.

Our Board may consider the following external parameters while declaring or recommending dividend to Shareholders: (i) economic conditions; (ii) financing costs; (iii) government regulations; (iv) global conditions; and (v) taxation policy of the Government.

Further, our Board may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

Retained earnings may be utilized by our Company for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board. Our Company may also, from time to time, pay interim dividends. For details in relation to risks involved in this regard, see "**Risk Factors – Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.**" on page 22.

We have not declared and paid any dividends on the Equity Shares in any of the three Fiscals preceding the date of this Draft Red Herring Prospectus and until the date of this Draft Red Herring Prospectus. Our dividend history is not necessarily indicative of our dividend amounts, if any, in the future.

SECTION V– FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

Particulars	Page no.
Restated Financial Information	F-1 to F-50

Independent Auditor's Examination Report on Restated Financial Information in connection with the Proposed Initial Public Offering of 'TC Terrytex Limited '

To,

**The Board of Directors
TC Terrytex Limited
Village Sarsini, Amb-Chd Highway, Lalru,
Punjab,
India, 140501**

Dear Sir's,

1. This report is issued in accordance with the terms of our engagement letter dated **25.08.2025**, with the Company.
2. We have examined the attached Restated financial information, expressed in Indian Rupees in **millions of TC Terrytex Limited** (hereinafter referred to as the "Company" or the "Issuer") comprising:
 - (a) the "Restated Statement of Assets and Liabilities" as at September 30, 2025, March 31, 2025, March 31, 2024, and March 31, 2023;
 - (b) the "Restated Statement of Profit and Loss" for the six months period September 30, 2025, and for the years ended March 31, 2025, March 31, 2024, and March 31, 2023;
 - (c) the "Restated Statement of Changes in Equity" for the six months period September 30, 2025, and for the years ended March 31, 2025, March 31, 2024, and March 31, 2023;
 - (d) the "Restated Statement of Cash Flows" for the six months period September 30, 2025, and for the years ended March 31, 2025, March 31, 2024, and March 31, 2023;
 - (e) the "Material accounting policies and Notes forming part of the Restated Financial Information" for the six months period September 30, 2025, and for the years ended March 31, 2025, March 31, 2024, and March 31, 2023;

and hereinafter together referred to as the "Restated financial information"), as approved by the Board of Directors of the Company at their meeting held on **28.03.2026** for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") and the Prospectus (the 'Prospectus') (hereinafter collectively referred to as "Offer Documents") prepared by the Company in connection with its

Proposed Initial Public Offering of Equity Shares of the Company (the “IPO” or “Issue”) in accordance with the requirements of:

- i. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”) as amended from time to time,
- ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
- iii. the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).

Management’s Responsibility for the Restated Financial Information

3. The preparation of the Restated Financial Information, for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India (“SEBI”), BSE Limited (“BSE”), National Stock Exchange of India Limited (“NSE”) (“Stock Exchanges”) and the Registrar of Companies, Chandigarh (“the ROC”) in connection with the Proposed IPO, is the responsibility of the Board of Directors of the Company. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2 to the Restated Financial Information. The responsibility of the respective Board of Directors of the entities includes designing, implementing and maintaining internal control relevant to the preparation and presentation of Restated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Company, comply with the Act, SEBI ICDR Regulations and the Guidance Note.
4. The Restated Financial Information, expressed in Indian Rupees in **millions** has been prepared by the Company’s Management from:
 - (a) The audited special purpose interim financial statements of the Company as at and for the six months period ended September 30, 2025 have been prepared in accordance with Indian Accounting Standard (Ind AS) 34, *Interim Financial Reporting*, specified under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on **28.03.2026**.
 - (b) The audited Financial Statements of the Company as at and for the years ended March 31, 2025 has been prepared in accordance with Indian Accounting Standard (Ind AS) 34; March 31, 2024 and March 31, 2023 were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with the Companies

(Accounting Standards) Rules, 2021 ("the Indian GAAP"), as applicable to the Company (the "Indian GAAP"), and other accounting principles generally accepted in India, which were audited by the previous auditors who expressed an unmodified opinion on those financial statements vide their report dated **30.08.2025**, **02.08.2024** and **04.09.2023** respectively.

- (c) The Restated Financial Information also contains the Ind AS financial information as at and for the six months period and years ended September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 which have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the years ended as stated above as described in Note 2 to the Restated Financial Information.

Auditor's Responsibilities

5. Our work has been carried out considering the concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting Restated Financial Information in accordance with the Guidance Note and other applicable authoritative pronouncements issued by the ICAI and pursuant to the requirements of Section 26 of the Act, and the SEBI ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the Issue. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. For the purpose of our examination, we have relied on:
- a. The special purpose auditors' report dated **28.03.2026**, issued by us on the special purpose interim financial statements of the Company as at and for the six months period ended September 30, 2025, as referred in Paragraph 4 (a) above;
 - b. Auditors' Report issued by previous auditor on the financial statements of the Company, as at and for the years ended March 31, 2025; March 31, 2024, and March 31, 2023, as referred in Paragraph 4 (b) above;

- c. Our responsibility in this engagement was limited to the restated financial information of the Company, for the period ended September 30, 2025, and for the years ended March 31, 2025, March 31, 2024, and March 31, 2023, as referred to in this report.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and other assurance and related services engagements.

Opinion

8. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the report submitted by the other auditors for the respective years, we report that the Restated Financial Information:
- a. have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regrouping /reclassifications to the Restated Financial Information (Restated Statement of Adjustments to Financial information) retrospectively as at and for the years ended March 31, 2025, March 31, 2024, and March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six months period ended September 30, 2025.
 - b. has been prepared after incorporating Ind AS adjustments to the audited Indian IGAAP financial statements as at and for the years ended March 31, 2025; March 31, 2024, and March 31, 2023.
 - c. has been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note;
 - d. There are no qualifications in the predecessor Auditor's report on the audited financial statements as at and for the year ended March 31, 2025, March 31, 2024, and March 31, 2023, that require any adjustments to the Restated Financial Information (Refer Annexure VII to the Restated Financial Information):
9. The Restated financial information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Financial Statements mentioned in paragraph 4 above.
10. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by other auditors on the financial statements of the Company, nor should this be construed as new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

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Haryana- 134113
Tel: +91-9876953443
E-mail: chandigarh@jmandal.com
Website :www.jmandal.com

J. MANDAL & CO.
Chartered Accountants

27, First Floor, Babar Lane
Bengali Market
New Delhi- 110001
Te.:+91-1 1-41416556
Fax :+91-1 1-41416557
E-mail:newdelhi@jmandal.com

Restriction on Use

12. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India, Stock Exchanges and Registrar of Companies, Chandigarh in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

J Mandal & Co LLP,
Chartered Accountants
ICAI Firm Registration
No: 302100E/ N500422

Place: Chandigarh
Date: 28.03.2026

Pushp Garg
Membership No.: 573222
UDIN No.: 26573222NZBUC03354

Gurgaon : Flat No. 203, New Shivalik, CGHS Plot No. 4, Sector-51, Gurgaon, Haryana - 122003
Noida : FM House A-9, Sector-9, Noida- 201301
Mumbai : Tulsiani Chambers, Office No. 417· 4th Floor, Free Press Journal Marg, Nariman Point, Mumbai – 400021
Ahmedabad : 203, Ahmedabad Chamber, 3rd Floor, Above Tex Under Bridge, Near Aakruti Building,
NR Stadium Circle, Nav Ranga Pura, Ahmedabad - 380009

T.C TERRYTEX LIMITED Annexure I- Statement of Assets and Liabilities <i>(Amount in INR millions, except for share data unless otherwise stated)</i>					
Particulars	Notes	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Assets					
(1) Non-current assets					
(a) Property, plant and equipment	3a	1,111.38	1,173.00	1,251.40	1,041.82
(b) Capital work-in-progress	3a	12.53	-	31.01	170.76
(c) Financial assets					
- Investments	4	19.74	18.76	16.84	17.19
- Other financial assets	5	48.08	80.59	87.92	79.76
(d) Other non-current assets	6	201.85	44.24	43.40	46.58
Total non-current assets		1,393.58	1,316.59	1,430.57	1,356.11
(2) Current assets					
(a) Inventories	7	1,803.69	1,861.32	1,732.04	1,655.10
(b) Financial assets					
(i) Trade receivables	8	1,212.27	1,101.65	1,085.41	1,031.99
(ii) Cash and cash equivalents	9	5.05	8.12	7.80	21.72
(iii) Bank balances other than (ii) above	10	76.95	179.16	26.48	19.32
(iv) Other financial assets	11	0.99	2.61	2.11	2.29
(c) Current Tax Asset (Net)	12	162.59	139.88	111.79	49.30
(d) Other current assets	13	650.76	254.94	310.40	296.60
Total current assets		3,912.30	3,547.68	3,276.03	3,076.32
Total assets		5,305.88	4,864.27	4,706.60	4,432.42
Equity and liabilities					
(1) Equity					
(a) Equity share capital	14	1,293.18	1,293.18	1,293.18	1,293.18
(b) Other equity	15	596.25	519.87	348.27	211.16
Total equity		1,889.43	1,813.05	1,641.45	1,504.34
(2) Liabilities					
Non-current liabilities					
(a) Financial liabilities					
- Borrowings	16	328.74	280.46	518.90	646.36
(b) Provisions	17	52.53	46.73	42.80	37.51
(c) Deferred tax liabilities (net)	30	56.78	49.04	38.00	24.77
(d) Other non-current liabilities	18	3.00	3.52	2.25	3.09
Total non-current liabilities		441.05	379.74	601.95	711.73
(3) Current liabilities					
(a) Financial liabilities					
(i) Borrowings	16	1,265.74	1,471.54	1,417.10	1,397.54
(ii) Trade payables	19				
-total outstanding dues of micro and small enterprises		58.85	33.76	30.93	23.75
-total outstanding dues of creditors other than micro and small enterprises		879.66	795.72	670.18	435.88
(iii) other financial liability	20	543.43	222.50	225.95	223.06
(b) Other current liabilities	21	167.25	69.19	64.39	95.33
(c) Provisions	17	60.46	78.76	54.65	40.79
Total current liabilities		2,975.40	2,671.48	2,463.20	2,216.35
Total liabilities		3,416.45	3,051.22	3,065.15	2,928.08
Total equity and liabilities		5,305.88	4,864.27	4,706.60	4,432.42
The above Annexure should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Financial Information appearing in Annexure VI As per our report of even date attached. For J MANDAL & CO LLP Chartered Accountants FRN 302100E/N500422 (CA PUSHP GARG) Partner M No. 573222 Place: Panchkula Date: 28.03.2026 UDIN: 26573222NZBUCO3354					
For and on behalf of Board of Directors of T.C TERRYTEX LIMITED AKHIL SATIA (MANAGING DIRECTOR) DIN -01138038 PARMINDER SINGH BARNALA (WHOLE TIME DIRECTOR) DIN - 10578371 RAJIV CHOPRA (CFO) TANVI MAHENDRU (CS)					
F-6					

T.C TERRYTEX LIMITED Annexure II- Statement of Profit and Loss <i>(Amount in INR millions, except for share data unless otherwise stated)</i>					
Particulars	Notes	For the period ended 30 Sep 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
I Revenue from operations	22	3,245.79	6,734.80	6,544.22	5,441.31
II Other income	23	3.24	6.07	27.32	3.94
III Total income (I + II)		3,249.03	6,740.87	6,571.54	5,445.25
IV Expenses					
Cost of materials consumed	24	2,043.28	4,622.01	4,595.92	3,642.25
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(4.00)	(101.29)	(41.99)	(18.96)
Employee benefits expense	26	218.99	440.55	381.97	356.13
Finance costs	27	115.24	246.32	242.14	248.17
Depreciation and amortization expense	28	57.42	119.81	110.82	108.40
Other expenses	29	715.53	1,183.12	1,104.69	1,009.53
Total expenses (IV)		3,146.45	6,510.51	6,393.54	5,345.52
V Profit before tax (III-IV)		102.58	230.36	178.00	99.73
VI Tax expense:					
(i) Current tax (previous year)	30	-	13.26	1.69	0.58
(ii) Current tax		16.11	62.37	42.09	30.79
(ii) Deferred tax charge		7.74	(15.28)	(0.18)	(21.91)
(iv) MAT Credit				-	-
Total tax expense		23.85	60.34	43.60	9.45
VII Profit for the period/year (V-VI)		78.73	170.01	134.40	90.28
VIII Other comprehensive income/(loss)					
<i>Items that will not be reclassified to profit or loss</i>					
Remeasurement of defined benefit obligation		(2.35)	1.59	2.72	3.73
Income tax relating to items that will not be reclassified to profit or loss		-	-	-	-
Total other comprehensive (loss)/income for the		(2.35)	1.59	2.72	3.73
IX Total comprehensive income for the period/year (VII+VIII)		76.37	171.60	137.11	94.00
Earnings per equity share (not annualized for period ended September 2025)					
Basic and diluted [nominal value of INR 10 per share]	31	0.61	1.31	1.04	0.70
The above Annexure should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Financial Information appearing in Annexure VI As per our report of even date attached. For J MANDAL & CO LLP Chartered Accountants FRN 302100E/N500422 (CA PUSHP GARG) Partner M No. 573222 Place: Panchkula Date: 28.03.2026 UDIN: 26573222NZBUCO3354 For and on behalf of Board of Directors of T.C TERRYTEX LIMITED AKHIL SATIA (MANAGING DIRECTOR) DIN -01138038 PARMINDER SINGH BARNALA (WHOLE TIME DIRECTOR) DIN - 10578371 RAJIV CHOPRA (CFO) TANVI MAHENDRU (CS) Place: Sarsini					

(Amount in INR millions, except for share data unless otherwise stated)

Place: Panchkula
Date: 28.03.2026
UDIN: 26573222NZBUC03354

T.C TERRYTEX LIMITED
Annexure IV-Statement of Changes in Equity
(Amount in INR millions, except for share data unless otherwise stated)
A Equity share capital

Particulars	As at 31 March 2023	
	Number of shares	Amount
Balance at the beginning of the reporting period / year	12,93,18,280	1,293.18
Changes in equity share capital due to prior period errors	-	-
Balance at the beginning of the reporting period/year	12,93,18,280	1,293.18
Changes in equity share capital during the current period/year		
Balance at the end of the reporting period / year	12,93,18,280	1,293.18
Particulars	As at 31 March 2024	
	Number of shares	Amount
Balance at the beginning of the reporting period / year	12,93,18,280	1,293.18
Changes in equity share capital due to prior period errors	-	-
Balance at the beginning of the reporting period/year	12,93,18,280	1,293.18
Changes in equity share capital during the current period/year		
Balance at the end of the reporting period / year	12,93,18,280	1,293.18
Particulars	As at 31 March 2025	
	Number of shares	Amount
Balance at the beginning of the reporting period / year	12,93,18,280	1,293.18
Changes in equity share capital due to prior period errors	-	-
Balance at the beginning of the reporting period/year	12,93,18,280	1,293.18
Changes in equity share capital during the current period/year		
Balance at the end of the reporting period / year	12,93,18,280	1,293.18
Particulars	As at 30 Sep 2025	
	Number of shares	Amount
Balance at the beginning of the reporting period / year	12,93,18,280	1,293.18
Changes in equity share capital due to prior period errors	-	-
Balance at the beginning of the reporting period/year	12,93,18,280	1,293.18
Changes in equity share capital during the current period/year		
Balance at the end of the reporting period / year	12,93,18,280	1,293.18

B Other equity (refer note 15)

Particulars	Capital reserve	Reserves and surplus Retained earnings	Total
Balance as at 1 April 2022	-	117.15	117.15
<i>Total comprehensive income for the year</i>			
Add : Profit for the period	-	90.28	90.28
Add : Other comprehensive (loss) (net of tax) for the period	-	3.73	3.73
Total comprehensive income for the period	-	94.00	94.00
Balance as at 31 March 2023	-	211.16	211.16
Balance as at 1 April 2023	-	211.16	211.16
<i>Total comprehensive income for the year</i>			
Add : Profit for the period	-	134.40	134.40
Add : Other comprehensive (loss) (net of tax) for the period	-	2.72	2.72
Total comprehensive income for the period	-	137.11	137.11
Balance as at 31 March 2024	-	348.27	348.27
Balance as at 1 April 2024	-	348.27	348.27
<i>Total comprehensive income for the year</i>			
Add : Profit for the period	-	170.01	170.01
Add : Other comprehensive (loss) (net of tax) for the period	-	1.59	1.59
Total comprehensive income for the period	-	171.60	171.60
Balance as at 31 March 2025	-	519.87	519.87
Balance as at 1 April 2025	-	519.87	519.87
<i>Total comprehensive income for the year</i>			
Add : Profit for the period	-	78.73	78.73
Add : Other comprehensive (loss) (net of tax) for the period	-	(2.35)	(2.35)
Total comprehensive income for the period	-	76.37	76.37
Balance as at 30 Sep 2025	-	596.25	596.25

The above Annexure should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Financial Information appearing in Annexure VI

As per our report of even date attached

For J MANDAL & CO LLP
Chartered Accountants
FRN 302100E/N500422

For and on behalf of Board of Directors of
T.C TERRYTEX LIMITED

(CA PUSH P GARG)

Partner
M No. 573222

AKHIL SATIA
(MANAGING DIRECTOR)
DIN -01138038

PARMINDER SINGH BARNALA
(WHOLE TIME DIRECTOR)
DIN - 10578371

RAJIV CHOPRA
(CFO)

TANVI MAHENDRU
(CS)

Place: Panckula
Date: 28.03.2026
UDIN: 26573222NZBUCO3354

Place: Sarsini

T.C TERRYTEX LIMITED

Annexure V-Accounting Policy

Notes forming part of the Restated Financial Statements

(Amount in INR millions, except for share data unless otherwise stated)

1 COMPANY INFORMATION

T.C TERRYTEX LIMITED (herein after referred to as the "the Company") is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act, 2013. The registered office of the company is located at Village Sarsini, near Lalru, Tehsil Dera Bassi, District SAS Nagar, Punjab, India, 140501. The Company is primarily engaged in manufacturing of wide range of high quality terry towelling products.

2 Statement of compliance

The Financial Statements are prepared in accordance with the Indian Accounting Standards (referred to as Ind AS) notified under the section 133 of the Act ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, considering other relevant provisions of the Act.

3 SIGNIFICANT ACCOUNTING POLICIES

a Basis of Preparation

The Restated Financial Information relates to the Company has been approved by the Board of Directors and has been specifically prepared for inclusion in the Draft Red Herring Prospectus ('DRHP') to be filed with the Securities and Exchange Board of India ('SEBI') in connection with the proposed Initial Public Offer ('IPO') equity shares of the Company (referred to as the 'Issue').

The Restated Financial Information comprises of the Restated Statement of Assets & Liabilities of the Company as at September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, the related Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Cash Flows and the Restated Statement of Changes in Equity for each of the period/ years ended September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, and the summary of Material Accounting Policies and explanatory notes ("Restated Financial Information").

These Restated Financial Information have been prepared by the Company to comply in all material respects with the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act").
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
- c) The Guidance Note on Reports in Group Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the "Guidance Note").

In accordance with the general directions issued by the SEBI dated 28 October 2021 to Association of Investment Bankers of India, lead managers to ensure that companies provide Restated Financial Information prepared in accordance with Indian Accounting Standards (Ind-AS) for all the three years (hereinafter referred to as the "the SEBI e-mail") for submission to SEBI. The Statutory Indian GAAP Financial Statements for the year ended March 31, 2024 and March 31, 2023 have been adjusted after making suitable adjustments to the accounting heads from their Indian GAAP values for the differences in the accounting principles on transition to Ind AS, as per the requirements of Ind AS 101, First-time Adoption of the Indian Accounting Standards with the transition date of 01 April 2022 for the purpose of submission to SEBI.

The Restated Financial Information has been prepared so as to contain information/disclosures and incorporating adjustments set out below in accordance with the SEBI ICDR Regulations:

- a) Adjustments to the profits or losses of the earlier periods and of the period in which the change in the accounting policy has taken place is recomputed to reflect what the profits or losses of those periods would have been if a uniform accounting policy was followed in each of these periods, if any;
- b) Adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financial statements of the Company and the requirements of the SEBI ICDR Regulations, if any; and
- c) The resultant impact of tax due to the aforesaid adjustments, if any.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Amounts in the Restated Financial Information are presented in Indian Rupees rounded to millions [10 lakhs = 1 million] as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees.

b Use of estimates

The preparation of these Financial Statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions in application of accounting policies that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of Financial Statements and reported amounts of income and expenses for the periods presented. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised, and future periods are affected.

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Significant estimates and critical judgement in applying these accounting policies are described below:

(i) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(ii) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(iii) Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

(iv) Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are recognised when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

c Property, Plant and Equipment

Under the previous GAAP, property, plant and equipment were carried at historical cost less depreciation and impairment losses, if any. On transition to Ind AS, the Company has availed the optional exemption under Ind AS 101 and accordingly it has used the carrying value as at the date of transitions as the deemed cost of the property, plant & equipment under Ind AS.

Property plant and equipment are stated at their cost of acquisition. Cost of an item of property, plant and equipment includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and the present value of the expected cost for the dismantling/decommissioning of the asset.

Parts (major components) of an item of property, plant and equipment having different useful lives are accounted as separate items of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

Capital work-in-progress comprises of cost incurred on property, plant and equipment under construction / acquisition that are not yet ready for their intended use at the Balance Sheet Date. Advances paid towards the acquisition of PPE outstanding at each reporting date is classified as Capital Advances under "Other Non-Current Assets" and assets which are not ready for intended use as on the date of Financial Statements are disclosed as "Capital Work in Progress".

Depreciation on the property, plant and equipment (other than capital work in progress) is provided on a written down value method (WDV) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013 or useful lives as determined based on internal technical evaluation.

Depreciation methods, useful lives and residual values, determined based on internal technical evaluation are reviewed at each financial year end and adjusted prospectively.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is de-recognized.

d Leases

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

Lease deposits given are a financial asset and are measured at amortised cost under Ind AS 109 since it satisfies Solely Payment of Principal and Interest (SPPI) condition. The difference between the present value and the nominal value of deposit is considered as Right of Use Asset and depreciated over the lease term. Unwinding of discount is treated as finance income and recognized in the Statement of Profit and Loss.

e Impairment

At the end of each reporting period, the Company assesses, whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs of disposal and value in use.

f Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial Assets

Initial recognition and measurement

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

Classifications

The Company classifies its financial assets as subsequently measured at either amortised cost or fair value through other comprehensive income (FVOCI) or fair value through Profit and Loss Account (FVTPL) on the basis of either Company's business model for managing the financial assets or Contractual cash flow characteristics of the financial assets.

Business Model Assessment

The company makes an assessment of the objective of a business model in which an asset is held at an instrument level because this best reflects the way the business is managed and information is provided to management.

Debt instruments at amortised cost

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- It is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit or Loss (FVTPL). Interest income is recognized in profit or loss and is included in the "Other income" line item.

However, the Company's borrowings have been measured at the transaction value and not using the Effective Interest Rate (EIR) method as prescribed under Ind AS 109, since the processing charges and transaction costs incurred were immaterial. In applying Ind AS 1, the Company considered the concept of materiality (paragraph 7) and concluded that the omission of amortisation of such insignificant costs does not influence the economic decisions of users of the financial statements. Further, in line with paragraph 30A, the Company has disclosed the relevant terms and conditions of its borrowings to the extent necessary for users to understand their nature and financial impact, and determined that the immaterial charges do not affect this understanding. The classification and measurement approach also reflects the Company's judgement as required by paragraph 31 of Ind AS 1, wherein management has assessed that the application of the EIR method in this context would not result in a materially different outcome and is therefore not warranted. Accordingly, the borrowings have been presented at the gross amount disbursed without amortising the transaction costs.

Debt instrument at fair value through Other Comprehensive Income (FVOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument or a financial guarantee. Dividends on these investments in equity instruments are recognized in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognized in profit or loss are included in the 'Other income' line item.

Debt instrument at fair value through profit and loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognized when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Derecognition of financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g., when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

Impairment of financial assets

The Company has evaluated its trade receivables for impairment in accordance with the simplified approach prescribed under Ind AS 109 – Financial Instruments, which requires the recognition of Expected Credit Losses (ECL) on all trade receivables.

Based on the nature of its customer base and historical experience, the Company has no significant record of defaults on trade receivables. Accordingly, the Company has not created a detailed ECL matrix or model for all receivables.

However, in accordance with the principles of prudence and considering the Company's normal operating cycle of 12 months, management has applied a 100% provision on trade receivables outstanding for more than one year from the due date, as these are considered to carry a higher credit risk.

All other receivables are considered to be of low credit risk, and no material impairment has been recognized on those balances.

Financial liabilities**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Financial guarantee contracts

Financial guarantee contract issued by the Company is contracts that require a payment to be made to reimburse the holder for a loss it incurs because, the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109, and the transaction amount recognised less cumulative amortisation.

Derecognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognized and the consideration paid and payable is recognized in statement of profit or loss

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

g Investments

Investment property is a property held to earn rentals and capital appreciation. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured in accordance with Ind AS 16's requirements for cost model.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

h Revenue recognition

- (a) Revenue from operations:
- (a) Interest income
- (a) Other income
- (a) Variable Consideration

In assessing whether it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur once the uncertainty related to the variable consideration is subsequently resolved, an entity shall consider both the likelihood and the magnitude of the revenue reversal. Factors that could increase the likelihood or the magnitude of a revenue reversal include, but are not limited to, any of the following:

- (a) the amount of consideration is highly susceptible to factors outside the entity's influence. Those factors may include volatility in a market, the judgement or actions of third parties, weather conditions and a high risk of obsolescence of the promised good or service.
- (b) the uncertainty about the amount of consideration is not expected to be resolved for a long period of time.
- (c) the entity's experience (or other evidence) with similar types of contracts is limited, or that experience (or other evidence) has limited predictive value.
- (d) the entity has a practice of either offering a broad range of price concessions or changing the payment terms and conditions of similar contracts in similar circumstances.
- (e) the contract has a large number and broad range of possible consideration amounts

At the end of each reporting period, an entity shall update the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period. The entity shall account for changes in the transaction price in accordance

i Employee Benefits

(i) Post-employment benefit plans

The Company has defined benefit plans comprising of gratuity and other long-term benefits in the form of leave benefits. Company's obligation towards gratuity liability is unfunded. The present value of the defined benefit obligations and other long term employee benefits is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

For gratuity plan, re-measurements comprising of (a) actuarial gains and losses, (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and (c) the return on plan assets (excluding amounts included in net interest on the post-employment benefits liability) are recognized immediately in the balance sheet with a corresponding debit or credit to the other comprehensive income in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

Defined contribution plan

Gains or losses on the curtailment or settlement of defined benefit plan are recognized when the curtailment or settlement occurs. Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions for employee benefit plan [other than gratuity] are recognized immediately in the Statement of Profit and Loss as income or expense. In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

(ii) Other employee benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the period in which the employee renders the related service.

(iii) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Accumulated compensated absences which are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are treated as short-term benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. The company has following defined contribution plans:

(i) Provident fund

The Company makes specified monthly contributions towards Provident Fund and Employees State Insurance Corporation ('ESIC'). The contribution is recognized as an expense in the Statement of Profit and Loss during the period in which employee renders the related service.

Defined benefit plans

The company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs

The company has following defined benefit plans:

Gratuity

The company provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary. The defined benefit obligation as reduced by fair value of plan assets is recognized in the Balance Sheet. Remeasurements are recognized in the Other Comprehensive Income, net of tax in the year in which they arise.

(iv) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

j Taxation

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e., in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year and any adjustments to the tax payable or receivable in respect of previous years as determined in accordance with the provisions of the Income Tax Act, 1961 that have been enacted or subsequently enacted at the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, and deferred tax assets are recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. In situations where the Company has unused tax losses and unused tax credits, deferred tax assets are recognized only if it is probable that they can be utilized against future taxable profits.

Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each Balance Sheet date. At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognises previously unrecognized deferred tax assets to the extent that it has become probable that future taxable profit allows deferred tax assets to be recovered.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

k Foreign currency transactions

Transactions in foreign currencies are initially recorded by the Company in its functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange difference that arises on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they arise. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI, or the statement of profit and loss are also recognized in OCI or the statement of profit and loss, respectively).

l Inventories

Inventories consists of stock of trading goods and goods in transit. The stock of finished goods are valued at lower of cost and net realizable value.

The cost of inventory is determined using Weighted average cost and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The stock of 'Goods in transit' are valued at cost.

m Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

n Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term and highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

o Earnings per share

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

T.C TERRYTEX LIMITED
Annexure VI-Notes to Financial Information
(Amount in INR millions, except for share data unless otherwise stated)
Note 3a - Property, Plant and equipment
Gross carrying amount

Particulars	Freehold land	Building	Plant and equipment	Lab Equipments	Electrical equipments and installation	Vehicles	Furniture and fixtures	Office equipment	Computer and printer	Total	Building under Construction	Capital work-in-progress
Balance as at 01 April 2022	89.92	463.47	2,088.02	-	43.32	29.10	15.07	1.94	12.36	2,743.21	17.65	110.15
Additions	-	17.56	64.15	-	-	6.43	-	-	0.05	88.19	38.88	58.98
Acquisition of business on account of slump sale	-	-	-	-	-	-	-	-	-	-	-	-
Disposals*	-	-	(3.65)	-	-	(9.02)	-	-	-	(12.67)	(13.54)	(41.36)
Balance as at 31 March 2023	89.92	481.03	2,148.52	-	43.32	26.50	15.07	1.94	12.42	2,818.72	42.99	127.77
Balance as at 01 April 2023	89.92	481.03	2,148.52	-	43.32	26.50	15.07	1.94	12.42	2,818.72	42.99	127.77
Additions	-	55.61	247.19	-	-	18.19	-	-	0.23	321.22	9.48	85.75
Acquisition of business on account of slump sale	-	-	-	-	-	-	-	-	-	-	-	-
Disposals*	-	-	-	-	-	(1.77)	-	-	-	(1.77)	(52.47)	(182.51)
Balance as at 31 March 2024	89.92	536.63	2,395.71	-	43.32	42.93	15.07	1.94	12.65	3,138.17	-	31.01
Balance as at 01 April 2024	89.92	536.63	2,395.71	-	43.32	42.93	15.07	1.94	12.65	3,138.17	-	31.01
Additions	-	19.68	42.93	-	-	1.13	-	-	-	63.75	-	-
Acquisition of business on account of slump sale	-	-	-	-	-	-	-	-	-	-	-	-
Disposals*	-	-	(22.34)	-	-	-	-	-	-	(22.34)	-	(31.01)
Balance as at 31 March 2025	89.92	556.32	2,416.30	-	43.32	44.06	15.07	1.94	12.65	3,179.58	-	-
Additions	-	-	-	-	-	9.80	-	-	-	9.80	5.13	7.40
Acquisition of business on account of slump sale	-	-	-	-	-	-	-	-	-	-	-	-
Disposals*	-	-	(14.00)	-	-	-	-	-	-	(14.00)	-	-
Balance as at 30 Sep 2025	89.92	556.32	2,402.30	-	43.32	53.86	15.07	1.94	12.65	3,175.38	5.13	7.40

* The disposal recorded in Plant & Machinery represents the adjustment of capital subsidy received

Accumulated depreciation

Balance as at 01 April 2022	-	150.70	1,449.15	-	40.42	9.69	11.14	1.69	11.18	1,673.98	-	-
Depreciation for the year	-	14.75	88.33	-	0.48	3.16	1.33	0.04	0.32	108.40	-	-
Acquisition of business on account of slump sale	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	(5.48)	-	-	-	(5.48)	-	-
Balance as at 31 March 2023	-	165.45	1,537.48	-	40.90	7.37	12.47	1.73	11.49	1,776.90	-	-
Balance as at 01 April 2023	-	165.45	1,537.48	-	40.90	7.37	12.47	1.73	11.49	1,776.90	-	-
Depreciation for the year	-	15.18	90.47	-	0.48	3.97	0.37	0.03	0.32	110.82	-	-
Acquisition of business on account of slump sale	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	(0.95)	-	-	-	(0.95)	-	-
Balance as at 31 March 2024	-	180.63	1,627.95	-	41.38	10.40	12.84	1.77	11.81	1,886.77	-	-
Balance as at 01 April 2024	-	180.63	1,627.95	-	41.38	10.40	12.84	1.77	11.81	1,886.77	-	-
Depreciation for the year	-	16.91	96.31	-	0.48	5.65	0.33	0.03	0.10	119.8	-	-
Acquisition of business on account of slump sale	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2025	-	197.54	1,724.26	-	41.86	16.05	13.17	1.80	11.91	2,006.58	-	-
Balance as at 01 April 2025	-	197.54	1,724.26	-	41.86	16.05	13.17	1.80	11.91	2,006.58	-	-
Depreciation for the period	-	8.79	46.77	-	0.24	1.44	0.12	0.02	0.05	57.4	-	-
Acquisition of business on account of slump sale	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30 Sep 2025	-	206.33	1,771.03	-	42.10	17.48	13.30	1.81	11.95	2,064.00	-	-

Carrying amounts (net)

As at 31 March 2023	89.92	315.58	611.04	-	2.42	19.13	2.60	0.20	0.92	1,041.82	42.99	127.77
As at 31 March 2024	89.92	356.01	767.76	-	1.94	32.53	2.23	0.17	0.84	1,251.40	-	31.01
As at 31 March 2025	89.92	358.78	692.04	-	1.47	28.01	1.90	0.14	0.74	1,173.00	-	-
As at 30 Sep 2025	89.92	349.99	631.27	-	1.23	36.38	1.78	0.12	0.70	1,111.38	5.13	7.40

Represents capital work in progress capitalised during the respective period/years.

Depreciation on Property, Plant, and Equipment (PPE) is provided on the Written Down Value (WDV) Method over the useful life of the asset as specified in Schedule II to the Companies Act, 2013. In determining the depreciable value of the assets, the Company has retained the residual value at 5% of the capitalized value of the assets. The useful life of the assets is as tabulated below:

Category	Useful life
Buildings	30 Years
Plant & Machinery	15 Years
Electrical Equipment	10 Years
Vehicles	10 Years
Furniture & Fixtures	10 Years
Computer	3 Years
Office Equipment	5 Years

Notes:

- The Company has elected Ind AS 101 exemption to continue with the carrying value for all of its property, plant and equipment at deemed cost as at the date of transition.
- Refer note 18 for information on property, plant and equipment pledged as security by the Company.
- Refer note 42(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- The Company does not have any Immovable Property whose title deeds are not held in the name of the Company.
- The Company has also taken certain premises Flat no 602 6th Floor at Kailash Building 26,K.G. Marg., New Delhi -110001(used as guest house)and first floor of house no C -47 Neeti Bagh, New Delhi,lease with contract terms within one year. These leases are short-term. The Company has elected not to recognize right-of-use-assets and lease liabilities for these leases. The expenses relating to short-term leases for which the recognition exemption has been applied have been charged to the Statement of Profit and Loss on straight line basis.

T.C TERRYTEX LIMITED**Annexure VI-Notes to Financial Information**

(Amount in INR millions, except for share data unless otherwise stated)

f. The Company has capitalized the following expenses to the cost of property, plant and equipment / capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of these amounts:

Particulars	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Employee benefits expense	-	-	14.45	-
Finance costs	-	-	16.51	-
Other expenses	-	-	-	-
Total	-	-	30.96	-

g. Capital work in progress (CWIP) ageing schedule:

Particulars	Amount in CWIP for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
Projects in progress as at 31 March 2023	97.86	72.90	-	-	170.76
Projects in progress as at 31 March 2024	31.01	-	-	-	31.01
Projects in progress as at 31 March 2025	-	-	-	-	-
Projects in progress as at 30 Sep 2025	12.53	-	-	-	12.53

Note:

a. There are no intangible assets owned by the company

T.C TERRYTEX LIMITED
Annexure VI-Notes to Financial Information

(Amount in INR millions, except for share data unless otherwise stated)

Note 4: Investments

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Non-current investments				
Investments in Mutual Funds				
UBI KBC Mutual Funds	13.47	12.72	11.27	11.98
Union Corporate Bond Fund	6.27	6.04	5.58	5.21
<i>The Company classifies its investments at Fair Value through Profit or Loss (FVTPL)</i>				
	19.74	18.76	16.84	17.19

Note 5 -Other non-current financial asset

(unsecured considered good, unless otherwise stated)

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Security deposit	23.40	23.71	23.85	23.85
Balance with banks-deposits accounts with original maturity more than 12 months #	24.68	56.88	64.07	55.91
	48.08	80.59	87.92	79.76

The above mentioned deposit has been made with State Bank of Ludhiana against the land worth Rs. 232 Millions

Break-up of security details

Security deposit considered good - unsecured*

	23.40	23.71	23.85	23.85
Total	23.40	23.71	23.85	23.85

Sr. No.	Particulars	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
1	Punjab State Electricity Board (PSPCL)	22.58	22.58	22.58	22.58
2	Deposits against service tax appeals	0.82	0.82	0.82	0.82
3	Deposits with NSDL & CDSL	-	0.32	0.32	0.32
4	Other Misc. Deposits	-	-	0.14	0.14
	Total	23.40	23.71	23.85	23.85

Deposits with Punjab State Power Corporation Limited have indefinite tenure and due to absence of a significant financing component, along with practical limitations in reliably estimating fair value, such deposits are carried at cost by the Company, which approximates fair value. The Company has assessed the impact of discounting other deposits under Ind AS 109 and concluded that the effect is not material. Accordingly, the carrying amount approximates fair value.

Note 6 - Other non-current assets

(unsecured considered good, unless otherwise stated)

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Capital Advances	200.35	42.74	43.40	46.59
PRE IPO EXPENSE	1.50	1.50		
	201.85	44.24	43.40	46.58

T.C TERRYTEX LIMITED
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(Amount in INR millions, except for share data unless otherwise stated)

Note 7 - Inventories

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Raw materials	358.30	418.98	387.01	368.53
Stores and spares	9.30	9.61	12.70	9.84
Dyes & Chemicals	68.00	68.51	71.53	64.61
Scrap Stock	6.29	6.21	1.24	1.29
Husk	17.32	16.83	16.10	14.10
Work-in-progress	567.90	516.39	470.51	472.31
Finished goods	746.78	794.29	735.32	691.88
Waste stock	-	-	3.56	3.21
Packing material	29.80	30.50	34.07	29.33
	1,803.69	1,861.32	1,732.04	1,655.10

- Inventories are carried at the lower of cost or net realisable value and includes goods-in-transit.

- The cost of inventory is determined using Weighted average cost and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

- Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Note 8 - Trade receivables

(unsecured considered good, unless otherwise stated)

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Trade receivables	1212.46	1,102.07	1,085.64	1,032.04
Less: Provision for doubtful debt	0.19	0.42	0.23	0.05
	1,212.27	1,101.65	1,085.41	1,031.99

Break-up:

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Trade receivables considered good - secured				
Trade receivables considered good - unsecured	1,212.46	1,102.07	1,085.64	1,032.04
Trade receivables which have significant increase in credit risk				
Trade receivables - credit impaired				
	1,212.46	1,102.07	1,085.64	1,032.04
Less: expected credit loss allowance				
- Trade receivables considered good - secured				
- Trade receivables considered good - unsecured	(0.19)	(0.42)	(0.23)	(0.05)
- Trade receivables which have significant increase in credit risk				
- Trade receivables - credit impaired				
Total trade receivables	1,212.27	1,101.65	1,085.41	1,031.99

Movement in Provision for doubtful debt

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the period/year	0.42	0.23	0.05	0.17
Additions during the year	-0.23	0.19	0.18	-0.12
Balance at the end of the year	0.19	0.42	0.23	0.05

Trade receivable aging:

	Outstanding for following periods from due date of payment							Gross trade receivables	Provision	Net trade receivables
	Unbilled revenue	Not Due	< 6 months	6 months to 1 year	1 year to 2 years	2 year to 3 years	> 3 years			
<i>As at 31 March 2023</i>										
Undisputed trade receivable - considered good	-	-	1,026.84	5.15	0.05	-	-	1,032.04	0.05	1,031.99
Undisputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	-	-	1,026.84	5.15	0.05	-	-	1,032.04	0.05	1,031.99

T.C TERRYTEX LIMITED
Annexure VI-Notes to Financial Information
(Amount in INR millions, except for share data unless otherwise stated)

As at 31 March 2024

Undisputed trade receivable - considered good	-	-	1,067.06	18.36	0.20	0.03	-	1,085.64	0.23	1,085.41
Undisputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	-	-	1,067.06	18.36	0.20	0.03	-	1,085.64	0.23	1,085.41

As at 31 March 2025

Undisputed trade receivable - considered good	-	-	1084.72	16.94	0.36	0.06	-	1,102.07	0.42	1,101.65
Undisputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	-	-	1,084.72	16.94	0.36	0.06	-	1,102.07	0.42	1,101.65

As at 30 Sep 2025

Undisputed trade receivable - considered good	-	-	1,204.79	7.48	0.19	-	-	1,212.46	0.19	1,212.27
Undisputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	-	-	1,204.79	7.48	0.19	-	-	1,212.46	0.19	1,212.27

Note 9- Cash and cash equivalents

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Balances with bank:				
- In current accounts	0.14	0.26	3.12	17.39
Cheques in hand				
Cash in hand	4.91	7.86	4.68	4.33
	5.05	8.12	7.80	21.72

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Balances with bank - In current accounts	0.14	0.26	3.12	17.39
Cheques in hand				
Cash in hand	4.91	7.86	4.68	4.33
	5.05	8.12	7.80	21.72

Note 10 - Bank Balance other than above

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Bank deposits with original maturity of more than three months but less than twelve months #	76.95	179.16	26.48	19.32
	76.95	179.16	26.48	19.32

Note 11 - Other current financial assets

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Unrealized Foreign Currency Gain/(loss) (against Hedged Assets)	-	1.03	1.03	1.37
Loan to employees	0.99	1.58	1.08	0.92
	0.99	2.61	2.11	2.29

Note 12 -Current Tax Asset (net)

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
TDS Receivable	6.15	5.24	5.12	5.05
GST Receivable	156.44	134.64	106.67	44.25
	162.59	139.88	111.79	49.30

Note 13 - Other current assets

Balances with government authorities	121.68	113.03	158.12	135.52
Prepaid expenses	7.20	5.51	9.39	53.06
Advance to employees	21.23	1.38	0.45	0.70
Advance to supplier	500.64	135.01	142.44	107.32
	650.76	254.94	310.40	296.60

T.C TERRYTEX LIMITED
Annexure VI-Notes to Financial Information

(Amount in INR millions, except for share data unless otherwise stated)

Note 14 - Equity share capital

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Authorized				
130,500,000 Equity Shares of Rs. 10/- each	1,305.00	1,305.00	1,305.00	1,305.00
	1,305.00	1,305.00	1,305.00	1,305.00
Issued, subscribed and paid-up				
12,93,18,280 Equity Shares	1293.18	1,293.18	1,293.18	1293.2
	1,293.18	1,293.18	1,293.18	1,293.18

a) Rights, preferences and restrictions attached to equity shares

As per the memorandum of association, the Company's authorized share capital consist of equity shares & Preference Shares. All equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Shareholders are entitled to one vote per equity share held in the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

b) Reconciliation of the number of equity shares outstanding at the beginning and end of the reporting period/year:

	As at 30 Sep 2025		As at 31 March 2025		As at 31 March 2024		As at 31 March 2023	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the period/year	129.32	1,293.18	129.32	1,293.18	129.32	1,293.18	129.32	1,293.18
Shares allotted during the year								
Balance at the end of the period/year	129.32	1,293.18	129.32	1,293.18	129.32	1,293.18	129.32	1,293.18

c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

The Company has not issued any bonus shares, nor issued shares pursuant to contract for consideration other than cash or bought back any shares during the period of five years immediately preceding the reporting date.

d) Details of shareholders holding more than 5 percent equity shares in the Company:

	As at 30 Sep 2025		As at 31 March 2025		As at 31 March 2024		As at 31 March 2023	
	No. of shares	% holding in the class	No. of shares	% holding in the class	No. of shares	% holding in the class	No. of shares	% holding in the class
Mr. Akhil Satia	7,08,56,130	54.79	7,08,56,130	54.79	7,31,06,130	56.53	7,61,06,130	58.85
Shiv Parivar Trust	4,97,70,400	38.49	4,97,70,400	38.49	4,97,70,400	38.49	4,97,70,400	38.49
M/s Ashis Living Pvt. Ltd.	67,50,000	5.22	67,50,000	5.22	55,00,000	4.25	25,00,000	1.93

e) Promoter Shareholding

Promoters Name	As at 30 Sep 2025		As at 31 March 2025		As at 31 March 2024		As at 31 March 2023	
	No. of shares	% holding in the class	No. of shares	% holding in the class	No. of shares	% holding in the class	No. of shares	% holding in the class
Mr. Akhil Satia	7,08,56,130	54.79	7,08,56,130	54.79	7,31,06,130	56.53	7,61,06,130	58.85
Shiv Parivar Trust	4,97,70,400	38.49	4,97,70,400	38.49	4,97,70,400	38.49	4,97,70,400	38.49

Note 15 - Other equity
a Retained earnings

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the period/year	519.87	348.27	211.16	117.15
Add: Profit for the period / year	78.73	170.01	134.40	90.28
Add: Other comprehensive (loss)/income for the period/year				
- remeasurement of defined benefit plans, net of tax	-2.35	1.59	2.72	3.73
Balance at the end of the period/year	596.25	519.87	348.27	211.16
Total	596.25	519.87	348.27	211.16

Nature of reserves:

a. **Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any dividends or other distributions paid to shareholders.

Note 16 - Borrowings

A. Non-current borrowings

Secured:

From banks

Term Loan

Total secured borrowings (excluding current maturities)

Unsecured:

From Directors

From Others

Total non-current borrowings

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
	328.47	277.49	518.64	645.72
	328.47	277.49	518.64	645.72
	-	2.70	-	0.40
	0.27	0.27	0.26	0.24
	0.27	2.97	0.26	0.64
	328.74	280.46	518.90	646.36

Notes:

Nature of facility	Bank Name	Rate of interest % (per annum)	Repayment terms	Currency	Security	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Term Loan	SOUTH INDIAN BANK	8.20% pa	First 21 monthly installments of Rs 4.20 lacs each starting from october 2019. Next 71 months instalments of Rs 8.50 lacs	INR	As per Note No. 4	6.62	13.28	25.82	36.87
Term Loan	ALLAHABAD BANK	3 Years MCLR + 4.10%(Present 3 years MCLR - 8.70%)	First 21 monthly installments of Rs 4.03 lacs each starting from october 2019. Next 72 months instalments of Rs 19.93 lacs.	INR	As per Note No. 1	26.73	39.45	62.24	84.67
Term Loan*	Union Bank of India	3 Month MCLR + 0.15%	First 21 monthly installments of Rs 3.93 lacs each starting from october 2019. Next 72 months instalments of Rs 19.93 lacs.	INR	As per Note No. 6	74.88	40.30	68.81	95.39
Term Loan*	Punjab National Bank	1 Month MCLR + 0.2%	First 21 monthly installments of Rs 4.84 lacs each starting from october 2019. Next 72 months instalments of Rs 23.58 lacs.	INR	As per Note No. 3	106.43	44.11	67.83	93.93
GECL-1	Union Bank of India	1 Year MCLR +0.60% subject to maximum 9.25%	48 monthly installments of Rs 16.39 lacs each starting from April 2022.	INR	As per Note No. 6	-	-	24.41	42.11
GECL-1	State Bank of India	6 month MCLR +1.00% =7.95%	48 monthly installments of Rs 25.00 lacs each starting from April 2022	INR	As per Note No. 5	-	-	27.29	57.47
GECL-1	Punjab National Bank	1 Year MCLR +1.00% subject to maximum 9.25%	48 monthly installments of Rs 10.21 lacs each starting from July 2022	INR	As per Note No. 3	-	1.02	19.39	25.52
GECL-1	Indian Overseas Bank	1 Year MCLR i.e 8.45% subject to maximum 9.25%	48 monthly installments of Rs 8.23 lacs each starting from July 2022	INR	As per Note No. 2	-	2.46	12.34	22.22
GECL-1	South Indian Bank	MCLR +1.00% = 9.25%	48 monthly installments of Rs 8.33 lacs each starting from July 2022	INR	As per Note No. 4	-	0.85	12.18	22.50
GECL-2	Punjab National Bank	1 Year MCLR +1.00% subject to maximum 9.25%	48 monthly installments of Rs 5.10 lacs each starting from December 2023	INR	As per Note No. 3	6.63	10.72	10.72	22.46
GECL-2	State Bank of India	6 month MCLR +1.00% =9.30%	48 monthly installments of Rs 5.10 lacs each starting from December 2023	INR	As per Note No. 5	35.1	42.51	57.60	30.00
GECL-2	Indian Overseas Bank	1 Year MCLR i.e 8.45% subject to maximum 9.25%	48 monthly installments of Rs 4.11 lacs each starting from April 2024	INR	As per Note No. 2	2.75	6.12	19.20	19.75
GECL-2	Union Bank of India	1 Year MCLR +0.60% subject to maximum 9.25%	48 monthly installments of Rs 8.25 lacs each starting from Septeber 2024.	INR	As per Note No. 6	14.85	19.80	36.30	39.60
GECL-2	South Indian Bank	MCLR +1.00% = 9.25%	48 monthly installments of Rs 4.17 lacs each starting from March 2025	INR	As per Note No. 4	12.34	14.80	17.44	20.00
Vehicle Loan	HFC BANK	7.65% p.a	36 monthly installments of Rs 21979/- each starting from December 2021	INR	Hyp of Car	-	-	-	0.16
Vehicle Loan	Union Bank of India -Ertiga	7.40% p.a	36 monthly installments of Rs 18637/- each starting from February 2022 to January-2025	INR	Hyp of Car	-	-	0.02	0.19
Vehicle Loan	Union Bank of India -Audi	9.35% p.a	36 monthly installments of Rs 143833/- each starting from February 2023 to January-2026	INR	Hyp of Car	-	-	1.39	2.90
Vehicle Loan	HDFC Bank BMW	8.65% p.a	60 monthly installments of Rs 267656/- each starting from March 2024 to February-2029	INR	Hyp of Car	7.08	8.25	10.64	-
Vehicle Loan	Union Bank of India BOLERO	8.80% p.a	36 monthly installments of Rs 15853/- each starting from January-2024 to December-2026	INR	Hyp of Car	0.05	0.14	0.31	-
Vehicle Loan	Union Bank of India Honda Amaze	8.85% p.a	36 monthly installments of Rs 15865/- each starting from Dec-2023 to nov-2026	INR	Hyp of Car	0.04	0.12	0.29	-
Vehicle Loan	Union Bank of India Audi Q8	7.90% p.a	60 monthly installments of Rs 171942/- each starting from Sep-2025 to Aug-2030	INR	Hyp of Car	6.36	-	-	-
Business Loan	IIFL Home Finance	10.5% p.a	63 monthly installments of Rs 1466874/- each starting from January 2019	INR	unsecured	-	-	-	17.23
Business Loan	Mahindra & Mahindra Financial Services Ltd.	10.5% p.a	60 monthly installments of Rs 1158725/- each starting from January 2024	INR	Machinery	28.6	33.56	43.71	-
Term Loan	Union Bank of india	7.00% p.a	36 monthly installments starting from February April 2022	INR	Fixed Deposit	-	-	-	10.00
Vehicle Loan	ICICI BANK-NEW	Rate of interest 8 % (per annum)	60 monthly installments of Rs 182166/- each starting from August-2020 to July-2025	INR	Hyp of Car	-	-	0.72	2.76

Borrowings – Measurement Basis

The Company's borrowings have been measured at the transaction value and not using the Effective Interest Rate (EIR) method as prescribed under Ind AS 109, since the processing charges and transaction costs incurred were immaterial. In applying Ind AS 1, the Company considered the concept of materiality (paragraph 7) and concluded that the omission of amortisation of such insignificant costs does not influence the economic decisions of users of the financial statements. Further, in line with paragraph 30A, the Company has disclosed the relevant terms and conditions of its borrowings to the extent necessary for users to understand their nature and financial impact, and determined that the immaterial charges do not affect this understanding. The classification and measurement approach also reflects the Company's judgement as required by paragraph 31 of Ind AS 1, wherein management has assessed that the application of the EIR method in this context would not result in a materially different outcome and is therefore not warranted. Accordingly, the borrowings have been presented at the gross amount disbursed without amortising the transaction costs.

B.	Current borrowings	Notes	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
	<i>Secured</i>					
	From Banks					
	Cash credit limit & Overdraft	(I)	1,075.66	1,245.39	1,220.16	1,215.72
	Term loan: current maturities of non current borrowings		190.08	226.15	196.94	181.82
			1,265.74	1,471.54	1,417.10	1,397.54

Nature of facility	Bank Name	Rate of interest % (per annum)	Currency	Security	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
CC Limit	State Bank of India	6 Month MCLR + 2.75%	INR	As per Note No. 5	52.50	170.95	146.28	562.88
CC Limit	Union Bank of India	1 year MCLR + 3.50%	INR	As per Note No. 6	49.32	51.95	211.89	256.60
EPC Limit	Union Bank of India	1 year MCLR + 1.15%	INR	As per Note No. 6	205.41	203.01	55.00	0.00
CC Limit	Indian Overseas Bank	1 Month MCLR + 0.20%+ 3.90%	INR	As per Note No. 2	39.01	170.28	168.38	194.29
CC Limit	Allahabad Bank	1 Month MCLR +2.75%	INR	As per Note No. 1	61.13	67.28	68.96	30.68
CC Limit*	Punjab National Bank	1 Month MCLR +3.50%	INR	As per Note No. 3	42.11	39.38	38.05	34.32
CC Limit	South Indian Bank	1 Month MCLR +1.90%	INR	As per Note No. 4	136.12	136.46	129.52	136.94
EPC Limit	State Bank of India	6 Month MCLR + 0.55%	INR	As per Note No. 5	490.07	406.07	402.08	0.00

Foreign currency borrowings are measured at fair value based on the forward contract rates, in line with the hedge accounting treatment applied. The corresponding gain or loss on the hedging instruments has been recognized in the Statement of Profit and Loss.

Notes 1

Primary Security

For Working Capital (FB & NFB Limits)

1st Pari Passu Charge along with other consortium member banks on present & future value of entire current assets of the company.

For Term Loan

- a 1st Pari Passu charge on entire fixed assets of the **company** present & future along with other term loan lenders
- b 1st Pari Passu charge on factory land & building of the **company** situated at Village Sarsini, Lalru,Distt Mohali, Punjab consisting of:
 - i Land measuring 25 Bighas 09 Biswas comprised as per title deed no 8718 dated 24.03.2008
 - ii Land measuring 32 Bighas 07 Biswas comprised as per title deed no 8719 dated 24.03.2008
 - iii Land measuring 5 Bighas 11 Biswas comprised as per title deed no 8745 dated 25.03.2008

For both working Capital & Term Loan

Collateral Security details

1Ind Pari Passu charge on present & future value of entire fixed assets of the **company** on reciprocal basis for Working Capital limit

1Ind Pari Passu charge on present & future value of entire fixed assets of the **company** on reciprocal basis for Working Capital limit

Equitable mortgage of freehold land measuring 288 kanal 3 Marla situated at village Lubianwali Muktsar comprising of

- i 242 Kanal 2 Marla standing in the name of **Smt Saloni Satia** Vide Sale Deed No 504, 505,1955,1958,3215,3243,3398,4414 (TIR Dated 22.02.2022 & 10.02.2011)
- ii 36 Kanal 11 Marla Standing in the name of Sh **Anil Satia** vide sale deed No 793 & 806
- iii 9 Kanal 10 Marla standing in the name of Sh **Anil Satia** vide sale deed No. 379

Equitable mortgage of freehold land measuring 6 Kanal situated near Ramsharam Ashram,Muktsar standing in the name of **Anil Satia** vide Sale deed no 1864 dated 09.09.2009

Equitable mortgage of land measuring 7 Bigha situated at Village Sarsini,Tehsil dera Bassi Distt Mohali standing in the name of **Akhil Satia** vide sale Deed no 598 dated 12.04.2012

Equitable mortgage of land measuring 3 Bigha 2 biswa 16 biswai situated at Village Sarsini,Tehsil dera Bassi Distt Mohali standing in the name of **Akhil Satia** vide sale Deed no 12153 dated 20.11.2012

Commercial land of total area 31090 sq. yards in the name of TC Terrytex Ltd vide sale deed no. 8609 dated 28.01.2010

Cash Collateral of Rs. 2.17 crore on 1st paripassu basis by way of lien on Bank deposits.

T.C TERRYTEX LIMITED**Annexure VI-Notes to Financial Information***(Amount in INR millions, except for share data unless otherwise stated)***Note 2****Primary Security**

Cash Credit	Hypothecation of entire current assets of the company (present & future charge) on Pari Passu 1st Charge basis with working capital lenders in the Consortium
Letter of Credit	1st Charge on current assets of the company on pari passu basis with other consortium banks
WCTL-GECL	Second Pari Passu charge on all the existing securities mortgage/hypothecated /Pledge to bank
WCTL-GECL Extension	Second Pari Passu charge on all the existing securities mortgage/hypothecated /Pledge to bank

Collateral Security details**First Pari passu charge with all working capital lenders for CC/PC/Bills/LC Limits & second Paripassu charge for WCTL-GECL on following securities :**

Equitable mortgage of freehold agriculture land measuring 288 Kanal 3 Marla situated at village Lubanianwali Muksar comprising of :-

242 kanal 02 Marla standing in the name of **Smt Saloni Satia** vide sale Deed no 504,505,1955,1958,3215,3243,3398 & 4414

46 Kanal 1 Marla Standing in the name of **Sh Anil Satia** vide sale Deed No 379,793 & 806

Equitable mortgage of freehold agriculture land measuring 6 Kanal situated at Village Lubanianwali Muksar standing in the name of **Sh Anil Satia** vide sales deed no 1864 dt 09.09.2009. situated at opp Sant Baba Gurmukh Singh School Barkhandi Road Tehsil and district Muksar, Khewat No 569, Khatoni 893, Muraba No 309 Killa No 22 (4-12) 23 (8-0)

Deposits in the name of Company kept with State Bank of India leader bank

First Pari passu charge with all working capital lenders for CC/PC/Bills/LC Limits & second Paripassu charge for WCTL-GECL on following securities :

Equitable Mortgage of Industrial land measuring 7 Bigha situated at Village Sorsini, Tehsil Dera Bassi, Distt. Mohali standing in the name of **Sh. Akhil Satia** s/o Sh. Anil Satia vide Sole Deed No. 598 dated 12.04.2012

Equitable Mortgage of Industrial land of total area of 3140 sq yds situated at Village Sarsini, Near Bhandari Hosiery, Chandigarh to Ambala Road, Tehsil Derabasso District, SAS Nagar Mohali, Ounjab having Khatas No 154/229,211/342 & 345. Khasra Nos 1234 (3-14), 1235 min (2-9-16), 1212 min (2-8) & 1212 min (i-11) in the name of **Mr Akhil Saria** vide sale deed no 12153 dated 20.11.2012

Equitable Mortgage of Industrial land admeasuring 31-01-16 Bigha (31090 sq yds) and building constructed there upon situated at Village Sarsini, Lalru Mohali, Punjab bearing Khata no 154/227, Khasra no 1238 (4-10), 1239 (3-10). 1240 (2-6) kite 3 ie 10-06 bigha & khata no 266/446. Khasra no 1230/2 (3-8), 1231 /1 (3-3), 1232 (5-1), 1233 (4-8), 1229 (2-3-16), 1230/1 (3-8), 1231/2 (0-4), kite 7 ie 20-15-16 bigha in the name of **Ms TC Terrytex Ltd** vide sale deed no 8609 dated 28.01.2010

Second Pari Passu charge on Plant & Machinery & other fixed assets (Present & Machinery) including factory land & building. First charge being held by Term Lenders.

Equitable Mortgage of factory land & building of the owned by the company situated at village Sasini, Lalru, District Mohali Including

Land measuring 32 Bhigha 7 Biswa comprised of sale Deed no 8719 dated 24.03.2008

Land measuring 25 Bhigha 9 Biswa comprised of sale Deed no 8718 dated 24.03.2008

Land measuring 5 Bhigha 11 Biswa comprised of sale Deed no 8745 dated 25.03.2008

2nd Pari Passu charge on Factory Plant & Machinery & other Fixed Assets (excluding Vehicle)

Note 3**Primary Security**

1st Charge (Union Bank of India/ South India Bank/ Punjab National Bank/ Indian Bank)
EM of IP situated at village Sarsini, Near Bhandari Hosiery, Chandigarh, Ambala road Tehsil Derabassi Distt. SAS Nagar, Mohali registered

Collateral Security

1st Pari Passu Charge between all the Bank (SBI, IOB, Union Bank of India, Allahabad Bank, PNB, South Indian Bank & Andhra Bank) having Khewat No 442,391,486,569,724,580,486,490,467,426,580 by way of extension of EM of Vacant undermarketed No Cultivable land 1 situated at Vill Lubianwali, Dist. Muksar, State Punjab. Pin Code 152026 Centre category: Semi Urban registered Vide TD No 1955,505,3215,3243,3398,4414,504,1958,793,806,379 in the name of **Mr Anil Satia & Mrs Saloni Satia**

1st Pari Passu Charge between all the Bank (SBI, IOB, Union Bank of India, Allahabad Bank, PNB, South Indian Bank & Andhra Bank) having Khewat No 569, Khatoni No 893, by the way of extension of EM of open plot situated at Opp Sant Baba Gurmukh Singh International School Barkandi Road, Muksar registered vide RTD No. 1864, dated 09.09.2009. 6 Kanal 32640 Sq feet **Mr Anil Satia and Mrs Saloni Satia**

3 EM of IP situated at Village Sarsini, Near Bhandari Hosiery, Chandigarh Ambala road Tehsil Derabassi Dist SAS Nagar Mohali registered 598/12153 in name of **Akhil Satia & 8609** in the name of **TC Terrytex**

4 Fixed Deposit lien with SBI- 2.17 Cr of **TC Terrytex**

5 FD to be deposited in substitution of Property 1 & 2 in Muksar of Rs. 10.25 cr

Note 4**Primary Security**

Cash Credit
Term Loan
1st Pari Passu Charge along with other consortium lenders on entire current asset of the company, both present & future
1st Pari Passu Charges on all fixed assets of the company

WCTL (ECLGS)-1 & 2

1st Pari Passu Charge along with other consortium lenders on entire current asset of the company, both present & future

Collateral Security

1 EM of Industrial Property Owned by Mr Akhil Satia & pari Passu 1st Charge on sale Deed no 598, dated 12.04.1012, property situated at vill Sarsini SAS Nagar Mohail 140501, admeasuring 7000 Sq Yards.

2 EM of Industrial Property Owned by Mr Akhil Satia & pari Passu 1st Charge on sale Deed no 12153, dated 20.11.1012, property situated at vill Sarsini SAS Nagar Mohail 140501, admeasuring 3140 Sq Yards.

3 EM of Vacant land Owned by Mrs Saloni Satia & Anil Satia & pari passu 1st charge property bearing Sy. No 442,391,486,569,724,580,486,490,467,580 situated at Muksar Lubianwala 152026, admeasuring 15905 Sq Ft

4 EM of Vacant land of Mr Anil Satia an pari passu 1st Charge on commercial plot at Barkhandi road opp Sant Baba Gurmukh registered vide sale deed no 1864 dated 09.09.2009, sy Khewat no 569 Khatoni no 893 situated at Muksar 140501, admeasuring 32670 Sq Ft

5 EM of Industrial Property of M/s. TC Terrytex Ltd & pari Passu 1st Charge on sale Deed no 8609, situated at vill Sarsini SAS Nagar Mohail 16005, admeasuring 31090 Sq Yards.

Notes 5**Primary Security**

Cash Credit/Letter of Credit
Stock, Receivables and all other current assets of the company-Present as well as future

T.C TERRYTEX LIMITED**Annexure VI-Notes to Financial Information***(Amount in INR millions, except for share data unless otherwise stated)*

GECL 2.0 and GECL 2.0 extension	Stock, Receivables and all other current assets of the company-Present as well as future
Collateral Security	
Cash Credit/Letter of Credit	1st Pari Passu charge on Securities including immovable properties as per Table A Below
GECL 2.0 and GECL 2.0 extension	2nd Charge on Securities as per Table A below
Cash Credit/Letter of Credit/GECL 2.0 and GECL 2.0 extension	2nd Charge on all Fixed Asset (including Plant & Machinery), both present & future of the company including equitable mortgage of industrial property registered vide sale deed Wasika no 8718 dated 24.03.2008 & Wasika No 8719 dated 24.03.2008, & Wasika No 8745 dated 25.03.2008 in the name of TC Terrytex Ltd situated at village Sarsini Distt SAS Nagar Mohali, Punjab

Table-A : Details of properties mortgaged (Equitable Mortgage)

- 1 Land measuring 288 Kanal 3 Marla standing in the name of Smt **Saloni Satoa & Sh Anil Satia** having following details:-
- a) Land measuring 242 Kanal 2 Marla situated at village Luaniwali, Muksar registered vide sale deed no 504, 505, 1955, 1958, 3215, 3243, 3398 & 4414
- b) Land measuring 36 Kanal 11 marla situated at village Luaniwali, Muksar registered vide sale deed no 793 & 806
- c) Land measuring 9 Kanal 10 marla situated at village Luaniwali, Muksar registered vide sale deed no 379
- 2 Plot measuring (6 Kanal) 3630 sq yards situated near Ram Shamam Ashram Muksar regd Vide sale deed no 1864 dated 09.09.2009 standing in the name of Anil Satia
- 3 Commercial /Industrial Land situated at Vill Sarsini, Lalru, SAS Nagar, Mohali, Punjab measuring 31 Bigha , 1 Biswa, 16 Biswasi (31090 Sq yards) reg vide sale deed no 8609 dated 28.01.2010
- 4 Industrial property having sale Deed Serial No 598 dated 12.04.2012 situated at Village Sarsini, SAS Nagar Mohali, Punjab measuring 7 Bigha standing in the name of Akhil Satia
- 5 Industrial property having sale Deed Serial No 12153 dated 20.11.2012, situated at Village Sarsini SAS Nagar Mohali, Punjab measuring 3 Bigha, 2 Biswa & 16 Biswasi standing in the name of Akhil Satia
- 6 Lein on Bank Deposits having value of Rs 2.17 crore standing in the name of TC Terrytex

Note 6**Primary Security**

Cash Credit Hypothecation of all current assets of the company (present as well as future) on 1st Pari Passu basis with Lead Bank (SBI) and other members for their share in WC Limits

Term Loan 1st Pari Passu Charge among the Term Loan,Lenders on all fixed assets of the company & all other assts created out of term loans

1st Pari Passu Charge among the Term Loan,Lenders on L & B of the company situated at Village Sarsini,Lalru,District Mohali consisting of :

- a Land Measuring 32 Bigha 7 Biswa through Sale Deed No 8719 dated 23.03.2008
- b Land Measuring 25 Bigha 9 Biswa through Sale Deed No 8718 dated 24.03.2008
- c Land Measuring 5 Bigha 11 Biswa through Sale Deed No 8745 dated 25.03.2008

Details of Collateral Securities

Sr No	Type of Fixed Asset	Details of Property
1	Vacant Plot	1st Pari Passu Charge on Land measuring 7 Bigha situated at Village Sarsini, Tehsil Derabassi Dist, Mohali vide Sale Deed no 598 dated 12.04.2012
2	Vacant Plot	1st Pari Passu Charge on Land measuring 3 Bigha 2 Biswa 16 Biswal situated at Village Sarsini, Tehsil Derabassi Dist, Mohali vide Sale Deed no 12153 dated 20.11.2012
3	Land & Building	1st Pari Passu charge on of Commercial property situated at Village Sarsini,Lalru, Dist, Mohali, Punjab measuring 31090 Sq yards in the name of TC Terrytex Ltd
4	Land & Building	1st Pari Passu charge on freehold Land measuring 288 Kanal 03 Marla situated at Village Lubaniwali, Muksar comprising of a) 242 Kanal 02 Marla vide Sales deed No 504, 505,1955,1958,3215,3243,3398 & 4414 b) 36K 11M Vide Sale Deed No 793 & 806 c) 9 kanal 10 Marla Vide Sale Deed No 379
5	Vacant Plot	1st Pari Passu charge on freehold plot measuring 6 Kanal situated near Ramsharam Ashram ,Muksar
6	Cash Collateral	Cash Collateral (Lein on Term Deposits of Ms TC Terrytex Limited & Mr Akhil Satia having face value of FD's Kept with Lead Bank SBI of Rs 2.17 Cr
7	Fixed asset	Residual Value of assets financed under Term Loan
8	Current assets	Residual Value of current assets financed by working capital Limits

TC TERRYTEX LIMITED
Annexure VI-Notes to Financial Information

(Amount in INR millions, except for share data unless otherwise stated)

E. Reconciliation of movements of current and non-current borrowings to cash flows arising from financing activities

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Borrowings at the beginning of the period	1,752.00	1,936.00	2,043.90	2,137.33
Proceeds/Repayments from non-current borrowings (net)	48.28	(238.44)	(127.46)	(91.34)
Proceeds from/ repayments of current borrowings (net)	(205.80)	54.44	19.56	(2.09)
Borrowings at the end of the period	1,594.48	1,752.00	1,936.00	2,043.90

Note 17 - Provisions

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
A. Non-current				
Provision for employee benefits:				
Provision for compensated absences (refer note 33)	12.38	7.42	7.04	6.80
Provision for gratuity (refer note 33)	40.16	39.30	35.76	30.71
	52.53	46.73	42.80	37.51

B. Current

Provision for employee benefits:				
Provision for ESI and PF	4.03	3.92	3.96	3.29
Provision for employee benefits:	-	-	-	0
Provision for compensated absences (refer note 33)	1.76	1.09	0.59	0.54
Provision for gratuity (refer note 33)	5.26	5.04	2.39	1.92
	11.05	10.05	6.95	5.75
<i>Others:</i>				
Other Short Term Provision	49.41	68.72	47.70	35.05
	60.46	78.76	54.65	40.79

Note 18 - Other non current liabilities

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Other non current liabilities*	3.00	3.52	2.25	3.09
	3.00	3.52	2.25	3.09

*As of the balance sheet date, certain trade payables have been outstanding for a period exceeding 12 months. The delays in settlement of these payables are attributable to the failure of performance or delivery obligations by the respective vendors, or because the payments are not contractually due as of the balance sheet date

Note 19 - Trade payables

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro and small enterprises	58.85	33.76	30.93	23.75
Total outstanding dues of creditors other than micro and small enterprises #	879.66	795.72	670.18	435.88
	938.51	829.48	701.11	459.63

Also, the Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. The information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. Refer note 35 for the disclosure in respect of amounts payable to such enterprises as at period/year end that has been made in the Restated Financial Information based on information available with the Company

Refer note 35

As at 31 March 2023	Outstanding for following periods from due date of payment						
	Unbilled	Not due	< 1 year	1 year to 2 years	2 year to 3 years	> 3 years	Total
Outstanding dues of micro and small enterprises			23.75	-	-		23.75
Outstanding dues of creditors other than micro and small enterprises			425.44	9.81	0.63		435.88
Disputed dues of micro and small enterprises							
Disputed dues of creditors other than micro and small enterprises							
Total	-	-	449.19	9.81	0.63	-	459.63

As at 31 March 2024	Outstanding for following periods from due date of payment						
	Unbilled	Not due	< 1 year	1 year to 2 years	2 year to 3 years	> 3 years	Total
Outstanding dues of micro and small enterprises			30.93	-	-		30.93
Outstanding dues of creditors other than micro and small enterprises			667.97	2.19	0.02		670.18
Disputed dues of micro and small enterprises							-
Disputed dues of creditors other than micro and small enterprises							-
Total	-	-	698.90	2.19	0.02	-	701.11

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Annexure VI-Notes to Financial Information

(Amount in INR millions, except for share data unless otherwise stated)

As at 31 March 2025	Outstanding for following periods from due date of payment					
	Unbilled	Not due	< 1 year	1 year to 2 years	> 3 years	Total
Outstanding dues of micro and small enterprises			33.76	-	-	33.76
Outstanding dues of creditors other than micro and small enterprises			788.77	6.95	0.01	795.73
Disputed dues of micro and small enterprises						
Disputed dues of creditors other than micro and small enterprises						
Total	-	-	822.52	6.95	0.01	829.48

As at 30 Sep 2025	Outstanding for following periods from due date of payment					
	Unbilled	Not due	< 1 year	1 year to 2 years	> 3 years	Total
Outstanding dues of micro and small enterprises			58.85	-	-	58.85
Outstanding dues of creditors other than micro and small enterprises			870.89	8.70	0.08	879.66
Disputed dues of micro and small enterprises						
Disputed dues of creditors other than micro and small enterprises						
Total	-	-	929.74	8.70	0.08	938.51

Note 20 -Other Financial liability

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Borrowings – TReDS (MSME Financing)	543.43	222.50	225.95	223.06

*The Company has entered into vendor financing arrangements through the TReDS portal, whereby suppliers are settled by the financing institution on acceptance of invoices. Post settlement, the Company's liability stands transferred to the financier. Accordingly, such amounts outstanding as at year end have been classified under Other financial liability (Current Liabilities) instead of Trade Payables. The Company pays financing charges/interest on these arrangements, which have been classified under Finance Cost in the Statement of Profit and Loss."

543.43	222.50	225.95	-	223.06

Note 21 - Other current liabilities

	For the period ended 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Statutory dues	3.11	3.58	3.11	2.6
Other Expenses Payable	33.75	24.17	21.38	50.19
Employee Benefits Payable	29.87	32.65	31.44	26.24
Rent payable	-	0.23		
Payable to Staff (Advance/Imprest)		0.24	0.22	0.25
Contract Liabilities	95.66	7.72	4.07	10.78
Unrealized Foreign Currency Gain/(loss) (against Hedged Assets)	3.99	-	-	-
Interest Accrued but not Due	0.87	0.60	4.17	5.27
	167.25	69.19	64.39	95.33

Note 22 - Revenue from operations

	For the period ended 30 Sep 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of finished goods	2,924.42	6,165.06	6,040.27	4,952.32
Sale of traded goods	-	0.03	1.22	3.64
Scrap sales	67.14	33.23	31.88	31.99
Other operating revenues	3.01	19.97	9.06	30.02
Export incentives	251.22	516.51	461.79	423.34
	3,245.79	6,734.80	6,544.22	5,441.31

Notes:
a. Reconciliation of revenue recognized with the contract price is as follows:

Contract price	2,993.60	6,210.05	6,084.21	5,014.69
Adjustments for discounts and rebates	(2.04)	(11.73)	(10.84)	(26.74)
Revenue recognized	2,991.56	6,198.32	6,073.37	4,987.95

T.C TERRYTEX LIMITED
Annexure VI-Notes to Financial Information
(Amount in INR millions, except for share data unless otherwise stated)

b	Revenue from sale of goods and services disaggregated by primary geographical market	For the period ended 30 Sep 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
	India	692.21	1,539.27	1,810.66	1,053.68
	Outside India	2,299.35	4,659.05	4,262.71	3,934.27
	Total revenue from contracts with customers	2,991.56	6,198.32	6,073.37	4,987.95

Note 23 - Other income

	For the period ended 30 Sep 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income				
- on bank deposits	2.26	7.42	6.23	4.71
Capital Gain on Mutual Fund		-	0.34	0.45
Fair valuation gain/(loss) on mutual fund	0.98	1.41	1.12	0.04
Foreign exchange gain		-	-	-
Hedging gain/loss	-	(2.76)	(0.34)	(1.26)
Misc Income	-	-	0.03	-
Encashment of Performance Guarantee			19.94	-
	3.24	6.07	27.32	3.94

Hedging gain/(loss) **

The Company uses forward contracts to hedge the foreign currency risk related to highly probable forecast transactions (export sales in USD and repayment foreign currency loans). These derivatives are designated as cash flow hedges.

Note 24- Cost of materials consumed

	For the period ended 30 Sep 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Raw Material	1,886.91	4,309.45	4,298.34	3,373.57
Packing Material		-	-	-
Dyes & Chemicals Consumed	156.37	312.57	297.58	268.68
	2,043.28	4,622.01	4,595.92	3,642.25

Movement of Raw Materials Consumption (including purchased components)

Particulars	For the period ended 30 Sep 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventory at the beginning of the period/year	487.50	458.53	433.14	444.37
Add: Purchases	1,982.08	4,650.98	4,621.31	3,631.02
Less: Inventory at the end of the period/year	426.30	487.50	458.53	433.14
	2,043.28	4,622.01	4,595.92	3,642.25

Note 25 - Changes in inventories of finished goods, work-in-progress and stock-in-trade

	For the period ended 30 Sep 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening balance				
- Finished goods	794.29	735.32	691.88	679.33
- Work-in-progress	516.39	470.51	472.31	466.01
- Waste Stock	-	3.56	3.21	3.10
Add: Inventory on acquisition of business on account of slump sale				
- Finished goods		-	-	-
- Work-in-progress		-	-	-
Add: Inventory on acquisition of subsidiary				
- Finished goods		-	-	-
- Stock-in-trade		-	-	-
- Right to return goods		-	-	-
Closing balance				
- Finished goods	746.78	794.29	735.32	691.88
- Work-in-progress	567.90	516.39	470.51	472.31
- Waste Stock		-	3.56	3.21
- Right to return goods				
	(4.00)	(101.29)	(41.99)	(18.96)

Note 26 - Employee benefits expense

	For the period ended 30 Sep 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, Wages and Bonus	196.60	395.22	341.35	322.04
Contribution to Provident and other funds (refer note 33)	13.68	27.75	25.38	20.39
Staff welfare expenses	1.26	3.43	2.73	2.89
Current Service Cost (Gratuity)	3.84	7.65	6.94	6.04
Current Service Cost (Leave with Wages)	1.83	3.18	2.57	2.20
Interest Cost (Leave With Wages)	0.29	0.55	0.55	0.51
Interest Cost (Gratuity)	1.50	2.77	2.45	2.07
	218.99	440.55	381.97	356.13

Note 27 - Finance costs

	For the period ended 30 Sep 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expense on financial liabilities measured at amortised cost :				
- on borrowings	75.46	182.76	189.76	202.50
Interest to others	25.57	42.20	32.64	24.57
Other borrowing cost	14.21	21.36	19.74	21.10
	115.24	246.32	242.14	248.17

Note 28 - Depreciation and amortization expense

	For the period ended 30 Sep 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on property, plant and equipment (refer to note 3a)	57.42	119.81	110.82	108.40
	57.42	119.81	110.82	108.40

Note 29 - Other expenses

	For the period ended 30 Sep 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Admin Expenses	23.91	40.14	26.84	24.57
Stores and spares consumed				
Administration Expenses	0.71	2.12	2.96	1.35
Rates, fees and taxes	5.64	13.96	6.57	8.20
Legal and professional fee	5.44	17.80	11.14	9.28
Telephone Expenses	0.27	0.43	0.44	0.40
Printing and stationery	0.04	0.07	0.04	0.04
Rent #	6.79	2.60	2.10	1.10
Hedging gain/(loss)	5.02			
Loss of interest income		3.16	3.59	4.20
Selling Expenses	294.95	584.57	517.74	481.43
Packing Charges	147.79	280.96	250.67	259.39
Commission on sales	10.13	19.12	31.18	24.78
Freight charges	52.72	101.83	87.79	65.52
Travelling and conveyance	15.24	30.44	30.49	29.76
Testing Charges	1.12	4.48	5.04	5.50
Insurance	5.78	9.81	7.12	9.73
Selling Expenses	62.40	137.74	105.27	86.87
Expected credit loss expense	-0.23	0.19	0.18	(0.12)
Manufacturing Expenses	389.65	524.38	530.85	458.99
Power and fuel	176.96	380.85	419.89	342.31
Job work charges	163.42	66.25	48.29	60.44
Stores and spares consumed	43.98	68.66	56.38	50.65
Repairs and maintenance	5.29	8.62	6.29	5.59
CSR Expense*	1.24	1.46	1.58	1.00
Miscellaneous expenses	5.78	32.57	27.68	43.53
Loss on Sale of Assets		-	0.01	2.04
Miscellaneous expenses	5.78	32.43	27.67	41.49
Prior Period Expense		0.14		
GST CESS		-	-	-
PRE IPO EXPENSE			-	-
	715.53	1,183.12	1,104.69	1,009.53

In accordance with para 5(a) of Ind AS 116, the Company has elected to apply the recognition exemption for short-term leases (i.e., leases with a term of 12 months or less and no purchase option)

(a) Payment to auditors (excluding goods and services tax)

	For the period ended 30 Sep 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
As auditor:				
- Statutory audit	-	0.08	0.08	0.08
- Certification				
- Reimbursement of expenses	-	-	-	-
Total	-	0.08	0.08	0.08

Note 30 - Tax expense

a.	Amount recognised in Statement of Profit and Loss:	For the period ended 30 Sep 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
	Current tax:				
	Current tax (Previous Year)		13.26	1.69	0.58
	Current tax	16.11	62.37	42.09	30.79
	MAT Credit:				
	Deferred tax:	7.74	(15.28)	(0.18)	(21.91)
	- Attributable to origination and reversal of temporary differences				
	Total tax expense recognized	23.85	60.34	43.60	9.45

CORPORATE SOCIAL RESPONSIBILITY *

We are committed to making a meaningful contribution to society through our corporate social responsibility initiatives, which are focused on animal care, education, and community welfare. We carry out these initiatives in partnership with local organizations to ensure sustainable impact.

In fiscal 2024-25, we continued our support for animal welfare through the monthly supply of cattle feed to a cowshed located in Lalru, aimed at supporting the health and well-being of stray and abandoned cattle. This initiative ensures consistent nutrition for the animals and contributes to improved animal welfare in the region. Our expenditure on corporate social responsibility during the year was 1.46 million, representing 0.022% of our total expenses.

In fiscal 2023-24, a similar initiative was undertaken involving the monthly supply of cattle feed to a cowshed located in Lalru, to provide nutritional support for stray and abandoned cattle. This effort reinforced our ongoing commitment to animal care. Our CSR expenditure during the year was 1.58 million, representing 0.024% of our total expenses.

In fiscal 2022-23, our corporate social responsibility activities focused on education. We made a charitable donation to the Vivekananda Rock Memorial and Vivekananda Kendra towards the construction of the main school building. This initiative aimed to support educational infrastructure and improve access to quality education in the region. The CSR expenditure for the year amounted to 1.00 million, representing 0.018% of our total expenses.

Particulars	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Gross amount required to be spent by the Company during the year as per section 135 of the companies Act, 2013	3.39	2.25	1.62	1.06
Amount spent during the year on				
i) construction of main school building				1.00
ii) Supply of cattle feed	1.24	1.46	1.58	
Total	1.24	1.46	1.58	1.00

Notes:

- 1) The Company has not made any transaction with related parties in relation to CSR expenditure as per Ind AS 24.
- 2) The Company CSR initiatives are strategically directed towards -
i) Donation towards construction of main school building ii) Monthly supply of cattle feed to a cowshed

Note 30 - Tax expense

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023	
b. Reconciliation of effective tax rate					
Profit before tax	102.58	230.36	178.00	99.73	
Tax at India's statutory tax rate	25.82	57.98	62.19	33.30	
IND AS Adjustments			1.21	1.73	
Tax effect of non-deductible expenses	(1.96)	2.37	(9.31)	(3.98)	
Prior year tax adjustments			(11.57)	(1.11)	
Deferred tax adjustments			(0.18)	(21.91)	
Income tax expense recognized in the statement of profit and loss	23.85	60.34	43.60	8.04	
c. Income tax expense recognized in other comprehensive income					
<i>Arising on income and expenses recognized in other comprehensive income</i>					
Remeasurement of defined benefit obligation	(2.35)	1.59	2.72	3.73	
Total income tax recognized in other comprehensive income	(2.35)	1.59	2.72	3.73	
<i>Bifurcation of the income tax recognized in other comprehensive income into:-</i>					
Items that will not be reclassified to profit or loss	(2.35)	1.59	2.72	3.73	
	(2.35)	1.59	2.72	3.73	
d. Deferred tax balances reflected in the Balance Sheet:					
	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023	
Deferred tax asset					
Deferred tax liability	56.78	49.04	38.00	24.77	
Deferred tax liability (net)	56.78	49.04	38.00	24.77	
e. Movement in deferred tax balances					
	As at 1 April 2022	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Acquisition of subsidiary*	As at 31 March 2023
Deferred tax liability					
Excess depreciation as per Income tax Act, 1961 over books	102.35	(24.13)	-	-	78.22
Fair Valuation on Mutual Funds	-	0.01			0.01
Hedging Gain/(Loss)	-	(0.42)			(0.42)
Deferred tax liability (A)	102.35	(24.54)	-	-	77.82
Deferred tax asset					
Excess provision for Gratuity	(9.51)	(0.82)	-	-	(10.33)
Excess provision for leave wages	(2.33)	(0.02)	-	-	(2.35)
Excess provision for bonus	(4.11)	4.11	-	-	-
Provision for doubtful debts	-	0.04			0.04
Loss on sale of fixed asset		(0.68)			(0.68)
Deferred tax asset (B)	(15.95)	2.63	-	-	(13.32)
Deferred tax liability (net) (A-B)	86.40	(21.91)	-	-	64.49
MAT Credit Entitlement	40.30	(0.58)			39.72
Deferred tax liability (net)	46.10	(21.33)	-	-	24.77
	As at 1 April 2023	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Acquisition of subsidiary*	As at 31 March 2024
Deferred tax liability					
Excess depreciation as per Income tax Act, 1961 over books	78.22	0.97	-	-	79.19
Fair Valuation on Mutual Funds	0.01	0.38			0.39
Hedging Gain/(Loss)	(0.42)	0.30			(0.12)
Deferred tax liability (A)	77.82	1.65	-	-	79.47
Deferred tax asset					
Excess provision for Gratuity	(10.33)	(2.18)	-	-	(12.52)
Excess provision for leave wages	(2.35)	(0.22)	-	-	(2.57)
Provision for doubtful debts	0.04	(0.10)			(0.06)
Loss on sale of fixed asset	(0.68)	0.68			(0.00)
Deferred tax asset (B)	(13.32)	(1.83)	-	-	(15.15)
Deferred tax liability (net) (A-B)	64.49	(0.18)	-	-	64.32
MAT Credit Entitlement	39.72	(13.40)			26.32
Deferred tax liability (net)	24.77	13.22	-	-	38.00
	As at 1 April 2024	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Acquisition of subsidiary*	As at 31 March 2025
Deferred tax liability					
Excess depreciation as per Income tax Act, 1961 over books	79.19	(17.19)	-	-	62.01
Fair Valuation on Mutual Funds	0.39	(0.04)			0.36
Hedging Gain/(Loss)	(0.12)	(0.58)			(0.70)
Deferred tax liability (A)	79.47	(17.80)	-	-	61.67

Deferred tax asset				
Excess provision for Gratuity	(12.52)	1.99		(10.53)
Excess provision for leave wages	(2.57)	0.51		(2.06)
Provision for doubtful debts	(0.06)	0.02		(0.05)
Loss on sale of fixed asset	(0.00)	0.00		-
Deferred tax asset (B)	(15.15)	2.52	-	(12.63)
Deferred tax liability (net) (A-B)	64.32	(15.28)	-	49.04
MAT Credit Entitlement	26.32	(26.32)		-
Deferred tax liability (net)	38.00	11.04	-	49.04

	As at 1 April 2025	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Acquisition of subsidiary*	As at 30 September 2025
Deferred tax liability					
Excess depreciation as per Income tax Act, 1961 over books	62.01	7.23	-	-	69.24
Fair Valuation on Mutual Funds	0.36	(0.36)	-	-	-
Hedging Gain/(Loss)	(0.70)	0.70	-	-	-
Deferred tax liability (A)	61.67	7.57			69.24
Deferred tax asset					
Excess provision for Gratuity	(10.53)	0.02			(10.51)
Excess provision for leave wages	(2.06)	0.04			(2.02)
Provision for doubtful debts	(0.05)	0.10			0.06
Loss on sale of fixed asset	-	-			-
Deferred tax asset (B)	(12.63)	0.17	-	-	(12.46)
Deferred tax liability (net) (A-B)	49.04	7.74	-	-	56.78
MAT Credit Entitlement	-	-			-
Deferred tax liability (net)	49.04	7.74	-	-	56.78

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Annexure VI-Notes to Financial Information

(Amount in INR millions, except for share data unless otherwise stated)

Note 31 - Earnings per share

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
i. Profit for basic/diluted earning per share of face value of INR 10 each				
Profit for the period/year	78.73	170.01	134.40	90.28
ii. Calculation of Weighted average number of equity shares for (basic and diluted)				
Number of equity shares at the beginning and end of the period/year	12,93,18,280	12,93,18,280	12,93,18,280	12,93,18,280
Basic and diluted earnings per share (face value of INR 10 each)	0.61	1.31	1.04	0.70

Note: The equity shares and basic/diluted earnings per share has been presented to reflect the adjustments for sub-division of shares and issue of bonus shares subsequent to 1st April 2022 in accordance with Ind AS 33 - Earnings per Share.

Note 32 - Segment information

The Board of Directors monitors the operating results of this segment for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the Restated Financial Information. For management purpose, the Company has identified "Towels and Yarns" as single operating segment.

a. Information about products and services

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Revenue from sale of towels & Dyed yarns	2,924.42	6,165.06	6,040.27	4,952.32
Total	2,924.42	6,165.06	6,040.27	4,952.32

b. Information about geographical areas

The geographical information analyses the Company's revenues of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers. The following is the distribution of the Company's consolidated revenues and receivables by geographical market, regardless of where the goods were produced:

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Revenue from customers				
India	692.21	1539.27	1810.66	1053.68
Outside India	2,299.35	4,659.05	4,262.71	3,934.27
	2,991.56	6,198.32	6,073.37	4,987.95

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Trade receivables				
India	597.83	275.82	391.60	417.77
Outside India	614.44	825.84	693.81	614.23
	1,212.27	1,101.66	1,085.41	1,031.99

iii) Non-current assets

The Company has common non-current assets for business in domestic and overseas markets. Hence, separate figures for non-current assets/ additions to property, plant and equipment have not been furnished.

c. Information about major customers (from external customers)

K Mart Australia Limited constituted more than 10% of the total revenue of the Company

Note 33 - Employee benefits
a. Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, towards Provident Fund and Employee State Insurance Scheme ('ESI') which are collectively defined as defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss on accrual basis. The amount recognized as an expense towards contribution to Provident Fund and ESI are as follows:

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Provident fund	10.38	21.19	19.31	15.12
ESI contribution	3.16	6.16	5.69	4.93
	13.54	27.35	25.00	20.05

b. Defined benefit plans
Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service. The same is payable on termination of service or retirement or death whichever is earlier.

The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on government bonds as at the date of actuarial valuation. Actuarial gains and losses (net of tax) are recognized immediately in the Other Comprehensive Income (OCI).

This is an unfunded benefit plan for qualifying employees. This scheme provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

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(Amount in INR millions, except for share data unless otherwise stated)

The above defined benefit plan exposes the Company to following risks:

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

The following table sets out the status of the defined benefit plan as required under Ind AS 19 - Employee Benefits:

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
i. Reconciliation of present value of defined benefit obligation				
Balance at the beginning of the period/year	44.34	38.15	32.63	28.50
On account of business combination during the period/year			-	-
Interest cost	1.50	2.77	2.45	2.07
Current service cost	3.84	7.65	6.94	6.04
Past service cost			-	-
Benefits paid	(2.60)	(4.81)	(3.12)	(2.05)
Actuarial loss recognized in other comprehensive income				
- from changes in financial assumptions (difference valuation and balancesheet)			-	-
- from changes in demographic assumptions			-	-
- from experience adjustments	(1.66)	0.58	(0.74)	(1.93)
Balance at the end of the period/year	45.41	44.34	38.15	32.63
Current Liability	5.26	5.04	2.39	1.92
Non current liability	40.16	39.30	35.76	30.71
	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
ii. Amount recognized in statement of profit and loss				
Interest cost	1.50	2.77	2.45	2.07
Current service cost	3.84	7.65	6.94	6.04
Past service cost				
	5.33	10.42	9.39	8.10
iii. Remeasurements recognized in other comprehensive income				
Actuarial loss for the period/year on defined benefit obligation	(1.66)	0.58	(0.74)	(1.93)
	(1.66)	0.58	(0.74)	(1.93)

iv. Actuarial assumptions*(i) Economic assumptions*

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Discount rate (per annum)	7.00%	6.75%	7.25%	7.25%
Future salary growth rate (per annum)	5.00%	5.00%	5.00%	5.00%
Expected average remaining working lives (years)	21.8	22	22.3	22.4
<i>(ii) Demographic assumptions</i>				
	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Retirement age (years)	58	58	58	58
Mortality rate	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14
Attrition rate (per annum)	10%	10%	5%	5%

v. Sensitivity analysis on defined benefit obligation on account of change in significant assumption:

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<i>Increase</i>				
Discount rate (1% movement)	(0.06)	(0.06)	(0.08)	(0.08)
Future salary growth rate (1% movement)	0.06	0.06	0.09	0.09
<i>Decrease</i>				
Discount rate (1% movement)	0.06	0.07	0.09	0.10
Future salary growth rate (1% movement)	(0.06)	(0.06)	(0.08)	(0.08)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

vi. Expected maturity analysis of the defined benefit plan in future years

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Within 1 year (next annual reporting period)	5.26	5.04	2.39	1.92
Between 2 to 5 years	12.26	12.25	7.67	5.91
Beyond 5 years	27.90	27.05	28.09	24.80
Total expected payments	45.41	44.34	38.15	32.63

vii. Weighted average duration and the expected employers contribution for next year of the defined benefit plan:

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Weighted average duration of the defined benefit plan (in years)	14	15	15	16
Expected employers contribution for next year	5.38	10.67	9.90	8.14

Leave with wages

The Leave with Wages is governed by the Factories Act, 1948. As per Section 79 of the Act, the employees who have worked for at least 240 days in a calendar year are entitled to leave with wages: For Adults, it is one day leave for every 20 days of work. Workers can carry over unused leave to the next year, but no more than 30 days for adults and 40 days for children. If leave is denied incorrectly, there's no limit on how much can be carried over.

The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on government bonds as at the date of actuarial valuation. Actuarial gains and losses (net of tax) are recognized immediately in the Other Comprehensive Income (OCI).

The above defined benefit plan exposes the Company to following risks:

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

The following table sets out the status of the defined benefit plan as required under Ind AS 19 - Employee Benefits:

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
i. Reconciliation of present value of defined benefit obligation				
Balance at the beginning of the period/year	8.51	7.64	7.34	6.98
On account of business combination during the period/year	-	-	-	-
Interest cost	0.29	0.55	0.55	0.51
Current service cost	1.83	3.18	2.57	2.20
Past service cost	-	-	-	-
Benefits paid	(0.50)	(0.70)	(0.85)	(0.54)
Actuarial loss recognized in other comprehensive income	-	-	-	-
- from changes in financial assumptions (difference valuation and balancesheet)	-	-	-	-
- from changes in demographic assumptions	-	-	-	-
- from experience adjustments	4.02	(2.16)	(1.97)	(1.80)
Balance at the end of the period/year	14.14	8.51	7.64	7.34
Current Liability	1.76	1.09	0.59	0.54
Non Current Liability	12.38	7.42	7.04	6.80

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
ii. Amount recognized in statement of profit and loss				
Interest cost	0.29	0.55	0.55	0.51
Current service cost	1.83	3.18	2.57	2.20
Past service cost	-	-	-	-
	2.12	3.73	3.12	2.71
iii. Remeasurements recognized in other comprehensive income				
Actuarial loss for the period/year on defined benefit obligation	4.02	(2.16)	(1.97)	(1.80)
	4.02	(2.16)	(1.97)	(1.80)

iv. Actuarial assumptions*(i) Economic assumptions*

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Discount rate (per annum)	7.00%	6.75%	7.25%	7.50%
Future salary growth rate (per annum)	5.00%	5.00%	5.00%	5.00%
Expected average remaining working lives (years)	21.8	22	22.3	22.4
(ii) Demographic assumptions				
Retirement age (years)	58	58	58	58
Mortality rate	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14
Attrition rate (per annum)	-	-	-	-
Upto 30 years	10%	10%	5.00%	5.00%
From 31 to 44 years	-	-	-	-
Above 44 years	-	-	-	-

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
v. Sensitivity analysis on defined benefit obligation on account of change in significant assumption:				
Increase				
Discount rate (1% movement)	(0.06)	(0.06)	(0.09)	(0.09)
Future salary growth rate (1% movement)	0.07	0.07	0.10	0.10
Decrease				
Discount rate (1% movement)	0.07	0.07	0.10	0.10
Future salary growth rate (1% movement)	(0.06)	(0.06)	(0.09)	(0.09)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
vii. Weighted average duration and the expected employers contribution for next year of the defined benefit plan:				
Weighted average duration of the defined benefit plan (in years)	16	18	18	19

Note 34 - Related parties

I- Disclosure post elimination of post group entries

A. List of related parties and nature of relationship with whom transactions have taken place

Description of Relationship	Name of the Party
Key management personnel ('KMP')	Mr. Akhil Satia (Managing Director)
	Mr. Sunil Kaura (Whole Time Director)
	Mr. Parminder singh Barnala (Whole Time Director)
	Mr. Rajeev Chopra (Chief Financial Officer)
	Mrs. Tanvi Mahendru (Company Secretary)
Relative of KMP	Mr. Pukhraj Kaura (son of Mr. Sunil Kaura)
	Mrs. Reetu Barnala (Wife of Parminder singh Barnala)
	Mr. Bhavya Chopra (son of Mr. Rajiv Chopra)
	Mrs. Isha Satia (sister-in-law of Mr. Akhil Satia)
	Mrs. Sabhyata Satia (wife of Mr. Akhil Satia)

B. The following table provides the total amount of transactions that have been entered into with related parties

Nature of transaction	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
1 Payment made				
Sabhyata Satia (imprest)	0.35	1.12	0.36	0.51
Akhil Satia(imprest)	4.67	7.44	10.73	13.89
Rajiv Chopra (imprest)	-	0.46		0.01
P S Barnala (imprest)	0.00	0.00	0.05	0.75
Akhil Satia(Tour and Travel)	-	0.64	0.03	
Sunil Kaura (imprest)	0.04	0.09	0.32	0.16
2 Amount Received				
Sabhyata Satia (imprest)	0.35	0.77	0.36	0.51
Akhil Satia(imprest)	3.35	7.44	11.06	13.56
P S Barnala (imprest)	0.00	0.07	0.20	0.54
Sunil Kaura (processing charges)	-	0.00	-	-
Sunil Kaura (imprest)	0.04	0.09	0.32	0.18
Rajiv Chopra (imprest)	-	-	-	0.01
Akhil Satia(Tour and Travel)	-	0.83		
3 Rent				
Isha Satia	0.55	1.10	1.10	1.10
Sabhyata Satia	0.75	1.50	1.00	-
4 Employee benefits expenses *				
Akhil Satia	3.97	7.91	7.56	7.20
Sunil Kaura	0.73	1.45	1.96	2.10
Rajeev Chopra	0.67	1.43	1.80	1.44
Mrs.Sabhyata Satia	1.39	2.77	2.65	2.52
Mr. Pukhraj Kaura	0.49	0.97	0.86	-
Mr. P.S. Barnala #	1.50	3.00	-	-
Mrs. Reetu Barnala #	0.84	1.64	-	-
Ms. Bhavya Chopra	0.36	0.60	-	-
Mrs. Tanvi Mahendru CS	0.17	0.29	0.26	-
* Break-up of compensation of key managerial personnel of the Company	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Short-term employee benefits	10.11	20.06	15.09	13.26
Post-employment benefits				
Total compensation paid to key management personnel	10.11	20.06	15.09	13.26

The amount disclosed above (under employee benefit expenses) in the table are the amounts recognized as expense during the reporting period related to key management personnel.

C. Balances outstanding

Nature of transaction	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
1 Borrowings				
Akhil Satia	-	2.70	-	0.40
2 Employee benefit payable				
Akhil Satia	0.33	0.66	0.63	0.60
Sunil Kaura	0.06	0.12	0.16	0.18
Rajeev Chopra	0.06	0.12	0.15	0.12
Mrs.Sabhyata Satia	0.12	0.23	0.22	0.21
Mr. Pukhraj Kaura	0.04	0.08	0.07	-
Mr. P.S. Barnala #	0.13	0.25	-	-
Mrs. Reetu Barnala #	0.07	0.14	-	-
Ms. Bhavya Chopra	0.03	0.05	-	-
Mrs. Tanvi Mahendru CS	0.01	0.02	0.02	-

As per IND AS 24, Related party transactions have been disclosed from the date on which the individuals were designated as Key Managerial Personnel (KMP) of the Company.

D. Terms and conditions of transactions with related parties

The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions and within ordinary course of business. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

B. The following table provides the total amount of transactions that have been entered into with related parties

Nature of transaction	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
1 Payment made				
Sabhyata Satia (imprest)	0.35	1.12	0.36	0.51
Akhil Satia(imprest)	4.67	7.44	10.73	13.89
Rajiv Chopra (imprest)	0.00	0.46	0.00	0.01
P S Barnala (imprest)	0.00	0.00	0.05	0.75
Akhil Satia(Tour and Travell)	0.00	0.64	0.03	0.00
Sunil Kaura (imprest)	0.04	0.09	0.32	0.16
2 Amount Received				
Sabhyata Satia (imprest)	0.35	0.77	0.36	0.51
Akhil Satia(imprest)	3.35	7.44	11.06	13.56
P S Barnala (imprest)	0.00	0.07	0.20	0.54
Sunil Kaura (processing charges)	-	0.00	-	-
Sunil Kaura (imprest)	0.04	0.09	0.32	0.18
Rajiv Chopra (imprest)	-	-	-	0.01
Akhil Satia(Tour and Travell)	-	0.83	-	-
3 Rent				
Isha Satia	0.55	1.10	1.10	1.10
Sabhyata Satia	0.75	1.50	1.00	0.00
4 Employee benefits expenses				
Akhil Satia	3.97	7.91	7.56	7.20
Sunil Kaura	0.73	1.45	1.96	2.10
Pukhraj Kaura	0.49	0.97	0.86	0.00
Rajeev Chopra	0.67	1.43	1.80	1.44
Sabhyata Satia	1.39	2.77	2.65	2.52
Mr. P.S. Barnala #	1.50	3.00	0.00	0.00
Mrs. Reetu Barnala #	0.84	1.64	0.00	0.00
Ms. Bhavya Chopra	0.36	0.60	0.00	0.00
Mrs. Tanvi Mahendru CS	0.17	0.29	0.26	0.00

* Break-up of compensation of key managerial personnel of the Company	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Short-term employee benefits	10.11	20.06	15.09	13.26
Post-employment benefits				
Total compensation paid to key management personnel	10.11	20.06	15.09	13.26

The amount disclosed above in the table are the amounts recognized as expense during the reporting period related to key management personnel

C.**Balances outstanding as at**

Nature of transaction	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
1 Borrowings				
Akhil Satia	-	2.70	-	0.40
2 Employee benefit payable				
Akhil Satia	0.33	0.66	0.63	0.60
Sunil Kaura	0.06	0.12	0.16	0.18
Rajeev Chopra	0.06	0.12	0.15	0.12
Mrs.Sabhyata Satia	0.12	0.23	0.22	0.21
Mr. Pukhraj Kaura	0.04	0.08	0.07	-
Mr. P.S. Barnala #	0.13	0.25	-	-
Mrs. Reetu Barnala #	0.07	0.14	-	-
Ms. Bhavya Chopra	0.03	0.05	-	-
Mrs. Tanvi Mahendru CS	0.01	0.02	0.02	-

As per IND AS 24, Related party transactions have been disclosed from the date on which the individuals were designated as Key Managerial Personnel (KMP) of the Company.

D.**Terms and conditions of transactions with related parties**

The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions and within ordinary course of business. Outstanding balances are unsecured and interest free and settlement occurs in cash.

Note 36 - Financial instrument : fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the Company, other than those with carrying amounts that are reasonable approximations of fair values:

	Note	As at 30 Sep 2025		As at 31 March 2025		As at 31 March 2024		As at 31 March 2023	
		Amortised Cost	Fair value through P&L	Amortised Cost	Fair value through P&L	Amortised Cost	Fair value through P&L	Amortised Cost	Fair value through P&L
Financial assets									
Investments	a		19.74		18.76		16.84		17.19
Trade receivables	b	1,212.27		1,101.65		1,085.41		1,031.99	
Cash and cash equivalents	b	5.05		8.12		7.80		21.72	
Bank balances other than above	b	76.95		179.16		26.48		19.32	
Other financial assets	a,b	49.07		83.20		90.03		82.05	
		1,343.34	19.74	1,372.13	18.76	1,209.72	16.84	1,155.08	17.19
Financial liabilities									
Borrowings	b	1,594.48		1,752.00		1,936.00		2,043.90	
Trade payables	b	938.51		829.48		701.11		459.63	
Other financial liabilities	b	543.43		222.50		225.95		223.06	
		3,076.43	-	2,803.98	-	2,863.06	-	2,726.59	-

Notes:

- The Company's non-current borrowings have been contracted at market rates of interest. Accordingly, the carrying value of such non-current borrowings approximates fair value. Further, in accordance with amendment Ministry of Corporate Affairs notified in Ind AS 113 on 30 March 2019, fair value measurement of lease liabilities is not required. Fair value of other non-current other financial assets has not been disclosed as there is no significant differences between carrying value and fair value.
- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

There are no transfers between level 1, level 2 and level 3 during the period/years presented.

Note 37 (a) - Financial risk management**Risk management framework**

The Company is exposed to market risk, credit risk and liquidity risk. The Company's board of director oversees the management of these risks. The Company's board of directors are responsible to ensure that Company's financial risk activities which are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risks, which are summarized below.

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency risk financial instruments affected by market risk include trade receivables, trade payables and borrowings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

(a) Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates. The Company is exposed to interest rate risk because funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period/year are as follows:

The exposure of the Company's borrowing to floating interest rate as reported at the end of the reporting period/year are as follows:

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Floating rate borrowings	1,594.48	1,752.00	1,936.00	2,043.90
Fixed rate borrowings	-	-	-	-
Total borrowings (gross of transaction cost)	1,594.48	1,752.00	1,936.00	2,043.90

Interest rate sensitivity analysis

A reasonably possible change of 0.50 % in interest rates at the reporting date would have affected the profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or Loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
As as 31 March 2023				
Interest rate (0.5% movement)	1.01	(1.01)	0.76	(0.76)
As as 31 March 2024				
Interest rate (0.5% movement)	0.95	(0.95)	0.71	(0.71)
As as 31 March 2025				
Interest rate (0.5% movement)	0.91	(0.91)	0.68	(0.68)
As as 30 Sep 2025				
Interest rate (0.5% movement)	0.38	(0.38)	0.28	(0.28)

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(Amount in INR millions, except for share data unless otherwise stated)

(b) Currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating activities.

Exposure to currency risk :

The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period/year are as follows:

	As at 30 Sep 2025		As at 31 March 2025		As at 31 March 2024		As at 31 March 2023	
	Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency
Trade Receivable	6.92	614.44	9.64	825.84	8.46	693.81	7.47	614.23
Advance to supplier	0.04	3.18	0.01	0.60	0.01	0.61	0.01	0.70
Borrowings	6.07	539.18	8.27	706.83	5.13	427.79	4.27	351.14

Foreign currency term loans and working capital loans included in the above exposures are hedged through derivative instruments or other appropriate risk management measures

Sensitivity analysis:

The following table details the Company's sensitivity to a 5% increase and decrease in the INR against relevant foreign currencies 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectations of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjust their transaction at the year end for 5% change in foreign currency rates. A positive number below indicates a increase in profit or equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity balance below would be negative. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
As at 31 March 2023				
USD 5% movement	(0.37)	0.37	(0.28)	0.28
As at 31 March 2024				
USD 5% movement	(0.42)	0.42	(0.32)	0.32
As at 31 March 2025				
USD 5% movement	(0.48)	0.48	(0.36)	0.36
As at 30 Sep 2025				
USD 5% movement	(0.35)	0.35	(0.26)	0.26

(ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

(a) Trade receivables

The Company has evaluated its trade receivables for impairment in accordance with the simplified approach prescribed under Ind AS 109 – Financial Instruments, which requires the recognition of Expected Credit Losses (ECL) on all trade receivables.

Based on the nature of its customer base and historical experience, the Company has no significant record of defaults on trade receivables. Accordingly, the Company has not created a detailed ECL matrix or model for all receivables.

However, in accordance with the principles of prudence and considering the Company's normal operating cycle of 12 months, management has applied a 100% provision on trade receivables outstanding for more than one year from the due date, as these are considered to carry a higher credit risk.

All other receivables are considered to be of low credit risk, and no material impairment has been recognized on those balances.

The Company's exposure to credit risk for trade receivables by geographic region is as follows:

Particulars	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Within India		597.8	275.8	391.60
Outside India		614.4	825.8	693.81
Total		1212.27	1101.66	1085.41
				1031.99

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables :

	Gross carrying amount	Provisioning Rate (%)	PROVISION	Whether credit-impaired
As at 31 March 2023				
Less than 6 months	1,026.84		0.00	No
181-365 days	5.15	-	0.00	No
More than 365 days	0.05	100.00	0.05	No
Total	1,032.04	100.00	0.05	

(Amount in INR millions, except for share data unless otherwise stated)

Note 39: Disclosures pursuant to Section 186 of the Companies Act, 2013:

	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Investments:				
(i) Investment in equity shares:				
Gold Severign Bond-IOB				-
Union Corporate Bond Fund	13.47	12.72	11.27	11.98
UBI KBC Mutual Funds	6.27	6.04	5.58	5.21
	19.74	18.76	16.84	17.19

Note 40- First time adoption

The restated statement of assets and liabilities of the Company as at 01 April 2022 and the restated statement of profit and loss, the restated statement of changes in equity and the restated statement of cash flows as at 01 April 2022 and restated other financial information has been prepared under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable.

The restated financial information as at 01 April 2022 has been prepared in accordance with requirements of SEBI Circular, Guidance Note and SEBI Email. For the purpose of Restated Financial Information as at 01 April 2022, the Company has followed the same accounting policy and accounting policy choices (both mandatory exceptions and optional exemptions) as per Ind AS 101 as initially adopted on transition date i.e. 1 April 2022. Accordingly, suitable restatement adjustments (both re-measurements and reclassifications) in the accounting heads are made to the Proforma Ind AS Restated Financial Information as at 01 April 2022 following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions) consistent with that used at the date of transition to Ind AS (i.e. 1 April 2022).

In addition to the adjustments carried herein, the Company has also made material restatement adjustments in accordance with SEBI Circular and Guidance Note (refer Annexure VII). Together these constitute the restated financial information.

1. Exemptions applied:

1. Mandatory exceptions:

a) Estimates

On assessment of the estimates made under the previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date. Key estimates considered in preparation of financial statements that were not required under the previous GAAP are listed below:

- Determination of the discounted value for financial instruments carried are amortised cost.
- Impairment of financial assets based on the expected credit loss model.

b) Classification and measurement of financial assets:

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as at the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

2. Optional exemptions:

a) Deemed cost for property, plant and equipment

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statement as at the date of transition to Ind AS, measured as per previous GAAP and used that as its deemed cost as at the date of transition after making necessary adjustment for decommissioning liabilities. Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value as at transition date 1 April 2022. The Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions) as per Ind AS 101 as initially adopted on the transition date i.e. 1 April 2022 while preparing the Restated Financial Information. For the purpose of financial statements as at 01 April 2022 the Company has provided the depreciation based on the estimated useful life of respective years.

The Company also applied the available practical expedients wherein it:

- a) Used a single discount rate to a portfolio of leases with reasonably similar characteristics.
- b) Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application.
- c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

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(Amount in INR millions, except for share data unless otherwise stated)

A Reconciliation of profit or loss and other comprehensive income/(loss)

Particulars	Notes	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Profit as per Indian GAAP		76.37	171.60	139.77	110.37
Adjustments:					
Ind AS adjustments					
Fair value gain on Investments	23-29	-	-	1.12	0.04
Hedging gain/(loss)	23-29	-	-	(0.34)	(1.26)
Interest on MSME	23-29	-	-	(1.34)	(0.35)
Acturial gain	31	-	-	2.72	3.73
Adjustment for employee benefit exp as per Actuary	31	-	-	(2.72)	(3.73)
ECL	23-29	-	-	(0.18)	0.12
Deferred tax adjustment		-	-	1.68	(10.65)
Reclassification of expenses	23-29	-	-		(0.06)
Discounting of capital advances / loss on int income	23-29	-	-	(3.59)	(4.20)
Tuff subsidy written off					
Other IGAAP adjustments					
Pre-IPO expense w/off					
Total Adjustments		0.00	0.00	(2.66)	(16.36)
Profit as per Ind AS		76.37	171.60	137.11	94.01

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(Amount in INR millions, except for share data unless otherwise stated)

B Reconciliation of Total Equity

Particulars	Notes	As at 30 Sep 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Total equity (shareholder's funds) as per audited IGAAP Financials of respective years		1,889.43	1,813.05	1,672.74	1,532.97
Adjustments:					
Ind AS adjustments					
Fair value gain on Investments	23-29	-	-	1.12	0.04
Hedging gain/(loss)	23-29	-	-	(0.34)	(1.26)
Interest on MSME	23-29	-	-	(1.34)	(0.34)
Acturial gain	31	-	-	2.72	3.73
Adjustment for employee benefit exp as per Actuary	31	-	-	(2.72)	(3.74)
Preference share capital					
ECL	23-29	-	-	(0.18)	0.12
Deferred tax adjustment		-	-	1.68	(10.65)
Reclassification of expenses	23-29	-	-		(0.06)
Discounting of capital advances / loss on int income	23-29	-	-	(3.59)	(4.20)
Tuff subsidy written off					
Opening adjustments		-	-	(28.63)	(12.27)
Other IGAAP adjustments					
Pre-IPO expense w/off					
Adjustment of DTA/DTL					
Total Adjustments		-	-	(31.29)	(28.63)
Total equity as per restated financial information		1,889.43	1,813.05	1,641.45	1,504.34

T.C TERRYTEX LIMITED
Annexure VI-Notes to Financial Information

(Amount in INR millions, except for share data unless otherwise stated)

Note 41: Ratios

Particulars	Numerator/Denominator	As at 30 Sep 2025*	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023	Change in% for 31 March 2025	Change in % for 31 March 2024	Reason for Variance
(a) Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	1.31	1.33	1.33	1.39	-0.15%	-4.18%	
(b) Debt-Equity Ratio	$\frac{\text{Total Debts}}{\text{Equity}}$	0.84	0.97	1.18	1.36	-18.07%	-13.19%	
(c) Debt Service Coverage Ratio	$\frac{\text{Earning available for Debt Service}}{\text{Interest} + \text{Installments}}$	1.99	1.03	0.77	0.99	34.03%	-21.78%	Refer Note 1
(d) Return on Equity Ratio	$\frac{\text{Profit after Tax}}{\text{Average Shareholder's Equity}}$	4.25%	9.84%	8.54%	6.19%	15.19%	37.94%	Refer Note 2
(e) Inventory turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Inventories}}$	1.77	3.75	3.86	3.30	-2.99%	17.21%	
(f) Trade receivables turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Account Receivable}}$	2.81	6.16	6.18	5.34	-0.37%	15.80%	
(g) Trade payables turnover ratio	$\frac{\text{Total Purchases}}{\text{Average Account Payable}}$	0.56	1.52	1.99	1.91	-23.68%	4.18%	
(h) Net capital turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Working Capital}}$	0.90	1.99	1.96	1.58	1.92%	23.96%	
(i) Net profit ratio	$\frac{\text{Net Profit}}{\text{Total Turnover}}$	2.43%	2.52%	2.05%	1.66%	22.92%	23.78%	
(j) Return on Capital employed	$\frac{\text{Earning before interest and taxes}}{\text{Capital Employed}}$	9.35%	21.74%	18.73%	15.70%	16.08%	19.29%	
(k) Return on Investment	$\frac{\text{Net Profit}}{\text{Cost of Investment}}$	3.38%	7.75%	5.99%	4.07%	29.42%	47.06%	Refer Note 3

*On an unannualized basis, the ratios are not directly comparable with the previous year.

Reasons for variance:

Note 1: The increase in the ratio is primarily due to a reduction in borrowings, also resulting in lower finance costs.

Note 2: The increased sales and net profit after tax compared to the previous year has contributed to the rise in the ratio.

Note 3: The increase in Return on Investment is mainly driven by higher net profit relative to the cost of investment.

Note 42: Additional Regulatory Disclosures As Per Schedule III Of Companies Act, 2013

a The Company has not undertaken any transactions with any Company whose name is struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the six months ended September 30, 2025, year ended March 31, 2025 and March 31, 2024 and March 31, 2023.

Pursuant to the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as inserted by the Companies (Accounts) Amendment Rules, 2021, the Company has used accounting softwares in which the audit trail (edit log) feature is enabled and operated throughout the period ended September 30, 2025 and year ended March 31, 2025, March 31, 2024 and March 31, 2023. Further, the Company has not noted any instances of changes in the audit trail feature during the period ended September 30, 2025 and year ended March 31, 2025, March 31, 2024 and March 31, 2023. The audit trail has been preserved by the Company as per the statutory requirements for record retention.

c The Company has not traded or invested in crypto currency or virtual currency during the period ended September 30, 2025 and year ended March 31, 2025, March 31, 2024 and March 31, 2023.

d The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the period ended September 30, 2025 and year ended March 31, 2025, March 31, 2024 and March 31, 2023 in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

e The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

The Company has Fund-based and Non-fund-based limits of Working Capital from Banks and Financial institutions. For the said facility, the revised submissions made by the Company to its lead bankers based on closure of books of accounts at the year end, the revised quarterly returns or statements comprising stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

g The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.

h The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities(intermediaries), with the understanding that the intermediary shall;

- i (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
(ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;

- j (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
(ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

k Title deeds of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the companies.

l The Company has not entered into any scheme of arrangement which has an accounting impact in the current or previous financial period/ years.

m The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such borrowings were taken.

Note 43: Code on Social Security, 2020

The Government of India has announced the implementation of the four Labour Codes -the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the New Labour Codes) with effect from November 21, 2025.

The corresponding supporting Rules under these Codes are yet to be notified. The Company is currently evaluating the impact of the Code, including the effect of the final rules and impact if any on the financial statements will be accrued in the subsequent period.

Note 44: Event Occurring after balance sheet date

Subsequent to the balance sheet date of September 30, 2025, the Company has undertaken additional borrowings primarily to finance its capital expenditure program. The proceeds from these borrowings have been utilized for the acquisition and installation of 34 additional looms.

As a result of this expansion, the Company's annual terry towel production capacity has increased from approximately 4,343.5 metric tonnes (MT) to 4,964.0 MT. This capacity enhancement is expected to improve production capabilities, increase operational efficiencies, reduce dependence on outsourced weaving, and streamline manufacturing processes.

In the opinion of management, such developments are likely to strengthen the Company's ability to meet growing customer demand and may have a favorable impact on its future results of operations. These events do not have any adjusting impact on the financial statements for the year ended September 30, 2025, but have been disclosed as material subsequent events in accordance with the applicable financial reporting framework.

As per our report of even date attached.

For J MANDAL & CO LLP
Chartered Accountants
FRN 302100E/N500422

For and on behalf of Board of Directors of
T.C TERRYTEX LIMITED

(CA PUSH P GARG)

Partner
M No. 573222

Place: Panchkula
Date: 28.03.2026
UDIN: 26573222NZBUCO3354

AKHIL SATIA

(MANAGING DIRECTOR)
DIN -01138038

Place: Sarsini

**PARMINDER
SINGH
BARNALA**
(WHOLE
TIME
DIRECTOR)
DIN - 10578371

RAJIV CHOPRA
(CFO)

**TANVI
MAHENDRU**

(CS)

OTHER FINANCIAL INFORMATION

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company as at September 30, 2025 and for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023, respectively, together with all annexures, schedules and notes thereto ("Audited Financial Statements") are available on our website at <https://tctf.in/>. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations.

The Audited Financial Statements or any other information on such website does not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) the Red Herring Prospectus; or (iii) a prospectus, a statement in lieu of 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 in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider when subscribing for or purchasing any securities of our Company and should not be relied upon or used as a basis for any investment decision. None of our Company or any of its advisors, nor BRLM nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from reliance placed on any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios derived from the Restated Financial Information as required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below. The table below should be read in conjunction with the sections titled "Risk Factors", "Restated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", on pages 22, 241 and 259, respectively:

Particulars	As at and for the six month period September 30, 2025*	As at and for Fiscal 2025	As at and for Fiscal 2024	As at and for Fiscal 2023
Earnings per share of face value of ₹ 10 each				
- Basic, computed on the basis of profit attributable to equity holders (₹)	0.61	1.31	1.04	0.70
- Diluted, computed on the basis of profit attributable to equity holders (₹)	0.61	1.31	1.04	0.70
RoNW (%)	4.25%	9.84%	8.54%	6.19%
Net asset value per Equity Share (₹)	14.61	14.02	12.69	11.63
EBITDA (₹ in million)	271.99	590.41	503.63	452.37

***The ratio computed for September 30, 2025 is not annualized**

Notes: The ratios have been computed as under:

- (a) Basic Earnings per share = Net profit after tax (loss after tax) as restated attributable to the equity holders of our Company / Weighted average number of equity shares outstanding during the period /year.
- (b) Diluted Earnings per share = Net profit after tax (loss after tax) as restated attributable to the equity holders of our Company / Weighted average number of potential equity shares outstanding during the period/year (adjusted for effect of dilution).
- (c) Return on Net Worth (%) = Net profit after tax, as restated/Average Net worth , Average Net Worth has been computed as the average of the net worth at the beginning of the relevant financial year and the net worth at the end of the period/year, as restated

- (d) *Net Asset Value per Equity Share = Net worth as restated attributable to owners of the Company / Number of equity shares as at period/ year end.*
- (e) *EBITDA = Profit Before Tax (PBT) + Finance Costs + Depreciation & Amortization - Other Income*
- (f) *Net worth = Paid-up Equity share capital + Other Equity.*

FINANCIAL INDEBTEDNESS

Our Company has availed loans and entered into other financing arrangements in the ordinary course of business, typically for the purposes of working capital and capital expenditure. For the purposes of the Offer, our Company has obtained the necessary consents required under the relevant documentation for its borrowings in relation to the Offer.

Our Board is empowered to borrow money in accordance with Sections 179 and 180 of the Companies Act and our Articles of Association. For details regarding the borrowing powers of our Board, see “Our Management-Borrowing Powers” on page 221.

As at December 31, 2025, our Company’s aggregate outstanding borrowings amounted to ₹1,709.75 million (excluding non-funded). The details of aggregate outstanding borrowings of our Company as on December 31, 2025, is set forth below:

(in ₹ millions)

Category of borrowings	Amount sanctioned*	Amount outstanding [#]
Funded		
Secured		
(i) Term Loans ¹	1,481.35	545.66
(ii) Cash Credits / Working Capital Facilities	1,340.00	1,146.70
(iii) Vehicle Loans	27.00	17.39
Total (A)	2,848.35	1,709.75
Non-Funded		
Secured		
Letter of Credit and Bank Guarantee	315.40	246.50
Total (B)	315.40	246.50
Total Indebtedness (A+B)	3,163.75	1,956.25

* The sanctioned amount includes the updated sanctioned limit of working capital facilities as on the reporting date, based on the latest renewed sanction letters, and the original sanctioned amount in respect of term loans and vehicle loans

The above borrowings comprise term loans and working capital facilities. The Company has also availed certain foreign currency borrowings from banks in India, including Foreign Currency Loans (FCL), Foreign Currency Term Loans (FCTL) and Packing Credit in Foreign Currency (PCFC), which form part of the cash credit and/or term loan facilities. The outstanding balances of such borrowings have been translated into Indian Rupees at an exchange rate of ₹89.8354 per US\$1 as on December 31, 2025, based on the exchange rate available at <https://www.oanda.com/currency-converter>

¹ Includes term loans availed by the Company for the purpose of meeting its working capital requirements.

As certified by J & Mandal Associates, Chartered Accountants, Statutory Auditors of our Company, pursuant to their certificate dated March 30, 2026.

Set forth below are the details of our outstanding borrowings as on December 31, 2025: -

Name of the lender	Nature of Borrowing & Date of Sanction Letter / Loan Agreement	Facility Type	Secured/ Unsecured	Secured Against	Details of the facility agreement / credit arrangement letter	Sanctioned amount (Rs. In Millions)	Outstanding amount as on Dec 31 st , 2025 (In million)	Interest rate per annum	Total Tenor	Prepayment penalty / premium	Utilized / Unutilized	Purpose for which disbursed loan amount was used
Indian Bank	Cash Credit	Working Capital	Secured	Note 1	Sanction letter dated September 26, 2017 and renewed updated letter dated July 29, 2025	70.00	60.30	1 Year MCLR +2.65%; 11.65% p.a.	Repayable on Demand	2% of outstanding balance/drawing limit (whichever is higher)	Utilized	Working Capital
Indian Bank	Term Loan	Term Loan	Secured	Note 1	Sanction letter dated September 26, 2017 and renewed updated letter dated July 29, 2025	150.00	43.76	1 Year MCLR+3.15; 12.15% p.a.	93 Months	2.05% of Outstanding loans	Utilized	Purchase of machineries & Constructions of Building as part of modifications/expansion project
Indian Overseas Bank	Cash Credit	Working Capital	Secured	Note 2	Sanction letter October 29, 2021 along with revised letter dated March 5, 2026	197.50	151.42	RLLR (8.10%) + 2.85%; 10.95% in line with lead bank sanction (SBI)	Repayable on Demand	NA	Utilized	Working Capital

Indian Overseas Bank	Term Loan GECL Loan	Term Loan	Secured	Note 2	Sanction letter dated March 20, 2021, and revised letter dated March 5, 2026	39.50	4.94	RLLR + 1% subject to reset and maximum cap as per scheme guideline; 9.25% p.a.	48 Months	Recovery of charges as per Discretion of bank	Utilized	Working Capital
Indian Overseas Bank	GECL Loan (Extention)	Term Loan	Secured	Note 2	Sanction letter dated March 30, 2022, and revised letter dated March 5, 2026	19.75	7.68	RLLR + 1% subject to reset and maximum cap as per scheme guideline; 9.25% p.a.	36 Months	Recovery of charges as per Discretion of bank	Utilized	Working Capital
Punjab National Bank	Cash Credit-WCDL and FCL	Working Capital	Secured	Note 3	Renewed sanction letter dated March 11, 2025	45.00	44.89	MCLR 1 Year (8.00 +2.65%-0.25%)=11.05%	Repayable on Demand	Nil	Utilized	Working Capital
Punjab National Bank	GECL-Term Loan	Term Loan	Secured	Note 3a	Sanction letter dated January 18, 2021, along with renewed letter dated March 11, 2025	49.00	4.08	1 Year MCLR Subject to maximum 9.25%	48 Months	NIL	Utilized	Working Capital

Punjab National Bank	GECL-Extention Term Loan	Term Loan	Secured	Note 3b	Sanction letter dated January 18, 2021, along with renewed letter dated March 11, 2025	24.50	12.25	1 Year MCLR Subject to maximum 9.25%	48 Months	NIL	Utilized	Working Capital
Punjab National Bank	Term Loan-FCTL	Term Loan	Secured	Note 3	Sanction letter dated January 18, 2021, along with renewed letter dated March 11, 2025	180.00	44.59	ARR+2.45 %, where ARR=SOF R+0.42826 %	93 Quarters	0.5% of Government Taxes or difference 6 months LIBOR/ARR Whichever is applicable	Utilized	Purchase of Plant & Machinery
South Indian Bank	Cash Credit Open Limit	Working Capital	Secured	Note 4	Sanction letter dated July 07, 2017, with renewed latest letter dated February 23, 2026	140.00	134.82	MCLR + 0.85% Effective rate of Interest-10.95%	Repayable on Demand	3% + GST	Utilized	Working Capital
South Indian Bank	Term Loan	Term Loan	Secured	Note 4	Original July 07, 2017 with renewed latest letter dated February 23, 2026	70.00	14.01	1 Year MCLR =9.70% Spread= 1.80% Effective Interest Rate =11.50%	93 Months	2.00% of the (Balance Outstanding +Any undisbursed limit)	Utilized	Purchase of Plant & Machinery

South Indian Bank	WCTL-ECLGS	Term Loan	Secured	Note 4	Original Sanction Letter Dated March 30, 2021 with renewed latest letter dated February 23, 2026	40.00	2.81	ROI: MCLR 8.25%+1% =9.25%	48 Months	3% + GST	Utilized	Working Capital
South Indian Bank	WCTL-ECLGS-Extention	Term Loan	Secured	Note 4	Original Sanction Letter Dated June 12, 2022 with renewed latest letter dated February 23, 2026	20.00	16.08	ROI: MCLR 9.05% +0.20%=9.25%	48 Months	3% + GST	Utilized	Working Capital
State Bank of India	Cash Credit and PCFC	Working Capital	Secured	Note 5	Sanction letter dated: February 02, 2024 and updated letter dated October 04, 2025	607.50	536.51	3 month EBLR+2.80% , effective 10.95% p.a. monthly rest	Repayable on Demand	2% of pre paid amount	Utilized	Working Capital

State Bank of India	GECL-2	Term Loan	Secured	Note 5	Sanction letter dated March 12, 2021	120.00	4.77	6 months MCLR+0.40%, effective 9.05% p.a. monthly rest	48 Months	Nil	Utilized	Working Capital
State Bank of India	GECL-2 Extension Scheme	Term Loan	Secured	Note 5	Sanction letter dated February 14, 2023	60.00	45.16	6 months MCLR+0.40%, effective 9.05% p.a. monthly rest	48 Months	Nil	Utilized	Working Capital
Union Bank of India	Cash Credit	Working Capital	Secured	Note 6	Sanction letter dated July 25, 2024, and updated letter dated May 30, 2025	280.00	218.77	EBLR+1.95% p.a.	Repayable on Demand	2%	Utilized	Working Capital
Union Bank of India	Term Loan and FCTL Loan	Term Loan	Secured	Note 6	Sanction letter dated April 19, 2018, and updated letter dated May 30, 2025	146.00	42.71	1 Year MCLR + 1.85% (Spread 1.35%, term premium= 0.50%)	93 Months	2%	Utilized	Purchase of machineries & Constructions of Building as part of modification/expansion project

Union Bank of India	GECL-2	Term Loan	Secured	Note 6	Sanction letter dated February 17, 2021, and updated letter dated May 30, 2025	78.70	8.39	1 YEAR MCLR + 0.60% Subject to maximum 9.25%	48 Months	2%	Utilized	Working Capital
Union Bank of India	GECL-2 Extention Scheme	Term Loan	Secured	Note 6	Sanction letter dated March 30, 2022, and updated letter dated May 30, 2025	39.60	22.28	1 YEAR MCLR + 0.60% Subject to maximum 9.25%	48 Months	2%	Utilized	Working Capital
HDFC Bank	Vehicle Loan	Vehicle Loan	Secured	Hypothecation of Car	Sanction letter dated February 06, 2024	13.00	8.87	8.65% p.a.	60 Months	NA	Utilized	Purchase of Vehicle
Union Bank of India	Vehicle Loan	Vehicle Loan	Secured		Sanction letter dated January 05, 2023	4.50	0.14	9.35% p.a.	84 Months	NA	Utilized	Purchase of Vehicle
Union Bank of India	Vehicle Loan	Vehicle Loan	Secured		Sanction letter dated December 22, 2023	0.50	0.18	8.80% p.a.	36 Months	NA	Utilized	Purchase of Vehicle
Union Bank of India	Vehicle Loan	Vehicle Loan	Secured		Sanction letter dated November 03, 2023	0.50	0.17	8.85% p.a.	36 Months	NA	Utilized	Purchase of Vehicle

Mahindra & Mahindra Financial Services Ltd.	Machinery Term Loan	Term Loan	Secured	Plant and Machinery	Sanction letter dated November 30, 2023	55.10	25.24	3M SBI MCLR + Spread - 8.15%+1.35% = 9.50 p.a.	60 Months	4% on the outstanding amount + Applicable GST	Utilized	Purchase of Plant & Machinery
Punjab National Bank	Machinery Term Loan	Term Loan	Secured	Plant and Machinery; Note 7	Sanction letter dated March 11, 2025	139.20	109.27	MCLR (9.05% + Spread 2.65%-0.25% concession =11.45% p.a.	78 Months	NA	Utilized	Purchase of Plant & Machinery
Union Bank of India	Machinery Term Loan	Term Loan	Secured	Plant and Machinery	Sanction letter dated May 30, 2025	250.00	137.63	EBLR+2.45% p.a.	72 Month	NA	Utilized	Purchase of Plant & Machinery
Union Bank of India	Vehicle Loan	Vehicle Loan	Secured	Hypothecation of Car	Sanction letter dated August 12, 2025	8.50	8.03	EBLR-0.35%, effective as 7.9% P.a.	60 Months	NA	Utilized	Purchase of Vehicle
Total						2,848.35	1,709.75					

Notes:-

Note 1

I. Primary Security

For Working Capital (FB & NFB Limits)

- 1) 1st pari passu charge along with other consortium member banks on the present and future value of the entire current assets of the Company.

For Term Loan

- 1) 1st pari passu charge on the entire fixed assets of the Company (present and future) along with other term loan lenders.
- 2) 1st pari passu charge on the factory land and building of the Company situated at Village Sarsini, Lalru, Distt. Mohali, Punjab, consisting of:
 - a) Land measuring 25 Bighas 09 Biswas, comprised as per Title Deed No. 8718 dated 24.03.2008
 - b) Land measuring 32 Bighas 07 Biswas, comprised as per Title Deed No. 8719 dated 24.03.2008
 - c) Land measuring 5 Bighas 11 Biswas, comprised as per Title Deed No. 8745 dated 25.03.2008

II. Collateral

For both Working Capital & Term Loan

- 1) 2nd pari passu charge on the entire current assets of the Company on a reciprocal basis for Term Loan limit.
- 2) 2nd pari passu charge on the present and future value of the entire fixed assets of the Company on a reciprocal basis for Working Capital limit.
- 3) Equitable mortgage of freehold land measuring 288 Kanal 3 Marla situated at Village Lubianwali, Muktsar, comprising of:
 - a) Land measuring 242 Kanal 2 Marla standing in the name of Smt. Saloni Satia w/o Sh. Anil Satia, vide Sale Deed Nos. 504, 505, 1955, 1958, 3215, 3243, 3398, 4414 (TIR dated 22.02.2011 and 10.02.2011)
 - b) 36 Kanal 11 Marla standing in the name of Sh. Anil Satia s/o Sh. Balraj Satia, vide Sale Deed Nos. 793 and 806
 - c) Equitable mortgage of freehold land measuring 9 Kanal 10 Marla standing in the name of Sh. Anil Satia s/o Sh. Balraj Satia, vide Sale Deed No. 379 at Village Lubianwali, Muktsar, Punjab (TIR dated 22.02.2011)
- 4) Equitable mortgage of freehold plot measuring 6 Kanal situated near Ramsharnam Ashram, Muktsar, standing in the name of Sh. Anil Satia, vide Sale Deed No. 1864 dated 09.09.2009.
- 5) Equitable mortgage of industrial land measuring 7 Bigha situated at Village Sarsini, Tehsil Derabassi, Distt. Mohali, standing in the name of Mr. Akhil Satia s/o Mr. Anil Satia, vide Sale Deed No. 598 dated 12.04.2012.
- 6) Equitable mortgage of industrial land measuring 3 Bigha 2 Biswa 16 Biswasi situated at Village Sarsini, Tehsil Derabassi, Distt. Mohali, standing in the name of Mr. Akhil Satia s/o Mr. Anil Satia, vide Sale Deed No. 12153 dated 20.11.2012.
- 7) Commercial land of total area 31,090 sq. yards situated at Village Sarsini, Near Bhandari Hosiery, Chandigarh–Ambala Road, Tehsil Dera Bassi, District SAS Nagar Mohali, Punjab, in the name of T C Terrytex Limited, vide Sale Deed No. 8609 dated 28.01.2010.
- 8) Cash collateral of Rs. 2.17 crore on 1st pari passu basis by way of lien on bank deposits.

Note 2

I. Primary Security

Cash Credit

Hypothecation of entire current assets of the Company (present and future – floating charge) on pari passu 1st charge basis with working capital lenders in the consortium.

WCTL – GECL

The additional WCTL granted under GECL scheme shall rank second pari passu charge with the existing credit facilities in terms of cash flows (including repayments) and security, along with charge on the assets financed under the scheme created / to be created within a period of three months from the date of disbursal.

WCTL – GECL Extension

The additional WCTL granted under GECL 2.0 extension scheme shall rank second pari passu charge with the existing credit facilities in terms of cash flows (including repayments) and security, along with charge on the assets financed under the scheme, to be created within a period of three months from the date of disbursal.

II. Collateral Security Details

1st pari passu charge with all working capital lenders for CC / PC / Bills / LC limits and second pari passu charge for WCTL–GECL on the following securities:

1. Deposit in lieu of properties 1 and 2 as mentioned above.
2. Deposits in name of the Company kept with State Bank of India, Lead Bank.
3. 1st pari passu charge with all working capital lenders (for CC / PC / Bills / LC limits) and second pari passu charge (for WCTL–GECL) on the following securities:
 - a) Equitable mortgage of industrial land measuring 7 Bigha situated at Village Sarsini, Tehsil Dera Bassi, Distt. Mohali, standing in the name of Mr. Akhil Satia s/o Mr. Anil Satia, vide Sale Deed No. 598 dated 12.04.2012.
 - b) Equitable mortgage of industrial land of total area 3140 sq. yds. situated at Village Sarsini, Near Bhandari Hosiery, Chandigarh to Ambala Road, Tehsil Derabassi, District SAS Nagar Mohali, Punjab, having:
 - i. Khatas No. 154/229, 211/342 and 345
 - ii. Khasra Nos. 1234 (3-14), 1235 min (2-9-16), 1212 min (2-8) and 1212 min (1-11) standing in the name of Mr. Akhil Satia, vide Sale Deed No. 12153 dated 20.11.2012.
 - c) Equitable mortgage of industrial land admeasuring 31-01-6 Bigha (31,090 sq. yds.) and building constructed thereon situated at Village Sarsini, Lalru, Mohali, Punjab, bearing:
 - i. Khata No. 154/227, Khasra Nos. 1238 (4-10), 1239 (3-10), 1240 (2-6), Kitta 3 i.e. 10-06 Bigha, and
 - ii. Khata No. 266/446, Khasra Nos. 1230/2 (3-8), 1231/1 (3-3), 1232 (5-1), 1233 (4-8), 1229 (2-3-16), 1230/1 (3-8), 1231/2 (0-4), Kitta 7 i.e. 20-15-16 Bigha, in the name of M/s T C Terrytex Ltd., vide Sale Deed No. 8609 dated 28.01.2010.
4. 2nd pari-passu charge on Plant & Machinery and other fixed assets (present and future) including factory land and building.

The first charge is held by term lenders.

- a) Equitable mortgage of factory land & building owned by the Company situated at Village Sarsini, Lalru, District Mohali, including:
 - i. Land measuring 32 Bigha 7 Biswa comprised of Sale Deed No. 8719 dated 24.03.2008
 - ii. Land measuring 25 Bigha 9 Biswa comprised of Sale Deed No. 8718 dated 24.03.2008
 - iii. Land measuring 5 Bigha 11 Biswa comprised of Sale Deed No. 8745 dated 25.03.2008
5. 2nd pari-passu charge on Factory Plant & Machinery and other Fixed Assets (excluding vehicles).

Note 3

I. Collateral Security for CC & Non-Fund Based Facility

1. 1st charge on entire current assets, present & future, including entire stocks, book debts, loans & advances etc., and in case of consortium / multiple advances, 1st charge to be held on pari passu basis with other banks. DP, however, to be allowed against stocks as mentioned.
2. 2nd pari-passu charge on present & future value of entire fixed assets of the Company.

II. Security for FCTL

1. 1st pari passu charge on the entire and proposed fixed assets of the Company with other banks (State Bank of India, State Bank of Patiala, Indian Overseas Bank, Union Bank of India, Allahabad Bank, State Bank of Hyderabad, PNB).
2. 1st pari passu charge on Factory Land & Building of the company situated at Village: Sarsini, Lalru, Distt: Mohali, Punjab, consisting of:
 - a) Land measuring 25 Bighas 09 Biswas comprised as per Title Deed No. 8718 dated 24.03.2008
 - b) Land measuring 32 Bighas 07 Biswas comprised as per Title Deed No. 8719 dated 24.03.2008
 - c) Land measuring 5 Bighas 11 Biswas comprised as per Title Deed No. 8745 dated 25.03.2008
3. Valuation of Primary Security has been done by the Lead Bank SBI from Sh. H. G. Ahluwalia dated 30.01.2017 and as per the valuation report the realizable value of IP is Rs. 42.02 crores. Second valuation of IP was also done through Lt. Col. Sh. A. K. Suri, and as per his valuation report the distress value of IP was Rs. 50.49 crores.
4. 2nd pari passu charge on current assets of the Company on reciprocal basis with Working Capital lenders.

Note 3a

1. Extension of charge over entire present and future current assets / fixed assets of the firm / company.
2. The additional WCTL facility granted under GECL shall rank second charge with the existing credit facilities in terms of cash flows (including repayments) and security, with charge on the assets financed under the scheme to be created on or before June 30, 2021 or date of NPA, whichever is earlier.
3. Facility under the scheme will be secured through Guarantee Coverage from NCGTC.
4. Extension of charge over the existing Primary & Collateral securities excluding Personal / Corporate Guarantees (wherever applicable) shall be done.

Note 3b

1. Extension of charge over entire present and future current assets / fixed assets of the firm / company.
2. The additional WCTL facility granted under GECL shall rank second charge with the existing credit facilities in terms of cash flows (including repayments) and security, with charge on the assets financed under the scheme to be created on or before June 30, 2022 or date of NPA, whichever is earlier.
3. Facility under the scheme will be secured through Guarantee Coverage from NCGTC.
4. Extension of charge over the existing Primary & Collateral securities excluding Personal / Corporate Guarantees (wherever applicable) shall be done.

Note 4

I. Primary Security - Cash Credit, Term Loan and WCTL (ECLGS) – 1 & 2

1. 1st pari passu charge along with other consortium lenders on entire current assets of the Company, both present and future.
2. 1st pari passu charge on all fixed assets of the Company including equitable mortgage (EM) of Land & Building of the Company situated at Village Sarsini, Lalru, District Mohali, including:
 - a. Land measuring 32 Bigha 7 Biswa comprised of Sale Deed No. 8719 dated 23.03.2008
 - b. Land measuring 25 Bigha 9 Biswa comprised of Sale Deed No. 8718 dated 24.03.2008
 - c. Land measuring 5 Bigha 11 Biswa comprised of Sale Deed No. 8745 dated 25.03.2008

II. Collateral Security - Cash Credit, Term Loan and WCTL (ECLGS) – 1 & 2

1. 1st pari passu charge on Industrial property owned by Mr. Akhil Satia having sale deed serial No.598 dated 12.04.2012, situated at Vill Sarsini SAS Nagar Mohali 140501, measuring 7 Bigha. Or 7000 sq yds.
2. 1st pari passu charge on Industrial property owned by. Mr. Akhil Satia having sale deed serial No.12153 dated 20.11.2012, situated at Vill Sarsini SAS Nagar Mohali 140501, measuring 3140 sq yds or 3 Bigha, 2 Biswa 16 Biswai)
3. 1st pari passu charge on Commercial/Industrial Plot owned by M/s T C Terrytex Limited having sale deed serial No. 8609 dated 28.01.2010, situated at Vill Sarsini, SAS Nagar Mohali 140501, measuring 31 Bigha 1 Biswa 16 Biswai / 6.42 acres.
4. 1st pari passu charge on vacant land owned by Mrs. Saloni Satia & Mr. Anil Satia having sale deed 504, 505, 1955, 1958, 3215, 3243, 3398, 4414, 793, 806 & 379 situated at Vill. Lubanianwali, Tehsil & Dist Muktsar 152026.
5. 1st pari passu charge on vacant land owned by Mr. Anil Satia having sale deed no. 1864 dated 09.09.2009 at Barkandi Road, Bathinda Bypass, Tehsil & Distt. Shri Muktsar Sahib.

III. Other Security - Cash Credit, Term Loan and WCTL (ECLGS) – 1 & 2

1. FDR of Rs. 2.17 crores in the name of the Company. Working capital lenders under consortium having 1st pari passu charge. The deposit is maintained with State Bank of India.

Notes 5

I. Primary Security

Type of charge: Hypothecation on 1st Pari Passu Charge basis for all WC facilities and hypothecation on 2nd Pari Passu Charge basis for GECL 2.0 and GECL 2.0 (Extension) on all stocks, receivables and all other current assets of the company with all WC lenders i.e. IOB, UBI, Indian Bank, PNB and South Indian Bank.

Cash Credit / EPC / PCFC / FBP / FBD / EBR / Advance against Export Bills sent on Collection / LC Inland / CEL Limit & GECL 2.0 and GECL 2.0 (Extension):

Stock, Receivables and all other Current Assets of the Company (present as well as future)

II. Collateral

- i. Type of charge: Equitable Mortgage / Hypothecation on 1st Pari Passu Charge basis for WC facilities (Cash Credit / EPC / PCFC / FBP / FBD / EBR / Advance against Export Bills sent on Collection / LC Inland / CEL Limit) and on 2nd Pari Passu Charge basis for GECL 2.0 and GECL 2.0 (Extension) on security given below with all WC lenders i.e. IOB, UBI, Indian Bank, PNB and South Indian Bank.

1. **Equitable mortgage: Land measuring 288 Kanal 3 Marla having following details:**

- a. Land measuring 242 Kanal 2 Marla situated at Village Luanwali, Muktsar, registered vide sale deed no. 504, 505, 1955, 1958, 3215, 3243, 3398, 4414 standing in the name of Saloni Satia and Anil Satia
- b. Land measuring 36 kanal 11 marla situated at Village Luanwali, District Muktsar, registered vide sale deed no. 793 and 806 standing in the name of Saloni Satia and Anil Satia. #
- c. Land measuring 9 kanal 10 marla situated at Village Luanwali, Muktsar, registered vide sale deed no. 379 standing in the name of Saloni Satia and Anil Satia. #

2. **Equitable mortgage**

Plot measuring 6 kanal (3630 sq yards) situated near Ram Sharnam Ashram, Muktsar, registered vide sale deed no. 1864 dated 09.09.2009 standing in the name of Anil Satia. #

3. **Equitable mortgage**

Commercial / Industrial Land situated at Village Sarsini, Lalru, S.A.S Nagar, Mohali, Punjab measuring 31 Bigha, 1 Biswa, 16 Biswasi (31090 sq yards) registered vide sale deed no. 8609 dated 28.01.2010 standing in the name of TC Terrytex Limited

4. **Equitable mortgage**

Industrial property having Sales Deed Serial No. 598 dated 12.04.2012, situated at Village Sarsini, SAS Nagar Mohali, Punjab, measuring 7 Bigha standing in the name of Mr. Akhil Satia and Mr. Anil Satia.

5. **Equitable mortgage**

Industrial property having Sales Deed Serial No. 12153 dated 20.11.2012, situated at Village Sarsini, SAS Nagar Mohali, Punjab, measuring 3 Bigha, 2 Biswa, 16 Biswasi standing in the name of Mr. Akhil Satia and Mr. Anil Satia.

6. **Lien on Bank Deposits**

Having value of Rs 2.17 Crore standing in the name of TC Terrytex Limited

- ii. Type of Charge: 2nd Pari Passu Charge for WC Facilities, GECL 2.0 and GECL 2.0 (Extension) on all fixed assets of the company (details given below). First Pari-Passu charge with term lenders.

1. Equitable Mortgage / Hypothecation:

All Fixed Assets (including Plant & Machinery), both present & future, of the Company including equitable mortgage of industrial property registered vide:

- a) Wasika No. 8718 dated 24.03.2008
- b) Wasika No. 8719 dated 24.03.2008
- c) Wasika No. 8745 dated 25.03.2008 in the name of M/s T. C. Terrytex Limited., situated at Village Sarsini, Distt. SAS Nagar Mohali, Punjab standing in the name of TC Terrytex Limited.

#As per approved security arrangement, 5 bigha property vide sale deed no. 8609, 8719 out of total property as per sale deed no. 8609, 8719 (i.e. 63 bighas 8 biswa and 20 biswasi) is proposed to be substituted with equivalent value of collateral in the form of immovable property, and shortfall if any in valuation of new immovable property will be bridged by FDRs by promoters' own funds.

Note 6

I. Primary Security

Cash Credit

Hypothecation of all current assets of the Company (present as well as future) on 1st pari passu basis with Lead Bank (SBI) and other members for their share in WC Limits.

Term Loan

1st pari passu charge among the Term Loan Lenders on all fixed assets of the Company and all other assets created out of term loans (except assets exclusively charged to term lenders).

1st pari passu charge among the Term Loan Lenders on Land & Building (L&B) of the Company situated at Village Sarsini, Lalru, District Mohali, consisting of:

- a) Land measuring 32 Bigha 7 Biswa through Sale Deed No. 8719 dated 23.03.2008
- b) Land measuring 25 Bigha 9 Biswa through Sale Deed No. 8718 dated 24.03.2008
- c) Land measuring 5 Bigha 11 Biswa through Sale Deed No. 8745 dated 25.03.2008

Fresh Term Loan

Exclusive charge on Plant & Machinery (P&M) created out of proposed term loan of Rs. 25.00 crore.

Notes

- a) Second pari-passu charge among term lender banks under consortium i.e. PNB, UBI, Indian Bank and SBI, by way of hypothecation of current assets (both present and future) of the borrower on reciprocal basis.
- b) Second pari-passu charge among WC lender banks under consortium i.e. SBI, IOB, PNB, UBI, Indian Bank and SIB, by way of entire and proposed fixed assets and by way of mortgage of factory Land & Building with superstructure thereon, present and future of the borrower.

II. Collateral Securities

1. 1st pari passu charge on land measuring 7 Bigha situated at Village Sarsini, Tehsil Dera Bassi, Dist. Mohali, vide Sale Deed No. 598 dated 12.04.2012.
Total Area: 63,000 Sq. Ft.
Owner: Mr. Akhil Satia
2. 1st pari passu charge on land measuring 3 Bigha 2 Biswa, 16 Biswai situated at Village Sarsini, Tehsil Dera Bassi, Dist. Mohali, vide Sale Deed No. 12153 dated 20.11.2012.
Total Area: 3,140 Sq. Yds.
Owner: Mr. Akhil Satia
3. 1st pari passu charge on Commercial property situated at Village Sarsini, Lalru, Distt. Mohali, Punjab, measuring 31,090 Sq. Yards, in the name of T.C Terrytex Ltd.
Title Deed No. 8609 dated 28.01.2010

4. FDR of Rs. 10.00 crore under lien kept with Lead Bank SBI in substitution of properties at Muktsar, i.e.:
 - a) Freehold land measuring 288 Kanal 03 Marla situated at Village Lubaniwali, Muktsar
Owner: Mr. Anil Satia and Ms. Saloni Satia, comprising of:
 - i. 242 Kanal 02 Marla vide Sale Deed Nos. 504, 505, 1955, 1958, 3215, 3243, 3398, 4414
 - ii. 36 Kanal 11 Marla vide Sale Deed Nos. 793 and 806
 - iii. 9 Kanal 10 Marla vide Sale Deed No. 379
 - b) Freehold plot measuring 6 Kanal situated near Ramsharnam Ashram, Muktsar
Owner: Anil Satia
Sale Deed No. 1864 dated 09.09.2009
Survey No. / House No. Khewat No. 569, Khatoni No. 893 District: Muktsar, Punjab
5. Cash Collateral of Rs. 2.17 Crore (face value of FD kept with Lead Bank SBI) for:
 - a) Lien on Term Deposits of M/s TC Terrytex Limited
 - b) Lien on Term Deposits of Mr. Mr. Akhil Satia

III. Other Securities

1. Residual value of assets financed under Term Loan is available as collateral security to working capital lenders – Rs. 74.63
2. Residual value of current assets financed by working capital limits is available as collateral security to term lenders.

Note 7

I. Collateral Securities

1. Exclusive charge on plant and machinery purchased.
2. First pari passu charge on entire block of assets of the Company (present and future).

Consequences of occurrence of events of default

The following are the consequences of occurrence of events of default in relation to the borrowings of our Company whereby the lenders may, among others:

- a) demand that our Company provide additional security;
- b) accelerate maturity of the facility and demand immediate repayment of the outstanding amount;
- c) enforce security; and take any action as per the loan/ security documents or/ and any applicable law.
- d) **Restrictive covenants:** Certain borrowing arrangements entered into by our Company contain restrictive covenants, including covenants restricting certain actions except with the prior approval of the lender. An indicative list of such restrictive covenants is disclosed below.
 - i. effecting any change of our Company's capital structure or shareholding pattern;
 - ii. implement any scheme of expansion / diversification / modernization other than incurring routine capital expenditure;
 - iii. permit any transfer of controlling interest or make any drastic changes in its management set up;
 - iv. amendments to the constitutional documents of our Company; and
 - v. diversification into non-core areas viz business other than the current business.

The details provided above, in relation to the principal terms of our borrowings are indicative and there may be additional terms, conditions and requirements under the specific borrowing arrangements entered into by us. The details on interest rates, tenors and pre-payment penalties, set out above are in relation to the borrowings availed by our Company as of December 31, 2025.

CAPITALISATION STATEMENT

The following table sets forth our Company's Capitalisation as of September 30, 2025, derived from Restated Financial Information, and as adjusted for the Issue. This table should be read in conjunction with the sections titled "Risk Factors", "Restated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 22, 241 and 259, respectively.

<i>Particulars</i>	<i>Pre-Offer as at September 30, 2025 (In ₹ million)</i>	<i>As adjusted for the Offer*</i>
Total Borrowings		
A. Current Borrowings	1,075.66	[●]
B. Non-current Borrowings (including current maturity on non-current borrowings)	518.82	[●]
C. Total Borrowings (A)+(B)	1,594.48	[●]
Total Equity		
D. Equity Share Capital	1,293.18	[●]
E. Other Equity (Note 1)	596.25	[●]
F. Total Equity (D)+(E)	1,889.43	[●]
Total Borrowings/ Total Equity (C)/(F)	0.84	[●]
Non-Current Borrowing/ Total Equity (B)/(F)	0.27	[●]

Note:

1. Other equity comprises of equity created out of the profit or retained earnings.
2. The terms used in the table above carry the meaning as per division II of Schedule III to the Companies Act.
3. Reference is drawn to the illustrative capitalization statement of Para (D) of Clause (11)(II) of Part A of Schedule VI to the SEBI ICDR Regulations where Total Equity has the following components viz. Share Capital, Reserves and Surplus and Money received against share warrants.
4. The corresponding post Offer capitalization data is not determinable at this stage pending the completion of the book building process and hence have not been furnished. To be updated upon finalization of the issue Price

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion in conjunction with the Restated Financial Information. The Restated Financial Information has been prepared by our management as required under the SEBI ICDR Regulations read with the ICAI Guidance Note. For more information, see "Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to investor's assessments of our financial condition" on page 22s.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward looking statements as a result of certain factors, including but not limited to the considerations described below. For details, see "Forward-Looking Statements" on page 20.

Unless otherwise indicated or the context otherwise requires, the financial information for 12 months ended Fiscal 2025, Fiscal 2024 and Fiscal 2023, included herein is derived from the Restated Financial Information included in this Draft Red Herring Prospectus. For details, please see "Restated Financial Information" on page 241. The Restated Financial Information is based on our audited financial statements and is restated in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations. Our financial year ends on March 31 of each year, and references to a particular Fiscal are to the twelve months ended March 31 of that year.

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this section and elsewhere in this Draft Red Herring Prospectus. Such non-GAAP financial measures should be read together with the nearest GAAP measure. See "Risk Factors – We have included certain Non-GAAP Measures, industry metrics and key performance indicators related to our operations and financial performance in this Draft Red Herring Prospectus that are subject to inherent measurement challenges. These Non-GAAP Measures, industry metrics and key performance indicators may not be comparable with financial, or industry-related statistical information of similar nomenclatures computed and presented by other companies. Such supplemental financial and operational information is therefore of limited utility as an analytical tool for investors and there can be no assurance that there will not be any issues or such tools will be accurate going forward."

*The industry-related information contained in this section is derived from the industry report titled 'Industry Report on Home Textiles' dated March 20, 2026, prepared by Dun & Bradstreet Information Services India Private Limited (the "**D&B Industry Report**"). We have exclusively commissioned and paid for the D&B Industry Report for the purposes of confirming our understanding of the industry exclusively in connection with the Issue. We officially engaged Lattice Technologies Private Limited in connection with the preparation of the D&B Industry Report pursuant to an engagement letter dated April 24, 2025. D&B Industry Report is not, and has not in the past, been engaged or interested in the formation, or promotion, or management, of our Company. Further, it is an independent agency and neither our Company, nor our Directors, Promoters, KMPs, SMPs, and Subsidiaries, nor the BRLM are a related party to D&B Industry Report as per the definition of "related party" under the Companies Act, 2013. A copy of the D&B Industry Report shall be available on the website of our Company at <https://tctl.in/> from the date of this Draft Red Herring Prospectus until the Bid/Offer Closing Date. Unless otherwise indicated, the industry-related information contained in this section is derived from the D&B Industry Report (extracts of which have been appropriately incorporated as part of "Industry Overview" on page 128).*

Unless otherwise stated, references to "the Company", "our Company", "we", "us", and "our" are to T.C. Terrytex Limited

OVERVIEW

T.C. Terrytex Ltd. is engaged in the manufacturing and export of premium terry towel, catering to international markets. Our Company is engaged in the business of manufacturing terry towels & toweling products such as face & hand towels, bath towels & bath sheets and bathmats & bath robes. With a diverse product portfolio that includes Dobby (Piece Dyed), Jacquard Towels. We focus on delivering high quality textiles that meet industry standards in terms of durability and performance. In addition to finished towels, we are also involved in the sale of dyed yarn in the domestic market, ensuring a diversified business presence. We have been recognized as a **Three Star Export House by the Directorate General of Foreign Trade (DGFT)**, a certification awarded to exporters with a proven track record in international trade. This recognition underscores our adherence to global quality standards and enhances our credibility among international buyers.

For the six month period ended September 30, 2025, and Fiscal 2025, 2024, and 2023, our total income was ₹ 3,249.03, 6,740.87 million, ₹ 6,571.54 million, and ₹ 5445.25 million respectively, which contains revenue from operations and other income.

For details regarding the overview and industry of the Company, see “Our Business – Overview” and “Industry” on page 174 & 128 respectively

The following table sets forth certain financial and operational information for the years / period indicate

(₹ in millions except percentages and ratios)

Particulars	Six-month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from Operations	3245.79	6734.80	6544.22	5441.31
Revenue Growth (in %) ⁽¹⁾	NA	2.91%	20.27%	-0.30%
EBITDA ⁽²⁾	271.99	590.41	503.63	452.37
EBITDA Growth (in %) ⁽³⁾	NA	17.23%	11.33%	10.85%
EBIT ⁽⁴⁾	217.82	476.68	420.14	347.90
EBIT Growth (in %) ⁽⁵⁾	NA	13.46%	20.76%	11.90%
Profit After Tax ⁽⁶⁾	78.73	170.01	134.40	90.28
Profit After Tax Growth (in %) ⁽⁷⁾	NA	26.50%	48.87%	123.29%
EBITDA Margin ⁽⁸⁾	8.38%	8.77%	7.70%	8.31%
EBIT Margin ⁽⁹⁾	6.71%	7.08%	6.42%	6.39%
PAT Margin ⁽¹⁰⁾	2.43%	2.52%	2.05%	1.66%
Net Worth ⁽¹¹⁾	1889.43	1813.05	1641.45	1504.34
Total Debt ⁽¹²⁾	1594.48	1752.00	1936.00	2043.90
Debt/Equity ⁽¹³⁾	0.84	0.97	1.18	1.36
ROE ⁽¹⁴⁾	4.25%	9.84%	8.54%	6.19%
ROCE ⁽¹⁵⁾	6.18%	13.35%	11.79%	9.81%
Total Debt / EBITDA ⁽¹⁶⁾	5.86	2.97	3.84	4.52
Fixed Asset Turnover Ratio ⁽¹⁷⁾	2.84	5.56	5.71	5.16
Current Ratio ⁽¹⁸⁾	1.31	1.33	1.33	1.39

Formula for calculation of KPIs:

- ⁽¹⁾ Revenue Growth (%) = (Revenue from operation in Current Period – Revenue from operation in Previous Period) / Revenue in Previous Period * 100
- ⁽²⁾ Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) = Profit Before Tax (PBT) + Finance Costs + Depreciation & Amortization - Other Income
- ⁽³⁾ EBITDA Margin (Earnings Before Interest, Taxes, Depreciation, and Amortization Margin) = (EBITDA / Revenue from Operations) * 100
- ⁽⁴⁾ EBITDA Growth (%) = (EBITDA in Current Period - EBITDA in Previous Period) / EBITDA in Previous Period * 100
- ⁽⁵⁾ Earnings Before Interest and Taxes (EBIT) = Profit Before Tax (PBT) + Finance Costs
- ⁽⁶⁾ EBIT Margin (Earnings Before Interest and Taxes Margin) = (EBIT / Revenue from Operations) * 100
- ⁽⁷⁾ EBIT Growth (%) = (EBIT in Current Period - EBIT in Previous Period) / EBIT in Previous Period * 100
- ⁽⁸⁾ PAT = Profit before Tax (PBT) – Total Tax Expenses
- ⁽⁹⁾ PAT Margin (Profit After Tax Margin) = (PAT / Revenue from Operations) * 100

- (10) $PAT\ Growth\ (\%) = (PAT\ in\ Current\ Period - PAT\ in\ Previous\ Period) / PAT\ in\ Previous\ Period * 100$
- (11) $Return\ on\ Equity\ (ROE)\ (\%) = (PAT / Average\ Equity\ (here\ Equity = Equity\ Share\ Capital + Other\ Equity - OCI\ re-classifiable\ to\ P\&L)) * 100$
- (12) $Return\ on\ Capital\ Employed\ (ROCE)\ (\%) = Earnings\ Before\ Interest\ and\ Taxes\ (EBIT) / Average\ Capital\ Employed\ (here\ Capital\ Employed = Net\ worth + Total\ Debt) * 100$
- (13) $Net\ worth = Paid-up\ share\ capital + Other\ Equity\ (exclusive\ of\ NCI) - OCI\ re-classifiable\ to\ P\&L$
- (14) $Total\ Debt = Total\ Borrowings\ (Long-term + Short-term)$
- (15) $Total\ Debt\ to\ Equity = Total\ Debt / Equity$
- (16) $Fixed\ Asset\ Turnover = Revenue\ from\ Operations / Average\ Net\ Fixed\ Assets\ (here\ Net\ Fixed\ Assets = Net\ property\ plant\ and\ equipment\ as\ per\ restated\ financial\ statement)$
- (17) $Current\ ratio = Current\ Asset / Current\ Liabilities$
- (18) $Total\ Debt\ to\ EBITDA = Total\ Debt / Earnings\ Before\ Interest,\ Taxes,\ Depreciation,\ and\ Amortization\ (EBITDA)$

Set out below are certain operational key performance indicators pertaining to our business

(₹ in millions, unless specified)

Particulars	Six-month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Number of Employee's ⁽¹⁾	1,714.00	1,630.00	1,677.00	1,471.00
Total Sale of product (in million) ⁽²⁾	2,991.56	6,198.32	6,073.37	4,987.95
Revenue per Employee (₹ in million) ⁽³⁾	1.75	3.80	3.62	3.39
Capacity Utilization (in %) ⁽⁴⁾				
- Towel	87.83%	88.60%	88.27%	87.92%
- Dyed Yarn	89.14%	93.13%	88.64%	87.50%
Loom Efficiency (%) ⁽⁵⁾	91.13%	95.59%	89.60%	87.92%
Yield Rate (%) ⁽⁶⁾	95.36%	95.73%	94.64%	95.85%
Rejection Rate (%) ⁽⁷⁾	4.64%	4.27%	5.36%	4.15%
Energy Consumption per Kg of Output (kWh/MTPA) ⁽⁸⁾	2.25	2.51	2.56	2.45

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- (9) Number of Employee's represents the total number of employees engaged with the Company as on the end of the respective financial year.
- (10) Total Sale of Product represents the total sale from finished goods, traded goods and scrap sale earned by the Company during the respective financial year.
- (11) Revenue per Employee's calculated by dividing the Total Revenue by Total Number of Employee's.
- (12) Capacity utilization is the total number of units produced out of total installed capacity.
- (13) Loom Efficiency is calculated by dividing the actual operating hours of the looms by the total available loom hours in a day, expressed as a percentage.
- (14) Yield Rate is calculated as the proportion of defect-free production to the total production (in metric tonnes) sourced from external capacities, expressed as a percentage.
- (15) Rejection rate is calculated as 1-Yield Rate
- (16) Total Energy Consumption is calculated by dividing the total electricity consumed for the Towel Division (in kWh) by the total output produced (in metric tonnes per annum), and then dividing the result by 1,000 to express it in kWh per kg of output.

SIGNIFICANT FACTORS AFFECTING OUR FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our results of operations and financial condition are affected by a number of important factors including:

Any Shutdown, Slow-down or Under-utilisation of Our Manufacturing Facilities

Our operations are subject to a range of operating risks, including but not limited to, forced or voluntary closures of our facilities due to regulatory actions, supply chain disruptions, natural or man-made disasters, breakdown or failure of equipment, lower-than-expected equipment performance, obsolescence of machinery, and industrial accidents. In addition, compliance with directives of government authorities, disruption in power or water supply, and fire or safety incidents could also adversely

impact our operations. Labour disputes, strikes, and lock-outs may also result in temporary shutdowns or production slow-downs, leading to operational disruptions. From time to time, we may also be required to temporarily shut down our facilities for capacity expansions, enhancements, or equipment upgrades. Any unscheduled, unplanned, or prolonged disruption of our manufacturing operations could adversely affect our ability to meet contractual obligations, thereby reducing sales and revenues for the affected period. Our expansion plans, including the setting up of new manufacturing facilities, are subject to similar risks, which may result in shutdowns, under-utilisation, or unplanned disruptions, potentially impacting our future revenue from operations. Our ability to maintain profitability depends significantly on achieving and sustaining sufficient levels of capacity utilisation. Capacity utilisation may be affected by a variety of factors, including our product mix, uninterrupted operations, labour availability, market and industry conditions, as well as overhead and manufacturing costs. Any decline in demand for our products, prolonged operational disruptions at existing or proposed facilities, interruptions in the supply of raw materials or utilities, or instances of labour unrest could prevent us from maintaining optimum capacity utilisation. This may lead to operational inefficiencies and higher per-unit costs, which could have a material adverse effect on our financial condition and results of operations.

Changes in Price and Availability of Raw Materials

Our business operations are significantly dependent on the timely availability and cost of raw materials, particularly yarn, dyes, chemicals, and other inputs used in our manufacturing processes. The prices of these raw materials are subject to fluctuations due to various factors, including changes in demand and supply dynamics, seasonal variations, currency exchange rate movements, global commodity market trends, government policies (including duties, tariffs, and trade restrictions), and inflationary pressures. Any significant volatility in the prices of raw materials may adversely affect our cost of production. While we endeavour to pass on a portion of the increased costs to our customers, there can be no assurance that we will always be able to do so without affecting demand for our products or our margins. Prolonged periods of price escalation may result in reduced profitability and margin pressures. Further, our ability to procure raw materials at competitive prices is also dependent on the availability of reliable suppliers. Any disruption in the supply of raw materials, whether due to shortages, supply chain bottlenecks, logistical challenges, geopolitical tensions, or adverse weather conditions, may impact our production schedules and ability to fulfil customer orders in a timely manner.

Foreign Exchange Fluctuations

A significant portion of our revenue is derived from exports, while certain capital equipment and other inputs are imported. Consequently, our business is exposed to risks associated with foreign exchange rate fluctuations. Our export receivables are largely denominated in foreign currencies, while our import payables and certain foreign currency borrowings are also subject to such variations. Adverse movements in exchange rates may materially affect our revenues, profitability, and overall financial condition. For example, appreciation of the Indian Rupee against major foreign currencies could reduce the value of our export realisations, while depreciation of the Rupee could increase the cost of imported raw materials, machinery, and foreign currency borrowings. We adopt risk management practices, including the use of forward contracts and other hedging instruments, to mitigate the impact of currency fluctuations. However, these measures may not always be fully effective, may involve additional costs, and may not protect against all types of exchange rate movements. Further, sudden or prolonged volatility in foreign exchange rates could still adversely impact our margins, liquidity, and cash flows.

Competitive Intensity in the Industry

The industry in which we operate is highly competitive and fragmented, with competition arising from both large established players and smaller regional manufacturers. We face competition from companies across various segments of the textile and home furnishing industry, both in the domestic and international markets. Competitive intensity varies by product category, customer segment, and geographical region. We compete primarily on the basis of product quality, technology, cost efficiency, delivery timelines, customer service, and strength of long-term customer relationships. However, some of our existing and potential competitors, particularly large international companies, possess advantages such as longer operating histories, greater brand recognition, stronger influence over industry standards, wider customer bases, and substantially greater financial, marketing, distribution, technical, and manufacturing resources. These advantages may enable them to respond more quickly to changing customer demands, adopt new technologies faster, and pursue aggressive pricing strategies. Our ability to compete successfully will depend, in significant part, on our capacity to differentiate our products, improve productivity, manage costs efficiently, leverage technology, and maintain strong customer relationships. Failure to do so could adversely affect our market share, pricing power, and overall financial performance.

Impact of Global and Domestic Fiscal, Economic and Political Conditions

A significant portion of our revenue is derived from exports, and therefore our business is closely linked to global economic and political conditions. Weakening demand in key export markets such as the United States, the European Union, and Australia, changes in international trade policies, imposition of tariffs or duties, fluctuations in foreign exchange rates, and disruptions arising from global tensions, trade wars, or armed conflicts may adversely affect our sales volumes, profitability, and competitiveness in international markets.

In addition, our business operations and financial performance are influenced by fiscal, economic, and political conditions in India, where we are incorporated and conduct a substantial part of our operations. Factors such as changes in interest rates, government policies, taxation, regulatory environment, infrastructure availability, and social or political developments can significantly impact our operations. Any slowdown, or even a perceived slowdown, in the Indian economy, whether nationwide, in specific sectors, or in certain regions could adversely affect demand for our products and negatively impact our financial operations and results of business.

Buyer Concentration Risk

A significant portion of our export revenues is derived from a limited number of large overseas retailers, wholesalers, and buying houses, particularly in the United States, the European Union, and Australia. The textile and home furnishing industries are characterised by high bargaining power of large international buyers, who often operate on thin margins and impose strict contractual terms. A reduction in orders, cancellation of contracts, pricing pressures, or adverse changes in procurement policies by any of these key customers could materially impact our revenue and profitability. Further, consolidation among international retailers may increase their negotiating power, further exposing us to buyer concentration risk.

Trade Policies in Key Export Markets

Our competitiveness in global markets is closely linked to the trade and tariff policies of importing countries. Any imposition of anti-dumping duties, safeguard measures, or stricter import regulations by the United States, the European Union, Australia, or other markets could adversely affect our export volumes and margins. In addition, reduction or withdrawal of preferential trade benefits, including India's eligibility under specific tariff reduction programs, may lead to a loss of price competitiveness. Furthermore, geopolitical tensions, protectionist measures, or global trade wars could disrupt demand for our products and impact our ability to access key markets on favourable terms.

Global Competition from Low-Cost Producers

We face intense competition from textile exporters in countries such as Bangladesh, Vietnam, and Pakistan, many of which enjoy lower labour costs, favourable duty structures, and preferential trade agreements with developed markets. For example, Bangladesh benefits from duty-free access to the European Union under the Generalised System of Preferences (GSP), which provides it with a cost advantage over Indian exporters. Such competitive pressures may force us to reduce prices, affecting our profitability, or risk losing market share if we are unable to match competitor pricing.

Energy Costs and Carbon Compliance

Textile exports are increasingly subject to environmental and sustainability norms imposed by international buyers. In particular, the European Union is implementing stricter climate-linked trade measures such as the Carbon Border Adjustment Mechanism (CBAM), which may increase compliance costs for exporters. Additionally, volatility in global energy prices impacts both production costs and freight rates, thereby affecting the landed price competitiveness of our products. Customers are also demanding higher transparency on ESG compliance, including water usage, carbon footprint, and waste management practices, which could require additional investments in technology and infrastructure.

Dependency on Cotton/Yarn Availability

Our operations are significantly dependent on the availability and cost of **cotton and yarn**, which form a major portion of our raw material requirements. Cotton prices are influenced by factors such as monsoon conditions, global demand-supply imbalances, changes in the Minimum Support Price (MSP) set by the Government of India, and export restrictions on cotton or yarn. Any significant increase in prices or shortage in supply could adversely affect our production costs and margins.

Regulatory Environment and Government Incentives

The Indian textile sector has historically benefited from various government incentives and schemes, including RoSCTL, duty drawback, Technology Upgradation Fund Scheme (TUFS), and the Production-Linked Incentive (PLI) scheme. Any adverse change in, reduction, or withdrawal of such incentives could materially impact our cost structure and competitiveness in the export market. For instance, if export incentive rates are reduced, our profitability from international sales may decline. Additionally, delays in disbursement of incentives can affect our cash flows and working capital requirements.

Labour Availability and Wage Costs

The textile sector is **labour-intensive**, and our operations rely on the availability of skilled and semi-skilled workers. Any shortage of labour, high attrition, or increase in wage costs due to statutory revisions or competitive industry dynamics could adversely affect our production schedules and profitability. Labour unrest, strikes, or disputes may also result in temporary shutdowns or slowdowns at our facilities, impacting capacity utilisation and revenue generation.

Environmental and Regulatory Compliance

The textile industry is subject to stringent environmental regulations, particularly with respect to water consumption, effluent treatment, and chemical usage in dyeing and processing. Any tightening of environmental laws or failure to comply with applicable standards may lead to penalties, temporary suspension of operations, or significant capital expenditure requirements for pollution control and sustainability measures. In addition, global buyers are increasingly demanding suppliers to meet sustainability and ESG benchmarks, which may necessitate further investment in cleaner technologies and processes.

Non-GAAP Financial Measures

We use certain supplemental non-Ind AS financial measures (“Non-GAAP Measures”) to review and analyze our financial and operating performance from period to period, to evaluate our business, and for internal forecasting purposes. Although these Non-GAAP Measures are not measures of performance calculated in accordance with applicable accounting standards, our management believes that they provide investors with useful additional information to evaluate our operating and financial performance.

Further, our management believes that when taken together with financial measures prepared in accordance with Ind AS, these Non-GAAP Measures provide investors with an additional analytical tool to assess our ongoing results, business trends, and underlying operating performance. Presentation of these Non-GAAP Measures should not be considered in isolation from, or as a substitute for, analysis of our financial performance as reported and presented in the Restated Financial Information set out in this Draft Red Herring Prospectus.

These Non-GAAP Measures are not defined under Ind AS, are not presented in accordance with Ind AS, and have certain inherent limitations as analytical tools. For example, they do not reflect our cash expenditures, future requirements for capital expenditure, or contractual commitments; changes in, or cash requirements for, working capital needs; or finance costs. Although depreciation and amortisation are non-cash charges, the assets being depreciated and amortised, such as plant and machinery for textile manufacturing, dyeing facilities, and other production equipment, will often require replacement in the future, and these measures do not reflect the cash requirements for such replacements.

Additionally, these Non-GAAP Measures may differ from similar titled information used by other companies, including peer companies in the textile and home furnishing sector, who may calculate such information differently. Accordingly, comparability with such measures across companies may be limited. Therefore, these Non-GAAP Measures should not be viewed as substitutes for performance or profitability measures under Ind AS, or as indicators of our operating performance, liquidity, or profitability.

For further details, see “*Risk Factor – This Draft Red Herring Prospectus includes certain Non-GAAP Measures, financial and operational performance indicators and other industry measures related to our operations and financial performance. The Non-GAAP Measures and industry measures may vary from any standard methodology that is applicable across the Indian textile industry and, therefore, may not be comparable with financial or industry-related statistical information of similar nomenclature computed and presented by other companies.*”

EBITDA, EBITDA Margin and PAT, PAT Margin

- Earnings Before Interest, Taxes, Depreciation, and Amortisation (EBITDA) = Profit Before Tax (PBT) + Finance Costs + Depreciation & Amortisation – Other Income.
- EBITDA Margin (%) = (EBITDA / Revenue from Operations) × 100. This is a profitability ratio we use to assess the percentage of profit generated from our revenue from operations.
- PAT Margin (%) = (Profit After Tax (PAT) / Revenue from Operations) × 100. This represents how much profit after tax is generated as a percentage of revenue from operations.

The table below sets out our EBITDA, EBITDA Margin, PAT and PAT Margin for the periods indicated.

(in ₹ million, unless otherwise specified)

Particulars	For the six month period ended	For Fiscal		
	September 30, 2025	2025	2024	2023
EBITDA	271.99	590.41	503.63	452.37
EBITDA Margin (%)	8.38%	8.77%	7.70%	8.31%

Particulars	For the six month period ended	For Fiscal		
	September 30, 2025	2025	2024	2023
PAT	78.73	170.01	134.40	90.28
PAT margin (%)	2.43%	2.52%	2.05%	1.66%

Return on Capital Employed

Return on capital employed (“**RoCE**”) is calculated as (Earnings Before Interest and Taxes (EBIT) / Average Capital Employed (here Capital Employed = Net worth + Total Debt + Deferred Tax Liability)) * 100. The table below sets out the ROCE for the periods indicated.

(in ₹ million, unless otherwise specified)

Particulars	For the six month period ended	For Fiscal		
	September 30, 2025	2025	2024	2023
ROCE	6.18%	13.35%	11.79%	9.81%

Return on Equity

Return on equity (“**RoE**”) is calculated as (PAT / Average Equity (here Equity = Equity Share Capital + Other Equity - OCI re-classifiable to P&L)) * 100. The table below sets out the RoE for the periods indicated.

(in ₹ million, unless otherwise specified)

Particulars	For the six month period ended	As of Fiscal		
	September 30, 2025	2025	2024	2023
RoE (%)	4.25%	9.84%	8.54%	6.19%

Debt to Equity Ratio

We monitor our capital and financial leverage levels using the debt-to-equity ratio. We calculate Net debt to equity ratio by dividing Total debt (i.e., borrowings (current and non-current) by (Equity Share Capital + Other Equity – OCI-reclassifiable to P&L). The table below sets out the calculation of our debt-to-equity ratio, as of the dates indicated below.

(in ₹ million, unless otherwise specified)

Particulars	As of six-month period	As of Fiscal		
	September 30, 2025	2025	2024	2023
Total Debt	1594.48	1752.00	1936.00	2043.90
Equity (B)	1889.43	1813.05	1641.45	1504.34
Net Debt to Equity Ratio (A)/(B)	0.84	0.97	1.18	1.36

PRESENTATION OF FINANCIAL INFORMATION

The restated financial information of our Company comprise the restated statement of assets and liabilities *for the period ended September 30, 2025 and financial years ended, March 31, 2025, March 31, 2024, and March 31, 2023*, the restated statement of profit and loss (including Other Comprehensive Income), the restated statement of changes in equity, the restated statement of cash flows *for the period ended September 30, 2025 and financial years ended, March 31, 2025, March 31, 2024, and March 31, 2023*, and the statement of material accounting policies, and other explanatory information (collectively, the “**Restated Financial Information**”).

SUMMARY OF MATERIAL ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of our Restated Financial Information are set forth below. These policies have been consistently applied to all the years presented, unless otherwise stated.

For more details, refer “Restated Financial Statement” on page no 241.

A. Basis of Preparation

SUMMARY OF MATERIAL ACCOUNTING POLICIES

The Restated Financial Information relates to the Company has been approved by the Board of Directors and has been specifically prepared for inclusion in the Draft Red Herring Prospectus (‘DRHP’) to be filed with the Securities and Exchange Board of India (‘SEBI’) in connection with the proposed Initial Public Offer (‘IPO’) equity shares of the Company (referred to as the ‘Issue’).

The Restated Financial Information comprises of the Restated Statement of Assets & Liabilities of the Company as at September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, the related Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Cash Flows and the Restated Statement of Changes in Equity for each of the period/ years ended September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, and the summary of Material Accounting Policies and explanatory notes (“Restated Financial Information”).

These Restated Financial Information have been prepared by the Company to comply in all material respects with the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act").
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
- c) The Guidance Note on Reports in Group Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the “Guidance Note”).

In accordance with the general directions issued by the SEBI dated 28 October 2021 to Association of Investment Bankers of India, lead managers to ensure that companies provide Restated Financial Information prepared in accordance with Indian Accounting Standards (Ind-AS) for all the three years (hereinafter referred to as the “the SEBI e-mail”) for submission to SEBI. The Statutory Indian GAAP Financial Statements for the year ended March 31, 2024 and March 31, 2023 have been adjusted after making suitable adjustments to the accounting heads from their Indian GAAP values for the differences in the accounting principles on transition to Ind AS, as per the requirements of Ind AS 101, First-time Adoption of the Indian Accounting Standards with the transition date of 01 April 2022 for the purpose of submission to SEBI.

The Restated Financial Information has been prepared so as to contain information/disclosures and incorporating adjustments set out below in accordance with the SEBI ICDR Regulations:

- a) Adjustments to the profits or losses of the earlier periods and of the period in which the change in the accounting policy has taken place is recomputed to reflect what the profits or losses of those periods would have been if a uniform accounting policy was followed in each of these periods, if any;

b) Adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financial statements of the Company and the requirements of the SEBI ICDR Regulations, if any; and

c) The resultant impact of tax due to the aforesaid adjustments, if any.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Amounts in the Restated Financial Information are presented in Indian Rupees rounded to millions [10 lakhs = 1 million] as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees.

b. Use of estimates

The preparation of these Financial Statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions in application of accounting policies that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of Financial Statements and reported amounts of income and expenses for the periods presented. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised, and future periods are affected.

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Significant estimates and critical judgement in applying these accounting policies are described below:

(i) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(ii) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(iii) Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

(iv) Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are recognised when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

(c) Property, Plant and Equipment

Under the previous GAAP, property, plant and equipment were carried at historical cost less depreciation and impairment losses, if any. On transition to Ind AS, the Company has availed the optional exemption under Ind AS 101 and accordingly it has used the carrying value as at the date of transitions as the deemed cost of the property, plant & equipment under Ind AS.

Property plant and equipment are stated at their cost of acquisition. Cost of an item of property, plant and equipment includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and the present value of the expected cost for the dismantling/decommissioning of the asset.

Parts (major components) of an item of property, plant and equipment having different useful lives are accounted as separate items of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

Capital work-in-progress comprises of cost incurred on property, plant and equipment under construction / acquisition that are not yet ready for their intended use at the Balance Sheet Date. Advances paid towards the acquisition of PPE outstanding at each reporting date is classified as Capital Advances under "Other Non-Current Assets" and assets which are not ready for intended use as on the date of Financial Statements are disclosed as "Capital Work in Progress".

Depreciation on the property, plant and equipment (other than capital work in progress) is provided on a written down value method (WDV) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013 or useful lives as determined based on internal technical evaluation.

Depreciation methods, useful lives and residual values, determined based on internal technical evaluation are reviewed at each financial year end and adjusted prospectively.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is de-recognized.

(d) Leases

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

Lease deposits given are a financial asset and are measured at amortised cost under Ind AS 109 since it satisfies Solely Payment of Principal and Interest (SPPI) condition. The difference between the present value and the nominal value of deposit is considered as Right of Use Asset and depreciated over the lease term. Unwinding of discount is treated as finance income and recognized in the Statement of Profit and Loss.

(e) Impairment

At the end of each reporting period, the Company assesses, whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the

Recoverable amount is the higher of fair value less costs of disposal and value in use.

(f) Financial Instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial Assets

Initial recognition and measurement

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

Classifications

The Company classifies its financial assets as subsequently measured at either amortised cost or fair value through other comprehensive income (FVOCI) or fair value through Profit and Loss Account (FVTPL) on the basis of either Company's business model for managing the financial assets or Contractual cash flow characteristics of the financial assets.

Business Model Assessment

The company makes an assessment of the objective of a business model in which an asset is held at an instrument level because this best reflects the way the business is managed and information is provided to management.

Debt instruments at amortised cost

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- It is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit or Loss (FVTPL). Interest income is recognized in profit or loss and is included in the "Other income" line item.

However, the Company's borrowings have been measured at the transaction value and not using the Effective Interest Rate (EIR) method as prescribed under Ind AS 109, since the processing charges and transaction costs incurred were immaterial. In applying Ind AS 1, the Company considered the concept of materiality (paragraph 7) and concluded that the omission of amortisation of such insignificant costs does not influence the economic decisions of users of the financial statements. Further, in line with paragraph 30A, the Company has disclosed the relevant terms and conditions of its borrowings to the extent necessary for users to understand their nature and financial impact, and determined that the immaterial charges do not affect this understanding. The classification and measurement approach also reflects the Company's judgement as required by paragraph 31 of Ind AS 1, wherein management has assessed that the application of the EIR method in this context would not result in a materially different outcome and is therefore not warranted. Accordingly, the borrowings have been presented at the gross amount disbursed without amortising the transaction costs.

Debt instrument at fair value through Other Comprehensive Income (FVOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument or a financial guarantee. Dividends on these investments in equity instruments are recognized in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognized in profit or loss are included in the 'Other income' line item.

Debt instrument at fair value through profit and loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates

financial assets at FVTPL is recognized when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Derecognition of financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g., when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to

recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

Impairment of financial assets

The Company has evaluated its trade receivables for impairment in accordance with the simplified approach prescribed under Ind AS 109 – Financial Instruments, which requires the recognition of Expected Credit Losses (ECL) on all trade receivables.

Based on the nature of its customer base and historical experience, the Company has no significant record of defaults on trade receivables. Accordingly, the Company has not created a detailed ECL matrix or model for all receivables.

However, in accordance with the principles of prudence and considering the Company's normal operating cycle of 12 months, management has applied a 100% provision on trade receivables outstanding for more than one year from the due date, as these are considered to carry a higher credit risk.

All other receivables are considered to be of low credit risk, and no material impairment has been recognized on those balances.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Financial guarantee contracts

Financial guarantee contract issued by the Company is contracts that require a payment to be made to reimburse the holder for a loss it incurs because, the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109, and the transaction amount recognised less cumulative amortisation.

Derecognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognized and the consideration paid and payable is recognized in statement of profit or loss

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

g. Investments

Investment property is a property held to earn rentals and capital appreciation. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured in accordance with Ind AS 16's requirements for cost model.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

h. Revenue Recognition

(a) Revenue from operations:

Revenue from sale of services is recognized on rendering of services to the customers based on contractual arrangements. Revenue is recorded exclusive of goods and service tax. Contract prices are either fixed or subject to price escalation clauses.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts and incentives, if any, as specified in the contract with the customer.

Revenue also excludes taxes collected from customers.

(b) Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

(C) Other Income

Other incomes are accounted on accrual basis, except interest on delayed payment by debtors and liquidated damages which are accounted on acceptance of the Company's claim.

(d) Variable Consideration

An amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if an entity's entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event. For example, an amount of consideration would be variable if either a product was sold with a right of return or a fixed amount is promised as a performance bonus on achievement of a specified milestone. A variable consideration can be accounted using either the most likely amount method or the expected value method.

In some contracts, penalties are specified. In such cases, penalties shall be accounted for as per the substance of the contract. Where the penalty is inherent in determination of transaction price, it shall form part of variable consideration.

An entity shall include in the transaction price some or all of an amount of variable consideration estimated in accordance with paragraph 53 of Ind AS 115, only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

In assessing whether it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur once the uncertainty related to the variable consideration is subsequently resolved, an entity shall consider both the likelihood and the magnitude of the revenue reversal. Factors that could increase the likelihood or the magnitude of a revenue reversal include, but are not limited to, any of the following:

- (a) the amount of consideration is highly susceptible to factors outside the entity's influence. Those factors may include volatility in a market, the judgement or actions of third parties, weather conditions and a high risk of obsolescence of the promised good or service.
- (b) the uncertainty about the amount of consideration is not expected to be resolved for a long period of time.
- (c) the entity's experience (or other evidence) with similar types of contracts is limited, or that experience (or other evidence) has limited predictive value.
- (d) the entity has a practice of either offering a broad range of price concessions or changing the payment terms and conditions of similar contracts in similar circumstances.

- (e) the contract has a large number and broad range of possible consideration amounts

At the end of each reporting period, an entity shall update the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period. The entity shall account for changes in the transaction price in accordance

(i) Employee Benefits

(i) Post employment benefits plans

The Company has defined benefit plans comprising of gratuity and other long-term benefits in the form of leave benefits. Company's obligation towards gratuity liability is unfunded. The present value of the defined benefit obligations and other long term employee benefits is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

For gratuity plan, re-measurements comprising of (a) actuarial gains and losses, (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and (c) the return on plan assets (excluding amounts included in net interest on the post-employment benefits liability) are recognized immediately in the balance sheet with a corresponding debit or credit to the other comprehensive income in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

Defined contribution plan

The defined contribution plan is a post-employment benefit plan under which the Company contributes fixed contribution to a Government Administered Fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Labour Welfare Fund, Employee State Insurance Scheme, National Pension Scheme, and Employee Pension Scheme. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service

(ii) Other employee benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the period in which the employee renders the related service.

(iii) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Accumulated compensated absences which are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are treated as short-term benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. The company has following defined contribution plans:

(i) Provident Fund

The Company makes specified monthly contributions towards Provident Fund and Employees State Insurance Corporation ('ESIC'). The contribution is recognized as an expense in the Statement of Profit and Loss during the period in which employee renders the related service.

Defined benefit plans

The company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking

taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs

The company has following defined benefit plans:

Gratuity

The company provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary. The defined benefit obligation as reduced by fair value of plan assets is recognized in the Balance Sheet. Remeasurements are recognized in the Other Comprehensive Income, net of tax in the year in which they arise.

(iv) Other Long term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

(j) Taxation

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e., in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year and any adjustments to the tax payable or receivable in respect of previous years as determined in accordance with the provisions of the Income Tax Act, 1961 that have been enacted or subsequently enacted at the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, and deferred tax assets are recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. In situations where the Company has unused tax losses and unused tax credits, deferred tax assets are recognized only if it is probable that they can be utilized against future taxable profits.

Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each Balance Sheet date. At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognises previously unrecognized deferred tax assets to the extent that it has become probable that future taxable profit allows deferred tax assets to be recovered.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(k) Foreign currency transactions

Transactions in foreign currencies are initially recorded by the Company in its functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange difference that arises on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they arise. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI, or the statement of profit and loss are also recognized in OCI or the statement of profit and loss, respectively).

(l) Inventories

Inventories consists of stock of trading goods and goods in transit. The stock of finished goods are valued at lower of cost and net realizable value.

The cost of inventory is determined using Weighted average cost and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The stock of 'Goods in transit' are valued at cost.

(m) Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

(n) Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term and highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

(o) Earnings per share

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

OUR RESULTS OF OPERATIONS

The following table sets forth select financial data from our restated statement of profit and loss for Fiscals 2025, 2024 and 2023, the components of which are also expressed as a percentage of total income for such years/ period

(₹ in Millions)

Particulars	Six-month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Total Income	Amount	% of Total Income	Amount	% of Total Income	Amount	% of Total Income
Revenue from operations	3245.79	99.90%	6734.80	99.91%	6544.22	99.58%	5441.31	99.93%
Other income	3.24	0.10%	6.07	0.09%	27.32	0.42%	3.94	0.07%
Total income (I)	3249.03	100.00%	6740.87	100.00%	6571.54	100.00%	5445.25	100.00%
Expenses								
Cost of materials consumed	2043.28	62.89%	4622.01	68.57%	4595.92	69.94%	3642.25	66.89%
Changes in inventories of finished goods, work-in-progress and stock-in-trade	-4.00	-0.12%	-101.29	-1.50%	-41.99	-0.64%	-18.96	-0.35%
Employee benefits expense	218.99	6.74%	440.55	6.54%	381.97	5.81%	356.13	6.54%
Finance costs	115.24	3.55%	246.32	3.65%	242.14	3.68%	248.17	4.56%
Depreciation and amortization expense	57.42	1.77%	119.81	1.78%	110.82	1.69%	108.40	1.99%
Other expenses	715.53	22.02%	1183.12	17.55%	1104.69	16.81%	1009.53	18.54%
Total expenses (II)	3146.45	96.84%	6510.51	96.58%	6393.54	97.29%	5345.52	98.17%
Profit before tax (III=I-II)	102.58	3.16%	230.36	3.42%	178.00	2.71%	99.73	1.83%
Tax expense:								
Current tax (previous year)	0.00	0.00%	13.26	0.20%	1.69	0.03%	0.58	0.01%
Current tax	16.11	0.50%	62.37	0.93%	42.09	0.64%	30.79	0.57%
Deferred tax charge	7.74	0.24%	-15.28	-0.23%	-0.18	0.00%	-21.91	-0.40%
Total tax expense (IV)	23.85	0.73%	60.34	0.90%	43.60	0.66%	9.45	0.17%
Profit for the period/year (V=III-IV)	78.73	2.42%	170.01	2.52%	134.40	2.05%	90.28	1.66%
Other comprehensive income/(loss)			-		-		-	
Items that will not be reclassified to profit or loss			-		-		-	
Remeasurement of defined benefit obligation	-2.35	-0.07%	1.59	0.02%	2.72	0.04%	3.73	0.07%
Income tax relating to above item	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Total Other Comprehensive Loss (Income) (VI)	-2.35	-0.07%	1.59	0.02%	2.72	0.04%	3.73	0.07%

Particulars	Six-month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Total Income	Amount	% of Total Income	Amount	% of Total Income	Amount	% of Total Income
Total comprehensive income for the period/year (V-VI)	76.37	2.35%	171.60	2.55%	137.11	2.09%	94.00	1.73%

PRINCIPAL COMPONENTS OF STATEMENT OF PROFIT AND LOSS

Total Income/ Revenue

Total income comprises of (i) Revenue from Operations and (ii) Other Income

i) Revenue from Operations: Revenue from operations primarily includes sales of towels and dyed yarn. Towels remain the cornerstone of our product portfolio, accounting for approximately 70% to 80% of our total product revenue during the six-month period ended September 30, 2025 and Fiscal 2025, Fiscal 2024, and Fiscal 2023, with a predominant share driven by exports. Dyed yarn contributes approximately 18% to 28% during the six-month period ended September 30, 2025 and Fiscal 2025, Fiscal 2024, and Fiscal 2023, catering largely to the domestic market. Additionally, other sales, including fabric sales, waste sales, and miscellaneous categories, account for approximately 1% to 2% of total product sales.

(₹ in Millions)

Product	Six-month period ended September 30, 2025	% of Total Revenue from product sale	Fiscal 2025	% of Total Revenue from product sale	Fiscal 2024	% of Total Revenue from product sale	Fiscal 2023	% of Total Revenue from product sale
Terry Towel	2,391.65	79.95%	4,697.94	75.79%	4,332.29	71.33%	3,914.35	78.48%
Dyed Yarn	532.77	17.81%	1,467.12	23.67%	1,707.98	28.12%	1,037.97	20.81%
Others	67.14	2.24%	33.26	0.54%	33.09	0.54%	35.63	0.71%
Total Revenue from sale of products	2,991.56	100.00%	6,198.33	100.00%	6,073.37	100.00%	4,987.95	100.00%

Geographic Distribution of Revenue

Export revenue is the largest component of our operational income, underscoring our strong presence in international markets. However, our domestic business continues to represent a significant share, reflecting our growing footprint in India.

The table below presents a detailed breakdown of our revenue from domestic and export sales for the six month period ended September 30, 2025 and Fiscal 2025, 2024, and 2023 based on our Restated Financial Statements

(₹ in millions)

Particulars	Six-month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of revenue from product sales	Amount	% of revenue from product sales	Amount	% of revenue from product sales	Amount	% of revenue from product sales
Exports	2,299.35	76.86%	4,659.05	75.17%	4,262.71	70.19%	3,934.13	78.87%
Domestic	692.21	23.14%	1,539.27	24.83%	1,810.66	29.81%	1,053.81	21.13%
Total	2,991.56	100.00%	6,198.33	100.00%	6,073.37	100%	4987.95	100%

As certified by our Statutory Auditor, M/s J Mandal & Co, pursuant to their certificate dated March 30, 2026

Our Domestic revenue majorly consists of Dyed yarn sale:

(₹ in million)

State	Six-month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023

	Amount	% of Domestic revenue	Amount	% of Domestic revenue	Amount	% of Domestic revenue	Amount	% of Domestic revenue
Haryana	210.25	30.37%	513.41	33.35%	389.37	21.50%	264.53	25.10%
Delhi	147.22	21.27%	425.27	27.63%	308.28	17.03%	202.09	19.18%
Tamil Nadu	103.18	14.91%	249.25	16.19%	369.30	20.40%	313.49	29.75%
Punjab	116.41	16.82%	200.12	13.00%	506.39	27.97%	156.93	14.89%
Himachal Pradesh	50.51	7.30%	109.75	7.13%	148.63	8.21%	0.04	0.00%
Other States*	64.64	9.33%	41.47	2.70%	88.69	4.89%	116.73	11.08%
Grand Total	692.21	100%	1,539.27	100%	1,810.66	100%	1053.81	100%

* The “Other States” category primarily includes Chandigarh, Uttarakhand, Rajasthan, Uttar Pradesh, Arunachal Pradesh, Mizoram, West Bengal, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Telangana and Andhra Pradesh.

In Export market, Company has presence in below Countries:

Country	Six-month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Revenue from export	Amount	% of Revenue from export	Amount	% of Revenue from export	Amount	% of Revenue from export
Australia	987.10	42.93%	1978.79	42.47%	2031.66	47.66%	1793.25	45.58%
USA	724.57	31.51%	1875.10	40.25%	1580.37	37.07%	1399.74	35.58%
UK	118.95	5.17%	305.15	6.55%	150.80	3.54%	58.61	1.49%
Canada	100.07	4.35%	230.27	4.94%	123.08	2.89%	88.90	2.26%
Germany	88.54	3.85%	31.70	0.68%	29.27	0.69%	120.33	3.06%
Others*	280.12	12.18%	238.04	5.11%	347.54	8.15%	473.31	12.03%
Total Export Revenue	2,299.35	100%	4,659.05	100%	4,262.71	100%	3,934.13	100%

As certified by our Statutory Auditor, M/s J Mandal & Co, pursuant to their certificate dated March 30, 2026.

*In addition to our key export markets, we have also undertaken exports to certain other countries including Argentina, Chile, Croatia, Caucedo (Dominican Republic), Norway, Japan, Colombia, Sri Lanka, Hong Kong, Israel, UAE, Dominican Republic, Philippines, Sweden, Finland, Netherlands, Turkey, New Zealand, South Africa, Singapore, Mexico, Mauritius and Qatar.

The table set forth below are contribution of our top customers towards our revenue from operations:

(₹ in millions)

Particulars	Six-month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Revenue from operations	Amount	% of Revenue from operations	Amount	% of Revenue from operations	Amount	% of Revenue from operations
Top 1*	946.67	29.17%	1,725.50	25.62%	1,803.17	27.55%	1,496.45	27.50%
Top 5	1,571.24	48.41%	3,180.02	47.22%	2,935.95	44.86%	2,384.41	43.82%
Top 10	1,987.25	61.23%	4,183.08	62.11%	3,801.68	58.09%	3,044.10	55.94%

* As certified by our Statutory Auditor, M/s J Mandal & Co, pursuant to their certificate dated March 30, 2026

*Our top 1 customer is KMART Australia Ltd, names of balance customers have not been provided either because relevant consents for disclosure of their names were not available or in order to preserve confidential.

Further our revenue from operations consists of Other operating Income, which includes:

Export Incentives: As an export-oriented enterprise, our company benefits from key government export incentives, which enhance our cost competitiveness:

- **ROSCTL (Rebate of State and Central Taxes and Levies):** We receive **8.2%** of the FOB value under this scheme, offered in the form of duty credit scrips. These can either be used to offset import duties or monetized through sale in the open market. As TC Terrytex does not import raw materials, we opt to sell these scrips to derive financial benefit.
- **Duty Drawback:** We also receive **2.8%** of the FOB value as Duty Drawback. This incentive is intended to refund customs duties paid on imported inputs used in the manufacture of exported goods. These incentives effectively lower our cost base, enhancing margins and supporting competitive pricing in international markets.

Particulars	Six-month period ended September 30, 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022

	Amount (₹ in million)	Percentage of total revenues from Operation	Amount (₹ in million)	Percentage of total revenues from Operation	Amount (₹ in million)	Percentage of total revenues from Operation	Amount (₹ in million)	Percentage of total revenues from Operation
Export Incentive	251.22	7.74%	516.51	7.67%	461.79	7.06%	423.34	7.78%

(ii) Other Income

Other Income includes earnings that are not directly related to core operating activities. This comprises:

- **Interest Income** from fixed deposits and other interest-bearing assets
- **Non-Operating Income**, which includes miscellaneous receipts such as foreign exchange fluctuations, capital gain on mutual funds etc.

Expenses: Our total expenditure primarily consists of Cost of material Consumed, Changes in Stock of finished goods, inventory in progress and changes in raw material, Employee benefit expenses, Finance Costs, Depreciation and Amortization Expenses and Other Expenses. The Total Expenses constitute 96.84%, 96.58%, 97.29%, and 98.17% of total income for six-month period ended September 30, 2025, and Fiscal 2025, 2024 and 2023 respectively. Further details of each financial statement line item of total expenses are explained in detail below:

Cost of material Consumed

Cost of materials consumed constituted 62.89%, 68.57%, 69.94% and 66.90% of our total income for the six month period ended September 30, 2025, and Fiscal 2025, 2024, and 2023, respectively. The cost of materials consumed primarily represents the raw materials of yarn utilised during the year. In line with our integrated manufacturing operations, we are currently working on a vertical where yarn serves as the key raw material, while additional inputs such as chemicals and dyes are procured for the dyeing and other processing activities. The majority of our yarn procurement is sourced domestically within India, which provides us with both cost advantages and greater supply reliability.

The table below sets forth cost of materials purchased from our top ten suppliers for the periods indicated:

Particulars	Six-month Period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Total Purchase	Amount	% of Total Purchase	Amount	% of Total Purchase	Amount	% of Total Purchase
Top 1	1,080.94	54.54%	828.77	17.82%	830.91	17.98%	474.67	13.07%
Top 5	1,482.93	74.82%	2,077.42	44.67%	2,011.08	43.52%	1,550.61	42.70%
Top 10	1,900.06	95.86%	2,846.12	61.19%	2,796.95	60.52%	2,304.96	63.48%

Employee Benefit Expenses.

In a manufacturing unit, employees play a vital role in ensuring consistent production quality and operational efficiency. Employee costs are directly linked to production levels, as higher output typically requires increased manpower. Our workforce includes both permanent employees and contractual staff. While permanent employees are typically support various stages of the manufacturing process, including dyeing, weaving, finishing, and packaging. & contractual staff include professionals providing essential services in areas such as accounting, marketing advisory, stores, and procurement.

Given the labour-intensive nature of towel manufacturing, employee benefit expenses form a significant part of our overall cost structure. These expenses include salaries, bonuses ,gratuity, provident fund and other employee funds, as well as staff welfare

expenses. Additionally, as per our internal policy, employees who work overtime or on designated holidays are compensated through performance-based incentives. These payments also form part of the overall employee benefit expenses, reflecting our commitment to fair compensation and employee well-being. Based on the restated financials, employee benefit expenses accounted for approximately 6.74%, 6.54%, 5.81%, and 6.54% for six month period ended September 30, 2025 and Fiscal 2025, 2024 and 2023 respectively

Finance Cost

Our finance costs primarily comprise interest expenses on working capital borrowings and term loans availed from banks and financial institutions. In addition to conventional borrowing costs, we also incur interest and charges relating to Letters of Credit (LC) arrangements. Under the LC mechanism, payments to vendors, particularly those registered as MSMEs, are facilitated through bank-negotiated LCs. The associated interest and financial charges arising from such negotiations are borne by us. This arrangement ensures timely payments to vendors in compliance with MSME regulations, while also enabling us to optimize working capital management by leveraging our credit facilities. Based on our restated financial information, finance costs accounted for approximately 3.55%, 3.65%, 3.68%, and 4.56% of total income for the six month period ended September 30, 2025 and Fiscal 2025, 2024, and 2023, respectively.

Depreciation and Amortization expenses

Depreciation and amortization expenses primarily relate to tangible assets classified under Property, Plant, and Equipment (PPE). These assets include machinery such as looms, Jacquard machines, air compressors, and other equipment used in the manufacturing of towels. In addition, depreciation is charged on factory buildings, computers, vehicles, office furniture, and fixtures used for administrative and operational purposes. As per the restated financial statements, depreciation and amortization expenses are relatively low in proportion to total income. They accounted for approximately 1.77%, 1.78%, 1.69%, and 1.99% for the six-month period ended September 30, 2025 and Fiscal 2025, 2024 and 2023 respectively.

Other Expenses

Other expenses are broadly classified into three categories: Manufacturing Expenses, Administrative Expenses, and Selling & Distribution and various other CSR and other miscellaneous expenses:

Manufacturing Expenses:

Manufacturing expenses primarily comprise power and fuel costs, which are critical to our operations given the energy-intensive nature of towel and yarn manufacturing. Power requirements are met through a combination of in-house power generation and external sourcing. For in-house generation, we operate boilers that utilise husk as the primary fuel input for drying yarn and towels, with an average annual consumption of approximately 28.83 million kg (subject to year-on-year variation). In addition, we also source electricity from private vendors and Punjab State Power Corporation Limited (PSPCL), which contributes an annual cost of approximately ₹180 million based on recent data. Overall, power and fuel expenses constitute a significant portion of direct manufacturing costs, reflecting the energy dependency of our operations. Efficient energy management and cost optimisation remain key to maintaining competitiveness in our manufacturing processes.

Administrative & Overhead Expenses:

These include costs related to rent, insurance, professional fees, and repair & maintenance of office and plant infrastructure. Such expenses are essential for the smooth functioning of both manufacturing and administrative operations.

Selling & Distribution Expenses:

Selling and distribution expenses primarily comprise costs directly associated with our sales and market outreach activities. These include packaging expenses, freight and forwarding charges, sales commissions, marketing and promotional campaigns, and logistics-related costs incurred in delivering our products to customers across domestic and international markets. These expenses typically vary in line with our sales volumes and geographical mix of sales, and form an integral part of our efforts to expand market reach, strengthen customer relationships, and support revenue growth.

Based on the restated financials, other expenses accounted for approximately 22.02%, 17.55%, 16.81%, and 18.54 % for the six-month period ended September 30, 2025, Fiscal 2025, 2024 and 2023 respectively. Respective table for further bifurcation of other expenses into such parts above.

Particulars	September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Manufacturing Expenses	389.65	524.38	530.85	458.99
Admin Expenses	23.91	40.14	26.84	24.57
Selling Expenses	294.95	584.57	517.74	481.43
CSR Expense	1.24	1.46	1.58	1.00
Other Miscellaneous expenses	5.78	32.57	27.68	43.53
Total Other Expense	715.53	1183.12	1104.69	1009.53

Tax Expenses

Tax expenses include both current tax and deferred tax. The provision for current taxation is computed in accordance with the relevant tax regulations. Deferred tax is recognized on timing differences between accounting income and taxable income for the year, and it is quantified using the tax rates and laws enacted or subsequently enacted as of the balance sheet date. Deferred tax assets are recognized in the company's books due to timing differences, such as those arising from depreciation, provisions for gratuity under the Income Tax Act, and other differences between amounts recognized in the books and actual amounts reported for tax purposes. Based on the restated financials, tax expenses as a percentage of total income accounted for approximately 0.73%, 0.90%, 0.66%, and 0.17% of total income for the six month period ended September 30, 2025, Fiscal 2025, 2024 and 2023 respectively

FOR THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2025

Total Income

Total income for the six months period ended September 30, 2025, was ₹3,249.03 million.

Revenue from Operations

Revenue from operations for the six months period ended September 30, 2025, was ₹3,245.79 million, contributing 99.90% of total income.

Other Income

Other income for the six months period ended September 30, 2025, stood at ₹3.24 million, representing 0.10% of total income.

Expenses

Total expenses for the six months period ended September 30, 2025, were ₹3,146.45 million, accounting for 96.84% of total income.

Cost of Materials Consumed

Cost of materials consumed for the six months period ended September 30, 2025, was ₹2,043.28 million, representing 62.89% of total income.

Changes in Inventories

Changes in inventories for the six months period ended September 30, 2025, were ₹(4.00) million, contributing (0.12%) of total income.

Employee Benefits Expense

Employee benefits expense for the six months period ended September 30, 2025, was ₹218.99 million, accounting for 6.74% of total income.

Finance Costs

Finance costs for the six months period ended September 30, 2025, were ₹115.24 million, representing 3.55% of total income.

Depreciation and Amortization Expense

Depreciation and amortization expense for the six months period ended September 30, 2025, was ₹57.42 million, contributing 1.77% of total income.

Other Expenses

Other expenses for the six months period ended September 30, 2025, were ₹715.53 million, accounting for 22.02% of total income.

Profit Before Tax (PBT)

Profit before tax for the six months period ended September 30, 2025, stood at ₹102.58 million, representing 3.16% of total income.

Tax Expenses

Total tax expense for the six months period ended September 30, 2025, was ₹23.85 million, comprising: Current tax for the six months period ended September 30, 2025: ₹16.11 million (0.50% of total income) , Deferred tax for the six months period ended September 30, 2025: ₹7.74 million (0.24% of total income),

Profit After Tax (PAT)

Profit after tax for the six months period ended September 30, 2025, was ₹78.73 million, representing 2.42% of total income.

FISCAL 2025 COMPARED TO FISCAL 2024

Total Income/Revenue

The Company's total income increased by 2.91%, from ₹6,571.54 million in the FY 2024 to ₹6,740.87 million in Fiscal 2025. This increase of ₹169.33 million was primarily driven by a rise of ₹190.58 million in revenue from operations. However, the overall increase in total income was partially offset by a decline of ₹21.25 million in other income.

Revenue from Operations

The Company's revenue from operations increased by 2.91%, from ₹6,544.22 million in FY 2024 to ₹6,734.80 million in Fiscal 2025. This increase of ₹190.58 million was primarily attributable to higher towel sales in the product into export market, which grew by ₹396.34 million, representing a growth rate of 9.30% as compared to Fiscal 2024. This growth is in line with industry trends during the period. In addition to export sale of product, the Company continues to benefit from export incentives of around 11% on export product sales, comprising approximately 8.2% under ROSCTL and 2.8% as duty drawback of export sales of product.

However, the increase in revenue from operations was partially offset by a decline of ₹271.39 million in dyed yarn sales. The reduction in dyed yarn sales was mainly due to the in-house consumption of dyed yarn for the production of towels for the export market. As the Company is operating at maximum towel production capacity, it prioritizes internal utilization of yarn to support towel production. Consequently, domestic yarn sales depend on the balance yarn production capacity available after meeting in-house requirements. Thus, revenue from yarn sales remains directly linked with towel sales.

Particulars	Six-month period ended September 30, 2025		Fiscal 2025		Fiscal 2024	
	Amount	% of revenue from product sales	Amount	% of revenue from product sales	Amount	% of revenue from product sales
Exports	2,299.35	76.86%	4,659.05	75.17%	4,262.71	70.19%
Domestic	692.21	23.14%	1,539.27	24.83%	1,810.66	29.81%
Total	2,991.56	100.00%	6,198.33	100.00%	6,073.37	100%

Country	Six-month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Revenue from export	Amount	% of Revenue from export	Amount	% of Revenue from export	Amount	% of Revenue from export
Australia	987.10	42.93%	1978.79	42.47%	2031.66	47.66%	1793.25	45.58%
USA	724.57	31.51%	1875.10	40.25%	1580.37	37.07%	1399.74	35.58%
UK	118.95	5.17%	305.15	6.55%	150.80	3.54%	58.61	1.49%
Canada	100.07	4.35%	230.27	4.94%	123.08	2.89%	88.90	2.26%
Germany	88.54	3.85%	31.70	0.68%	29.27	0.69%	120.33	3.06%
Others	280.12	12.18%	238.04	5.11%	347.54	8.15%	473.31	12.03%
Total Export Revenue	2,299.35	100%	4,659.05	100%	4,262.71	100%	3,934.13	100%

Particulars	Six-month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Export incentives	251.22	516.51	461.79	423.34
Export Revenue	2299.35	4659.05	4262.71	3934.27
%	11%	11%	11%	11%

Other Income

Other income decreased by 77.79% from ₹27.32 million in FY 2024 to ₹6.07 million in FY 2025, primarily due to a one-time receipt recorded in the previous year. In FY 2024, the Company had recognised ₹19.94 million as performance guarantee income from a vendor/contractor relating to a capital expenditure project, owing to non-fulfilment of contractual obligations by vendor. This was largely offset by a reduction in foreign exchange gain/loss in FY 2025. Excluding this non-recurring item, other income for FY 2024 would have been broadly in line with FY 2025.

Total Expenses

The total expenses of the Company for Fiscal 2025 were ₹6,510.51 million, as compared to ₹6,393.54 million for Fiscal 2024, representing an increase of ₹116.97 million or 1.83%. Total expenses as a percentage of total revenue decreased to 96.58% in Fiscal 2025 from 97.29% in Fiscal 2024, reflecting a decline of 0.71%. The total expenses of the Company primarily comprise cost of materials consumed, changes in inventories, employee benefits expense, finance costs, depreciation and amortization expense, and other expenses.

Cost of Materials Consumed

The Company's cost of materials consumed increased marginally by 0.57%, from ₹4,595.92 million in Fiscal 2024 to ₹4,622.01 million in Fiscal 2025, reflecting an increase of ₹26.09 million. This rise was broadly in line with the growth in revenue from operations.

However, the percentage increase in material costs was lower than the percentage increase in revenue, primarily due to improved raw material efficiency and a lower consumption cost per unit of raw material (yarn). This was largely attributed to the strategic inventory management by the Company specifically, the use of raw material stock procured in the prior year at lower prices. Despite the general upward trend in yarn prices across the industry during FY 2025, this approach proved favorable for the Company, contributing to cost containment and supporting profitability.

Changes in Inventories

The change in inventory decreased by 141.22%, from ₹(41.99) million in Fiscal 2024 to ₹(101.29) million in Fiscal 2025, reflecting a decrease of ₹59.30 million. This decrease primarily relates to higher closing inventory of finished goods and work-in-progress. Given that the Company's manufacturing and operating cycle is approximately 2–3 months from customer requirement to delivery, it is necessary to maintain an adequate level of closing inventory in line with the expected orders for the following year. Accordingly, the increase in inventory and resultant change in inventory are consistent with the normal course of business and aligned with the Company's operating and manufacturing cycle of finished goods and work-in-progress. In addition, the increase in raw material (yarn) inventory is aligned with the Company's expected order book and supported by the availability of yarn at more favourable pricing terms, thereby enhancing cost efficiency for the upcoming production cycles.

Employee Benefit Expenses

The employee benefit expenses increased by 15.34%, from ₹381.97 million in Fiscal 2024 to ₹440.55 million in Fiscal 2025, reflecting an increase of ₹58.58 million. The increase was primarily attributable to annual salary increments for existing employees and an increase in manpower during the year. In addition, the higher salary base and increased workforce also led to a rise in associated employee-related costs such as Provident Fund (PF), Employees' State Insurance Corporation (ESIC), Labour Welfare Fund and other statutory contributions, thereby contributing further to the overall increase in employee benefit expenses.

Finance Cost

The finance cost increased by 1.73%, from ₹242.14 million in Fiscal 2024 to ₹246.32 million in Fiscal 2025, reflecting an increase of ₹4.18 million. The increase was primarily attributable to letter of credit (LC) facilities availed from banks and financial institutions for payments to MSME vendors, in compliance with MSME payment obligations.

This increase was, however, partially offset by a decrease in interest expenses on bank borrowings, as the Company repaid certain loans during Fiscal 2025, resulting in lower interest costs.

Depreciation and Amortisation

The depreciation and amortisation expense increased by 8.11%, from ₹110.82 million in Fiscal 2024 to ₹119.81 million in Fiscal 2025, reflecting an increase of ₹8.99 million. This increase was primarily attributable to the addition of plant and machinery at the end of Fiscal 2024 and during Fiscal 2025, which resulted in higher depreciation charges during the year.

Other Expenses

The other expenses increased by 7.10 %, from ₹1,104.69 million in Fiscal 2024 to ₹1,183.12 million in Fiscal 2025, reflecting an increase of ₹ 78.42 million. The increase was primarily driven by higher selling expenses of ₹66.82 million, comprising packing charges and freight charges, which are directly attributable to and aligned with the growth in revenue from operations.

In addition, there was a further increase in professional charges and other administrative expenses, also in line with the increase in revenue from operations, contributing to the overall rise in other expenses during the year.

Profit / (loss) Before Tax

The profit before tax (PBT) increased by 29.41%, from ₹178.00 million in Fiscal 2024 to ₹230.36 million in Fiscal 2025, reflecting an increase of ₹52.36 million. The growth in PBT was primarily driven by the increase in revenue from operations, while key expenses such as cost of materials consumed increased at a lower rate compared to revenue growth. This favourable variance contributed to improved margins and a higher profit before tax for the year.

Tax Expenses

The increase in tax expenses is primarily due to the growth in profit before tax during the period. As the company's earnings improved, the taxable base expanded accordingly. Applying the effective tax rate to the higher profit before tax resulted in a proportional increase in tax expenses. This reflects a consistent application of the prevailing tax rate, with no significant changes in tax regulations or deferred tax items affecting the overall tax burden.

Profit / (loss) After Tax

Profit After Tax (PAT) increased by 26.50%, rising from Rs. 134.40 million in Fiscal 2024 to Rs. 170.01 million in Fiscal 2025. This growth of Rs. 35.61 million in PAT is primarily attributable to an increase in Profit Before Tax (PBT), which was mainly driven by a significant rise in revenue. The growth in revenue outpaced the increase in direct expenses particularly the cost of goods sold leading to improved operating margins and overall profitability. As a result, the PAT margin improved from 2.05% in Fiscal 2024 to 2.52% in Fiscal 2025 of total Income. The 0.47% increase in PAT margin, as a percentage of revenue from operations, is largely due to higher operational efficiency. This was primarily supported by improved raw material efficiency and a lower increase in the consumption cost per unit of raw material (yarn), and consumption of fixed expenses into more unit of productions which proved favorable for the Company during the year.

Fiscal 2024 as Compared to Fiscal 2023

Total Income/Revenue

The Company's total income increased by 20.67%, from ₹5,446.51 million in the FY 2023 to ₹6,572.07 million in the FY 2024. This increase of ₹1,125.56 million was primarily driven by a rise of ₹1,093.85 million in revenue from operations. However, the overall increase in total income was partially further increase by a ₹ 1.59 million in other income.

Revenue from Operations

The Company's revenue from operations increased by 20.68%, rising from ₹5,445.25 million in Fiscal 2023 to ₹6,571.54 million in Fiscal 2024, reflecting an absolute growth of ₹1,126.30 million. This growth was primarily driven by strong momentum in dyed yarn sales in the domestic market and sustained growth in towel exports.

Dyed Yarn

Revenue from dyed yarn sales recorded robust growth of ₹670.01 million, representing a 64.55% year-on-year increase. This was largely attributable to a significant rise in sales volumes and productions, with an additional of 2505.84 MT sold compared to FY 2023. The Company strategically focused on optimizing capacity utilization by prioritizing in-house consumption of

dyed yarn for forward integration into towel and fabric production, where demand continues to exceed current manufacturing capacity. Surplus dyed yarn, beyond internal requirements, was effectively deployed to meet growing demand from a diverse set of customers in the domestic market.

Towels

Export revenue from towels increased by ₹328.44 million, marking a 8.35% year-on-year growth, primarily driven by higher export volumes. During Fiscal 2024, the Company sold approximately 9302.58 MT of towels, compared to 8476.29 MT in Fiscal 2023, an increase of 826.28 MT, reflecting sustained demand across key international markets. In addition, the Company continues to benefit from export incentives totalling approximately 11% of export sales, comprising 8.2% under the RoSCTL (Rebate of State and Central Taxes and Levies) scheme and 2.8% as duty drawback, which further support profitability from export operations.

Other Income

Other income increased by 594.07% rising from ₹ 3.94 million in Fiscal 2023 to ₹27.32 million in Fiscal 2024. primarily on account of one-time receipt recognized during FY 2024. The Company had recorded ₹19.94 million as performance guarantee income from a vendor/contractor relating to a capital expenditure project, as the vendor failed to fulfil the terms of the agreement, which was partly offset by lower foreign exchange gain in FY 2024. Excluding this non-recurring item, other income for FY 2024 would have been broadly in line with FY 2023.

Total Expenses

The total expenses of the Company for Fiscal 2024 were ₹6,393.54 million, as compared to ₹5,345.52 million for Fiscal 2023, representing an increase of ₹1,048.03 million or 19.61%. Total expenses as a percentage of total revenue decreased to 97.29% in Fiscal 2024 from 98.15% in Fiscal 2023, reflecting a decline of 0.88 percentage points. The total expenses of the Company during the said period primarily comprised cost of materials consumed, purchase of traded goods, changes in inventories, employee benefits expense, finance costs, depreciation and amortization expense, and other expenses.

Cost of Materials Consumed

The Company's cost of materials consumed increased by 26.18%, from ₹3,642.25 million in Fiscal 2023 to ₹4,595.92 million in Fiscal 2024, reflecting an increase of ₹953.67 million. This rise was broadly aligned with the increase in revenue from operations and was primarily driven by higher production volumes, particularly in the dyed yarn and towel segment.

However, the percentage increase in material costs outpaced revenue growth, largely due to raw material price fluctuations during the Fiscal 2024. In Fiscal 2024, further increases in the production and sales of towels continued to drive higher raw material consumption. Despite the overall growth in revenue, volatility in yarn prices and the consumption of higher-cost raw material stock procured in the prior year contributed to a disproportionate increase in material consumption costs. As a result, a portion of these elevated input costs could not be passed on to customers, thereby placing pressure on margins even as topline performance improved.

Changes in Inventories

The change in inventory decreased by 121.47%, from ₹(18.96) million in Fiscal 2023 to ₹(41.99) million in Fiscal 2024, reflecting an decrease of ₹23.03 million. The decrease was primarily attributable to a deliberate build-up of finished goods and work-in-progress to ensure timely fulfilment of larger customer orders in the subsequent year.

In addition, higher raw material holdings were influenced by operational scheduling and capacity utilisation, as certain production runs were aligned towards bulk orders received closer to the year-end. This resulted in a higher carry-forward of finished goods and work-in-progress into Fiscal 2024, consistent with the Company's production planning and sales pipeline.

The increase in closing inventory was also driven by a higher volume of finished goods pending dispatch as of year-end. This was largely attributable to larger order sizes from export customers, where shipments were scheduled for delivery post final inspection and quality clearance at the client's end

Employee Benefit Expenses

Employee benefit expenses increased by 7.26%, from ₹356.13 million in Fiscal 2023 to ₹381.97 million in Fiscal 2024, reflecting an increase of ₹25.84 million. The increase was primarily attributable to annual salary revisions for existing

employees and an expansion in the workforce to support higher production volumes and business growth. In addition, the higher salary base and increase in manpower led to a corresponding rise in associated employee-related costs, including Provident Fund (PF), Employees' State Insurance Corporation (ESIC), Labour Welfare Fund contributions, and other statutory benefits. These statutory obligations, coupled with benefits extended to new employees, contributed further to the overall increase in employee benefit expenses.

Finance Cost

Finance costs decreased by 2.43%, from ₹248.17 million in Fiscal 2023 to ₹242.14 million in Fiscal 2024, reflecting a reduction of ₹6.03 million. The decrease was primarily attributable to lower interest expenses on bank borrowings, as the Company repaid certain term loans during Fiscal 2024, resulting in reduced interest outgo.

However, this reduction was partly offset by an increase in interest expenses towards Letter of Credit (LC) facilities availed from banks and financial institutions for payments to MSME vendors. The higher utilization of LC facilities was driven by compliance with MSME payment obligations under applicable regulations, coupled with an increase in procurement volumes. As revenues continued to grow, the Company engaged with a larger base of MSME vendors, leading to higher reliance on LC-backed payments and a consequent increase in related finance costs.

Depreciation and Amortisation

Depreciation and amortisation expense increased by 2.23%, from ₹108.40 million in Fiscal 2023 to ₹110.82 million in Fiscal 2024, reflecting an increase of ₹2.41 million. The increase was primarily attributable to the capitalisation of new plant and machinery during Fiscal 2024, which resulted in higher depreciation charges during Fiscal 2024.

Other Expenses

Other expenses increased by 9.43%, from ₹1,009.53 million in Fiscal 2023 to ₹1,104.69 million in Fiscal 2024, reflecting an increase of ₹95.17 million. The increase of that expenses primarily consists of Manufacturing Expenses: The major contributor was higher manufacturing expenses of ₹71.85 million, primarily on account of increased power and fuel consumption, which were directly attributable to higher production volumes. This rise was consistent with the overall growth in capacity utilisation during the year.

Selling and Administrative Expenses: Selling and administrative expenses also increased, particularly due to higher packing charges, freight, and selling overheads, in line with the Company's increased sales volumes and expanded customer outreach.

Profit / (loss) Before Tax

The Company's profit before tax (PBT) increased by 78.48%, rising from ₹99.73 million in Fiscal 2023 to ₹178.00 million in Fiscal 2024, reflecting an improvement of ₹78.28 million. This translated into an increase in the PBT margin from 1.83% in Fiscal 2023 to 2.71% in Fiscal 2024. The strong growth in profitability was primarily driven by the significant increase in revenue from operations, which outpaced the growth in expenses. While Other Expenses (comprising manufacturing and selling expenses) increased in absolute terms, their growth rate remained lower than that of revenue, reflecting the benefit of economies of scale. With higher production volumes, fixed costs were absorbed more efficiently, resulting in improved cost management. Consequently, the Company delivered a substantial improvement in profitability during Fiscal 2024, underscoring its effective capacity utilisation strategy and disciplined cost control. However, these gains were partly offset by a rise in the cost of materials consumed, which increased at a higher rate in line with expanded production volumes.

Tax Expenses

The increase in tax expenses during FY 2024 was primarily attributable to the growth in profit before tax (PBT) for the period. As the Company's earnings improved, the taxable base expanded, resulting in a proportional increase in tax expenses. This reflects the consistent application of the prevailing tax rate, with no significant impact arising from changes in tax regulations or deferred tax items during the year. The absence of a similar credit in FY 2024 contributed to the relative increase in reported tax expenses.

Profit / (loss) After Tax

Profit After Tax (PAT) increased by 48.87%, rising from Rs. 90.28 million in Fiscal 2023 to Rs. 134.40 million in Fiscal 2024. This growth of Rs. 44.12 million in PAT is primarily attributable to a higher Profit Before Tax (PBT), driven largely

by a significant increase in revenue. The rise in revenue outpaced the growth in total expenses particularly other operating expenses resulting in improved operating margins and overall profitability. The primary reason for the margin improvement was economies of scale and optimal capacity utilization. As a result, the PAT margin improved from 1.66% in Fiscal 2023 to 2.05% in Fiscal 2024. The 0.39% increase in PAT margin, as a proportion of revenue from operations, is mainly due to enhanced operational efficiency, better absorption of fixed manufacturing costs, and more effective distribution of selling expenses.

CASH FLOWS

The table below sets forth our cash flows for the periods indicated:

(₹ in million)

Particulars	September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Net cash generated from operating activities	298.87	552.36	507.10	392.43
Net cash used in investing activities	(28.96)	(149.67)	(185.09)	(86.90)
Net cash used in financing activities	(272.99)	(402.37)	(335.92)	(318.92)
Net Increase/decrease in cash and cash equivalents	(3.07)	0.32	(13.92)	(13.38)

Net Cash Flow Generated/Used from Operating Activities

September 30, 2025 :

Net cash generated from operating activities amounted to ₹298.87 million which consists of profit before tax of 102.58 million as adjusted primarily for

- Depreciation and amortization: ₹57.42 million
- Foreign exchange fluctuation (gain): ₹2.69 million
- Fair valuation gain on mutual funds: ₹(0.98) million
- Actuarial (gain): ₹(2.35) million
- Hedging gain: ₹(5.02) million
- Finance costs: ₹112.26 million
- Interest income: ₹(2.26) million
- Working capital adjustments primarily included decrease in inventories: ₹57.63 million, Increase in trade receivables: ₹110.62 million, decrease in trade payables: ₹109.03 million, Decrease in other financial assets: ₹6.64 million, Increase in current tax assets: ₹22.71 million, Increase in other current assets: ₹395.82 million, increase in other current liabilities: ₹98.06 million, Increase in other financial liabilities: ₹320.93 million, decrease in provisions: ₹12.50 million.
- Company has paid ₹ 16.11 million of net income tax

Fiscal 2025:

The Net cash (used in)/ Generated from operating activities is ₹ 552.34 million, which consists of profit before tax of ₹ 230.36 Million as adjusted primarily for:

- Depreciation and amortization expense to ₹119.81 million
- Foreign Exchange Fluctuation (Gain) to ₹ 19.62 million
- Fair valuation gain on mutual fund to ₹ 1.41 million
- Provision for Gratuity and LWW to ₹ 1.59 million
- Finance costs to ₹ 239.26 million
- Interest income to ₹ 7.42 million

- Working capital changes primarily due to increase in inventory of ₹ 129.28 million, increase in trade receivables of ₹ 16.24 million, decrease in trade payables of ₹ 128.37 million, increase in Other Financial Assets of ₹ 0.50 million, Increase in Current Tax Assets of ₹ 28.09 million, decrease in other current assets of ₹ 55.46 million, increase in other current liabilities ₹ 4.80 million, decrease in Other Financial Liabilities of ₹ 3.45 million, increase in provisions of ₹ 28.04 million.
- Company has paid ₹ 49.30 million of net income tax

Fiscal 2024:

The Net cash (used in)/ Generated from operating activities is ₹ 507.10 million, which consists of profit before tax of ₹ 178.00 Million as adjusted primarily for:

- Depreciation and amortization expense to ₹ 110.82 million
- Foreign Exchange Fluctuation (Gain) to ₹ 9.05 million
- Fair valuation gain on mutual fund to ₹ 1.12 million
- Provision for Gratuity and LWW to ₹ 2.72 million
- Finance costs to ₹ 236.23 million
- Interest income to ₹ 6.23 million
- Working capital changes primarily due to increase in inventories of ₹ 76.94 million, increase in trade receivables of ₹ 53.42 million increase in trade payables of ₹ 241.48 million, decrease in Other Financial Assets of ₹ 0.18 million, Increase in Current Tax Assets of ₹ 62.49, increase in other current assets ₹ 13.80 million, decrease in other current liabilities ₹ 30.94 million, increase in Other Financial Liabilities of ₹ 2.89 million, increase in provisions of ₹ 19.15.
- Company has paid ₹ 30.38 million of net income tax

Fiscal 2023:

The Net cash (used in)/ Generated from operating activities is ₹ 392.43 million, which consists of profit before tax of ₹ 99.73 Million as adjusted primarily for:.

- Depreciation and amortization expense to ₹ 108.40 million
- Foreign Exchange Fluctuation (Gain) to ₹ 26.85 million
- Fair valuation gain on mutual fund to ₹ 0.04 million
- Provision for Gratuity and LWW to ₹ 3.73 million
- Finance costs to ₹ 245.65 million
- Interest income to ₹ 4.71 million
- Working capital changes primarily due to increase in inventories of ₹ 9.17 million, increase in trade receivables of ₹ 25.21 million decrease in trade payables of ₹ 30.83 million, decrease in Other Financial Assets of ₹ 2.11 million, decrease in Current Tax Assets of ₹ 79.51, increase in other current assets ₹ 63.10 million, increase in other current liabilities ₹ 31.36 million, decrease in Other Financial Liabilities of ₹ 10.75 million, decrease in provisions of ₹ 23.37.

Net Cash Flow Generated/Used from Investing Activities

September 2025 :

Net cash used in investing activities amounted to ₹ 28.96 million due to :

- Net of property, plant & equipment and intangible assets: ₹ 4.20 million
- Capital advances towards WIP: ₹ 170.14 million
- Investment in fixed deposits: ₹ 134.72 million
- Interest income received: ₹ 2.26 million

Fiscal 2025:

Net Cash Flow used in Investing Activities was amounting to ₹ 149.67 million. Primarily due to :

- Purchase of property, plant and equipment and intangible assets of ₹ 41.40 million
- Net decrease in capital advance to suppliers towards WIP of ₹ 30.17 million
- Investment in bonds & mutual funds of ₹ 0.50 million
- Investment in Fixed Deposits of ₹ 145.35 million
- Interest income of ₹ 7.42 million

Fiscal 2024:

Net Cash Flow used in Investing Activities was amounting to ₹ (185.09) million. primarily due to :

- Purchase of property, plant and equipment and intangible assets of ₹ 320.40 million
- Net decrease in Capital advance to suppliers towards WIP of ₹ 142.93 million
- Investment in bonds & mutual funds of ₹ 1.46 million
- Investment in Fixed Deposits of ₹ (15.32) million
- Interest income of ₹ 6.23 million

Fiscal 2023:

Net Cash Flow used in Investing Activities was amounting to ₹ (86.90)million. primarily due to :

- Purchase of property, plant and equipment and intangible assets of ₹ 80.99 million
- Capital advance to suppliers towards WIP of ₹ 17.70 million
- Investment in bonds & mutual funds of ₹ 2.20 million
- Decrease of Investment in Fixed Deposits of ₹ 9.79 million
- Interest income of ₹ 4.71 million

Net Cash Flow Generated/Used from Financing Activities***September 2025 :***

Net cash used in financing activities amounted to ₹272.99 million due to

- Interest paid: ₹112.26 million
- Repayment of borrowings: ₹157.52 million
- Decrease in other non-current liabilities: ₹0.52 million
- Foreign exchange fluctuation (gain): ₹(2.69) million

Fiscal 2025:

Net Cash Flow used from financing activities was amounting to ₹ 402.37 million. primarily due to :

- Interest paid of ₹ 239.26 million
- Foreign Exchange Fluctuation Gain ₹ 19.62 million

- Change in Other Non Current Liabilities of ₹ 1.27 million
- Repayment of borrowings ₹ 184.00 million

Fiscal 2024:

Net Cash Flow used from financing activities was amounting to ₹ 335.92 million. Primarily due to :

- Interest paid of ₹ 236.23 million
- Foreign Exchange Fluctuation Gain ₹ 9.05 million
- Change in Other Non Current Liabilities of ₹ (0.84) million
- Repayment of borrowings ₹ 107.90 million

Fiscal 2023: Net Cash Flow used from financing activities was amounting to ₹ 318.92 million. primarily due to :

- Interest paid of ₹ 245.65 million
- Foreign Exchange Fluctuation Gain ₹ 26.85 million
- Change in Other Non-Current Liabilities of ₹ (6.69) million
- Repayment of borrowings ₹ 93.43 million

FINANCIAL INDEBTEDNESS

As at December 31, 2025, our Company's aggregate outstanding borrowings amounted to ₹1,709.75 million (excluding non-funded). The details of aggregate outstanding borrowings of our Company as on December 31, 2025, is set forth below:

(in ₹ millions)

Category of borrowings	Amount sanctioned*	Amount outstanding [#]
Funded		
Secured		
(i) Term Loans ¹	1,481.35	545.66
(ii) Cash Credits / Working Capital Facilities	1,340.00	1,146.70
(iii) Vehicle Loans	27.00	17.39
Total (A)	2,848.35	1,709.75
Non-Funded		
Secured		
Letter of Credit and Bank Guarantee	315.40	246.50
Total (B)	315.40	246.50
Total Indebtedness (A+B)	3,163.75	1,956.25

* The sanctioned amount includes the updated sanctioned limit of working capital facilities as on the reporting date, based on the latest renewed sanction letters, and the original sanctioned amount in respect of term loans and vehicle loans

The above borrowings comprise term loans and working capital facilities. The Company has also availed certain foreign currency borrowings from banks in India, including Foreign Currency Loans (FCL), Foreign Currency Term Loans (FCTL) and Packing Credit in Foreign Currency (PCFC), which form part of the cash credit and/or term loan facilities. The outstanding balances of such borrowings have been translated into Indian Rupees at an exchange rate of ₹89.8354 per US\$1 as on December 31, 2025, based on the exchange rate available at <https://www.oanda.com/currency-converter>

¹ Includes term loans availed by the Company for the purpose of meeting its working capital requirements.

CONTINGENT LIABILITIES AND COMMITMENTS

(in ₹ millions)

Particulars	As at September 30, 2025	As at March 31 2025	As at March 31 2024	As at March 31 2023
(a) Claims against the Group not acknowledged as debts				
Service tax matters	4.18	4.18	4.18	4.18
TDS Defaults	2.28	1.18	1.15	1.07
(b) Other Commitments				
Pending litigation	10.33	10.33	9.20	9.20

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

We do not have any off-balance sheet arrangements, or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

CAPITAL EXPENDITURES

For the six-month period ended September 30, 2025, and for Fiscal 2025, Fiscal 2024 and Fiscal 2023, the Company's capital expenditure towards additions to property, plant and equipment and intangible assets under development amounted to ₹22.33 million, ₹63.75 million, ₹416.45 million and ₹186.05 million, respectively.

(in ₹ millions)

Particulars	Six months period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Total property, plant and equipment	9.80	63.75	321.22	88.19
Total Capital work-in-progress	12.53	-	95.23	97.86
Total	22.33	63.75	416.45	186.05

RELATED PARTY TRANSACTIONS

We have engaged in the past, and may engage in the future, in transactions with related parties. For further information relating to our related party transactions, see "Related Party Disclosures" on page 241.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency risk financial instruments affected by market risk include trade receivables, trade payables and borrowings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

- Interest Rate Risk:** Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates. The Company is exposed to interest rate risk because funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate

- b) **Currency risk:** Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows.
- c) **Credit risk:** Credit risk refers to the risk of default on its obligation by a counterparty resulting in a financial loss. The carrying amount of all financial assets represents the maximum credit exposure.
 - 1. **Trade receivables:** The Company has evaluated its trade receivables for impairment in accordance with the simplified approach prescribed under Ind AS 109 – Financial Instruments, which requires the recognition of Expected Credit Losses (ECL) on all trade receivables. Based on the nature of its customer base and historical experience, the Company has no significant record of defaults on trade receivables. Accordingly, the Company has not created a detailed ECL matrix or model for all receivables. However, in accordance with the principles of prudence and considering the Company’s normal operating cycle of 12 months, management has applied a 100% provision on trade receivables outstanding for more than one year from the due date, as these are considered to carry a higher credit risk. All other receivables are considered to be of low credit risk, and no material impairment has been recognized on those balances.
 - 2. **Cash and cash equivalents and deposits with banks:** Cash and cash equivalents of the Group are held with banks which have high credit rating. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.
 - 3. **Security deposits:** Security Deposits pertains to security deposited with the Punjab State Electricity Board (now Punjab State Power Corporation Ltd.) amounting 22.57 millions, deposits against service tax appeals amounting 0.73 million, deposits with pollution control board amounting 0.1 million and other deposits which are not contractual deposits but the statutory deposits. The Company considers that its deposits have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations. Also, where the Company expects that there is an uncertainty in the recovery of deposit, it provides for suitable impairment on the same.
- a) **Liquidity risk:** Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company’s objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimized cost.

AUDITOR’S OBSERVATIONS

The statutory auditors have not included any examination reports in their audit reports for the relevant period.

OTHER FACTORS

UNUSUAL OR INFREQUENT EVENTS OF TRANSACTIONS

Other than as described elsewhere in this Draft Red Herring Prospectus, to our knowledge, there have been no other events or transactions that, may be described as “unusual” or “infrequent” and which materially affect or are likely to affect our revenue from operations.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECT OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in “–Significant Factors Affecting Our Financial Condition and Results of Operations” and the uncertainties described in “Risk Factors” on pages 174 and 22, respectively

CHANGE IN ACCOUNTING POLICIES

Other than as disclosed in the Restated Financial Information , there have been no changes in accounting policies for the six months period ended September 30, 2025, Fiscals 2025, 2024 and 2023.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been affected, and we expect will continue to be affected by the trends identified above in “- *Significant Factors Affecting Our Financial Condition and Results of Operations*” and the uncertainties described in “*Risk Factors*” on pages 174 and 22, respectively. To our knowledge, except as described or anticipated in this Draft Red Herring Prospectus, there are no known factors which we expect will have a material adverse impact on our revenues or income from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND INCOME

Other than as described in “*Risk Factors*” and “*Our Business*” on pages 22 and 174, and this section respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

TOTAL TURNOVER OF EACH MAJOR INDUSTRY SEGMENT IN WHICH THE ISSUER OPERATES FOLLOWING IS THE REVENUE BIFURCATION WITH RESPECT TO THE PRODUCT OR SERVICES PROVIDED BY OUR COMPANY:

Our business can be broadly divided into two major business verticals, consisting of a) toweling products and b) dyed yarn. Additionally, there is a third source of revenue segment which is derived from the waste products of our two major verticals which earns us approximately 2% of our products based revenue year on year. The revenue mix from the business verticals for the six month period ended September 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023 respectively was:

Product	Six month period ended September 30, 2025	% of Total Revenue from product sale	Fiscal 2025	% of Total Revenue from product sale	Fiscal 2024	% of Total Revenue from product sale	Fiscal 2023	% of Total Revenue from product sale
Terry Towel	2,391.65	79.95%	4,697.94	75.79%	4,332.29	71.33%	3,914.35	78.48%
Dyed Yarn	532.77	17.81%	1,467.12	23.67%	1,707.98	28.12%	1,037.97	20.81%
Others	67.14	2.24%	33.26	0.54%	33.09	0.54%	35.63	0.71%
Total Revenue from sale of products	2,991.56	100.00%	6,198.33	100.00%	6,073.37	100.00%	4,987.95	100.00%

STATUS OF ANY PUBLICLY ANNOUNCED NEW PRODUCTS OR BUSINESS SEGMENT

Other than as described in “*Our Business*” on page 174, there are no new offerings or business verticals in which we operate

THE EXTENT TO WHICH BUSINESS IS SEASONALs

Given the nature of our business operations, our business is not seasonal in nature.

SIGNIFICANT DEPENDENCE ON A SINGLE OR FEW SUPPLIERS OR CUSTOMERS

The table set forth below are contribution of our top customers towards our revenue from operations:

Particulars	Six month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Revenue from operations	Amount	% of Revenue from operations	Amount	% of Revenue from operations	Amount	% of Revenue from operations
Top 1*	946.67	29.17%	1,725.50	25.62%	1,803.17	27.55%	1,496.45	27.50%
Top 5	1,571.24	48.41%	3,180.02	47.22%	2,935.95	44.86%	2,384.41	43.82%

Top 10	1,987.25	61.23%	4,183.08	62.11%	3,801.68	58.09%	3,044.10	55.94%

**Our top 1 customer is KMART Australia Ltd, names of balance customers have not been provided either because relevant consents for disclosure of their names were not available or in order to preserve confidentiality.*

Based on the said table, we can state that our Company has a well-diversified customer base, with our top 10 clients contributing approximately 56% to 62% of our total revenue from operations during the six month period Ended on September 30, 2025 and Fiscal 2024, Fiscal 2023 to Fiscal 2022. However, it is pertinent to note that our Company derives around 26% to 29% of its total revenue from operations from a single client internationally, indicating a degree of revenue concentration risk.

Our procurement of key raw materials, particularly yarn, is dependent on a limited number of suppliers, resulting in a concentration of purchases. Based on our historical procurement data, our top suppliers contribute a significant portion of our total purchases. For the period ended September 30, 2025, our top supplier accounted for approximately 55.86% of our total purchases, while our top five and top ten suppliers accounted for approximately 76.63% and 98.19% of our total purchases, respectively.

The table set forth below are contribution of our top suppliers towards our total purchases during the period:

(₹ in millions)

Particulars	Six-month Period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Total Purchase	Amount	% of Total Purchase	Amount	% of Total Purchase	Amount	% of Total Purchase
Top 1	1,080.94	54.54%	828.77	17.82%	830.91	17.98%	474.67	13.07%
Top 5	1,482.93	74.82%	2,077.42	44.67%	2,011.08	43.52%	1,550.61	42.70%
Top 10	1,900.06	95.86%	2,846.12	61.19%	2,796.95	60.52%	2,304.96	63.48%

COMPETITION

We operate in a competitive environment. Please refer to “Risk Factors”, “Industry Overview” and “Our Business” on pages 22, 128 and 174, respectively, for further information on our industry and competition

SIGNIFICANT DEVELOPMENTS AFTER SEPTEMBER 30, 2025, THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Subsequent to September 30, 2025, the Company has undertaken certain borrowings primarily to support its capital expenditure requirements, the proceeds of which have been utilised towards the acquisition and installation of 34 additional looms. This has resulted in an increase in the Company’s annual terry towel production capacity from approximately 4,343.5 MT to 4,964.0 MT.

The aforesaid capacity expansion is expected to enhance production capabilities, improve operational efficiencies, reduce reliance on outsourced weaving, streamline manufacturing processes and strengthen the Company’s ability to cater to increasing customer demand, which may have a positive impact on its future results of operations.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as disclosed in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by regulatory or statutory authorities, including notices issued by such authorities; (iii) claims related to direct and indirect taxes; and (iv) any other outstanding litigation, as determined to be material pursuant to the Materiality Policy in accordance with the SEBI ICDR Regulations, in each case involving our Company, Subsidiaries, Promoters, and Directors (“Relevant Parties”).

Further, except as disclosed in this section, there have been no disciplinary actions, including penalties imposed by SEBI or the stock exchanges against the Promoters, in the last five financial years, including any outstanding actions. Further, as on the date of this Draft Red Herring Prospectus, there are no findings/observations from any inspections conducted by SEBI or any other regulator involving our Company which are material and which need to be disclosed, or the non-disclosure of which may have a bearing on the investment decision.

Furthermore, except as disclosed in this section, as on the date of this Draft Red Herring Prospectus, there are no outstanding (i) criminal proceedings (including matters which are at the FIR stage, whether cognizance has been taken or not by any court or judicial authority), and (ii) actions (including all penalties and show cause notices) by statutory and/or regulatory authorities involving our KMPs and SMPs.

There is no outstanding litigation involving our Group Company which would have a material impact on our Company.

Pursuant to the Materiality Policy adopted by our Board on July 26, 2025, for the purposes of (iv) above, any pending litigation involving the Relevant Parties has been considered ‘material’ and accordingly disclosed in this Draft Red Herring Prospectus where:

(i) the monetary amount of claim/dispute, to the extent quantifiable, in any such pending proceeding by or against any Relevant Party is equivalent to or in excess of:

(a) two percent of turnover for the most recent Financial Year, based on the Restated Financial Information ; or

(b) two percent of net worth, as at the end of the most recent Financial Year, based on the Restated Financial Information ; or

(c) five percent of the average of the absolute value of profit or loss after tax for the last three Financial Years, based on the Restated Financial Information , whichever is lower.

Accordingly, the threshold for materiality for disclosure in this section is five percent of the average of the absolute value of profit or loss after tax for the last three Financial Years, based on the Restated Financial Information , being ₹6.58 million (the “Materiality Threshold”); or

(ii) where the monetary liability is not quantifiable or does not exceed the Materiality Threshold mentioned in point (i) above, the outcome of any such pending proceedings may have a material bearing on the business, operations, performance, prospects, financial position, or reputation of our Company; or

(iii) any claim/dispute involving the Relevant Parties where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed the Materiality Threshold.

Pre-litigation notices received by any of the Relevant Parties from third parties (excluding such notices issued by any statutory/regulatory/governmental/taxation authorities or notices threatening criminal action) shall, unless otherwise decided by the Board, not be considered as litigation until such time that the Relevant Parties are impleaded as defendants or respondents in litigation proceedings before any judicial forum. Additionally, FIRs (whether cognizance has been taken or not) initiated against the Relevant Parties shall be disclosed.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. Further, in terms of the Materiality Policy, a creditor shall be considered “material” if the outstanding dues to such creditor are equal to or exceed 5% of the total outstanding dues (trade payables) of our Company, based on the Restated Financial Information. Accordingly, any outstanding dues exceeding ₹46.93 million, which is 5% of the total trade payables of our Company as at September 30, 2025, have been considered as material outstanding dues for the purposes of disclosure in this section.

Further, for outstanding dues to any party which is a micro, small or medium enterprise (“MSME”), the disclosure will be based on information available with the Company regarding the status of the creditor, as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended, read with the rules and notifications thereunder.

All terms defined in a particular litigation disclosure pertains to that litigation only. Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

Summary of Outstanding Litigation

I. Litigation involving our Company

A. Litigations against our Company

i. criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no criminal proceeding initiated against our Company.

ii. Material Civil Proceedings

T.C. Terrytex Limited vs Satish Kumar Contractors Limited – EXECUTION 2155/2019

T.C. Terrytex Limited filed the present First Appeal (FAO) bearing No. 2349 of 2017 dated 25 March 2017 before the High Court of Punjab and Haryana at Chandigarh challenging the judgment dated 17 January 2017 passed by the Additional District Judge, SAS Nagar (Mohali), whereby the court dismissed the objections filed under Section 34 of the Arbitration and Conciliation Act, 1996 and upheld the arbitral award dated 23 May 2012 passed by Justice N.K. Aggarwal (Retd.).

The dispute arose from a contract dated 01 April 2007, under which T.C. Terrytex Limited awarded Satish Kumar Contractors Limited a contract for civil works at its Terry Towel Plant at Lalru, Punjab, to be completed by 31 October 2007 but actually completed on 29 February 2008. After completion, the contractor submitted a final bill of approximately ₹3.12 crore, claiming ₹79,03,832 as outstanding dues, which led to arbitration. The arbitrator, by award dated 23 May 2012, held that the contractor was entitled to ₹79,03,832 and ₹1,00,000 as arbitration costs, while allowing ₹20,00,000 to T.C. Terrytex Limited on its counterclaim.

Both parties challenged the award under Section 34 of the Arbitration and Conciliation Act, 1996, but the Additional District Judge, Mohali by judgment dated 17 January 2017 dismissed the petitions and upheld the award, following which T.C. Terrytex Limited filed the present appeal before the High Court seeking to set aside the judgment and award. Allwin Infrastructure Limited (formerly Satish Kumar Contractors Limited) filed an Execution Application via reference number 2155/2019 before the District Judge, Mohali seeking enforcement of the award. Meanwhile, TC Terrytex Ltd. has filed an appeal before the Hon'ble High Court of Punjab and Haryana under FAO No. 2349 of 2017, seeking to set aside both the arbitral award and the order passed by the District Judge. Both matters are currently pending before the respective Hon'ble Court

iii. Actions by statutory and/or regulatory authorities

As on the date of this Draft Red Herring Prospectus, there are no action statutory and regulatory authorities against our Company.

iv. Tax proceedings against our Company

Nature of the case [^]	Number of cases	Total amount involved (in ₹ million)*
Direct tax litigations	1	2.28
Indirect tax litigations	1	4.18
Total	2	6.46

[^]To the extent quantifiable and ascertainable

B. Litigations by our Company

i. Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings by our Company.

ii. Material Civil Proceedings

As on the date of this Draft Red Herring Prospectus, there are no material civil proceedings by our Company

iii. Tax proceedings by our Company

Nature of the case[^]	Number of cases	Total amount involved (in ₹ million)*
Direct tax litigations	NIL	NIL
Indirect tax litigations	4	7.97
Total	4	7.97

II. Litigation involving our Subsidiary

As on the date of this Draft Red Herring Prospectus, there are no Subsidiaries of our Company.

III. Litigation involving our promoters

A. Litigations against our Promoters

i. Criminal proceedings

Nil

ii. Actions by statutory and/or regulatory authorities

Nil

iii. Material Civil Proceedings

Nil

iv. Tax proceedings against our Promoters

Nature of the case	Number of cases	Total amount involved (in ₹ Million)*
Direct tax litigations	Nil	Nil
Indirect tax litigations	Nil	Nil
Total	Nil	Nil

**To the extent quantifiable and ascertainable*

B. Litigation initiated by our Promoters

i. Outstanding criminal proceedings

Nil

ii. *Material Civil Proceedings*

Nil

IV. Litigation involving our Directors (Other than Promoters)

A. Litigations against our Directors

i. *Criminal proceedings*

Nil

ii. *Actions taken by statutory and/or regulatory authorities*

Nil

iii. *Material outstanding litigations*

Nil

iv. *Tax proceedings against our Directors*

Nature of the case	Number of cases	Total amount involved(in ₹ Million)*
Direct tax litigations	Nil	Nil
Indirect tax litigations	Nil	Nil
Total	Nil	Nil

**To the extent quantifiable and ascertainable*

v. *Material outstanding litigations*

As on the date of this Draft Red Herring Prospectus, there are no material outstanding litigations by statutory and/or regulatory authorities against our Directors.

B. Litigation by our Directors

i. *Criminal proceedings*

Nil

ii. *Material Civil Proceedings*

Nil

V. Litigation involving our Key Managerial Personnel and Senior Management (Other than Directors and Promotes)

A. Litigation against our Key Managerial Personnel and Senior Management

i. *Criminal proceedings*

Nil

ii. *Actions taken by statutory and/or regulatory authorities*

Nil

iii. *Material Civil Proceedings*

Nil

iv. *Tax proceedings against our KMPs and SMPs*

Nature of the case	Number of cases	Amount involved (in ₹ Million)*
Direct tax litigations	Nil	Nil
Indirect tax litigations	Nil	Nil
Total	Nil	Nil

**To the extent quantifiable and ascertainable*

VI. Litigation by our Key Managerial Personnel and Senior Management (Other than Directors and Promotes)

A. Litigation by our Key Managerial Personnel and Senior Management

i. *Criminal proceedings*

Nil

ii. *Material Civil Proceedings*

Nil

VII. Outstanding litigation involving our Group Company, which has a material impact on our Company

As on the date of this Draft Red Herring Prospectus, there are no Group Companies of our Company.

VIII. Outstanding dues to creditors

As of September 30, 2025, we had 370 creditors and the aggregate amount outstanding to such creditors was ₹ 938.51. Accordingly, as per the Materiality Policy for the purpose of disclosure of material creditors in this Draft Red Herring Prospectus, a creditor has been considered 'material' by our Company if the amount due to such creditor exceeds 5% of the ₹ 938.51 million as of the latest restated financials as included in the offer document i.e. ₹ 46.93 million.

Types of Creditors	Number of Creditors	Amount involved (in ₹ Million)
Micro and Small enterprises	7	58.85
Material creditors	1	217.82
Other creditors	362	661.84
Total	370	938.51

The details pertaining to outstanding dues to Material Creditors, along with the name and amount involved for each such Material Creditor, are available on the website of our Company. It is clarified that information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website www.sanathan.com/investor-relations, would be doing so at their own risk.

Material Developments

Other than as disclosed in 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on page 259, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability, the value of our assets, or our ability to pay our liabilities within the next 12 months.

Material Developments since the date of the last Balance Sheet

Other than as disclosed in ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations*’ on page 259, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability, the value of our assets, or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

*We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking this Offer and carrying on our present business activities. In view of these key approvals, our Company can undertake this Offer and its business activities. In addition, certain of our key approvals may expire in the ordinary course of business and our Company will make applications to the appropriate authorities for renewal of such key approvals, as necessary. Unless otherwise stated herein and in the section “**Risk Factors**” beginning on page 22, these material approvals are 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 “**Key Regulations and Policies**” on page 208.*

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its present business activities.

Following statement sets out the details of licenses, permissions and approvals obtained by the Company under various central and state legislations for carrying out its business activities.

Our Company is in the process to submit necessary application(s) with all regulatory authorities for change of its name in the approvals, licenses, registrations and permits issued to our Company.

I. Material approvals obtained in relation to the Offer

- a. The Board of Directors has, pursuant to a resolution passed at its meeting held on January 30, 2026, authorized the Offer, subject to the approval of the shareholders of the Company under Section 62 of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
- b. The shareholders of the Company have, pursuant to a special resolution passed in the shareholders meeting held on March 26, 2026, authorized the Offer under Section 62 of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
- c. The Company has obtained the in-principle listing approval from NSE and BSE, dated [●].

II. Material approvals obtained by our Company in relation to our business and operations

Our Company has obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

A. Incorporation details of our Company

Our Company was incorporated as ‘**T.C. Terrytex Limited**’ vide Certificate of Incorporation dated August 30, 2005, issued by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh.

B. Tax related approvals obtained by our Company

Sr. No.	Nature of Registration/ License	Registration/License/ Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	AACCT3244L	Income Tax Department	August 30, 2005	Valid till cancelled
2.	Tax Deduction Account Number (TAN)	AMRT10854E	Income Tax Department	November 07, 2005	Valid till cancelled
3.	GST Registration Certificate – Punjab	03AACCT3244LIZG	Goods and Services Tax Department	July 01, 2017	Valid till cancelled
4.	Enrolment Certificate – Professional Tax- Punjab	E37AACCT3244L	Punjab State Tax Department	January 22, 2019	Valid till cancelled

C. Regulatory & Labour / employment related approvals obtained by our Company:

Sr. No.	Nature of Registration/ License	Registration/Licence/ Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Certificate of registration – Employee's Provident Fund Code	PB/CHD/30780	Employees' Provident Fund Organisation, Ministry of Labour and Employment	April 01, 2008	Valid till cancelled
2.	Certificate of registration - ESIC Punjab	12000413510000199	Employees' State Insurance Corporation	November 16, 2010	Valid till cancelled
3.	Importer-Exporter Code Registration	3007003334	Ministry of Commerce and Industry	June 04, 2007	Valid till cancelled
4.	EPCG – License/Authorization/SCRIP	3031005375	Office of Additional Director General of Foreign Trade, Ludhiana	June 26, 2024	June 26, 2030
5.	License to work a factory	SAS0FL8637	Department of Labour, Directorate of Factories, Punjab	July 02, 2025	December 31, 2030
6.	Consent to Operate, under section 21 of the Air (Prevention & Control of Pollution) Act, 1981	CTOA/Varied/PBIP /SAS/2023/220488123	Punjab Pollution Control Board	March 31, 2023	March 31, 2028
7.	Consent to Operate under section 25 of the Water (Prevention & Control of Pollution) Act, 1974	CTOW/Renewal/SAS/2025/27769230	Punjab Pollution Control Board	March 09, 2025	March 31, 2028
8.	Authorization to Operate under Hazardous and other Waste (Management & Transboundary movement) Rules, 2016	HWM/renew/SAS/2018/8020803	Punjab Pollution Control Board	April 05, 2023	March 31, 2028
9.	Boiler Certificate – PI 4813	SAS/2024-25/82	Director of Boilers Punjab	December 02, 2024	December 07, 2026
10.	Boiler Certificate – PI 5837	SAS/2025-26-26/114	Director of Boilers Punjab	March 17, 2026	March 16, 2027
11.	Boiler Certificate – PI 6199	SAS/2025-26-26/115	Director of Boilers Punjab	March 16, 2026	September 15, 2026
12.	Certificate of verification for Legal Metrology for NAWI Digital scale bearing max capacity 60,000kg c	91202505230513	Government of Punjab, Food, Civil Supplies & Consumer Affairs, Office of Controller, Legal Metrology	December 02, 2025	December 07, 2026

Sr. No.	Nature of Registration/ License	Registration/License/ Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
13.	Certificate of verification for Legal Metrology for NAWI Digital scale bearing aggregate capacity 214kg	PB/250616059WM V0375	Government of Punjab, Food, Civil Supplies & Consumer Affairs, Office of Controller, Legal Metrology	November 28, 2025	November 28, 2026
14.	Certificate of verification for Legal Metrology for NAWI Digital scale bearing aggregate capacity 750kg	PB/250616059WM V0376	Government of Punjab, Food, Civil Supplies & Consumer Affairs, Office of Controller, Legal Metrology	November 27, 2025	November 28, 2026
15.	Certificate of verification for Legal Metrology for NAWI Digital scale bearing aggregate capacity 6500kg	PB/250616059WM V0377	Government of Punjab, Food, Civil Supplies & Consumer Affairs, Office of Controller, Legal Metrology	November 27, 2025	November 28, 2026
16.	Certificate of stability of factory	DOF250177018	Additional Director of Factories, Punjab, Department of Labour	January 13, 2025	Valid till cancelled
17.	Fire Safety Certificate	2511619506	Punjab Fire and Emergency Services	November 21, 2025	November 20, 2028
18.	License to Import and Store petroleum in an Installation	P/NC/PB/15/892(P2 07528)	Jt. Chief Controller of Explosives NC, Faridabad	April 11, 2019	December 31, 2027
19.	Diesel Generator set NOC – 4375 KVA/3500 KW TG Set	303/M/s T.C. Terry Tex Ltd	Punjab State Power Corporation Limited, Office of Chief Engineer/Commercial, Patiala	June 18, 2024	Valid till cancelled
20.	Certificate of Approval of 1600KVA (2.2MWp DC/1.6MWp AC) Solar Plant Set	388/S1/PPP/SYNC/TC Terry Tex/RID No.100000006263	Punjab State Power Corporation Limited, Office of Chief Engineer/Commercial, Patiala	August 04, 2021	Valid till cancelled
21.	Certificate of conformity with the Global Organic Textiles Standard (GOTS) version 7.0#	SC-012447-1	Intertek Testing Services NA, INC.	July 08, 2025	June 10, 2026
22.	Certificate of conformity with the Organic Content Standard version 3.0@	ITS-OCS-C-0188745	Intertek Testing Services NA, INC.	April 08, 2025	April 07, 2026
23.	Certificate of conformity with the Global Recycled Standard (GRS) (version 4.00) and Recycled Claim	CU810459MUL-2026-00011897	CU Inspections & Certifications India Pvt Ltd.	January 30, 2026	January 29, 2027

Sr. No.	Nature of Registration/ License	Registration/License/ Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
	Standard (RCS) (version 2.0) ^{\$}				
24.	Certificate of OEKO-TEX STeP ^{**}	21000946	Hohenstein India Pvt. Ltd.	December 16, 2024	October 31, 2027
25.	Certificate of OEKO-TEX Standard 100 ^{***}	ZHHO 058721	Testtex AG, Swiss Textile Testing Institute	December 29, 2025	December 15, 2026
26.	Certificate of OEKO-TEX Standard 100 ^{****}	24.HIN.72253	Hohenstein Laboratories GmbH & Co. KG	December 18, 2025	December 31, 2026
27.	ISO 9001:2015 – Quality ^{##} Management System	FM 647807	BSI Assurance UK Limited	January 19, 2025	January 18, 2028
28.	Legal Entity Identifier (LEI)	335800Z48ES2XA BCK537	LEI Register India Private Limited	July 07, 2025	August 06, 2026
29.	Certificate of Recognition- Three Star Export House	LDASTATAPPLY0 0000587AM24	Department of Commerce Ministry of Commerce and Industry	March 28, 2024	March 31, 2028

**Manufacture and supply of terry towels and dyed yarn excluding clause 7.3, 7.5.2 and 7.5.4*

[#]Dyeing(PC0025); Finishing (PR0012); Manufacturing(PR0016); Pre-Treatment (PR0021); Preparatory (PR0022); Spinning (PR0027); Trading (PR0030); Warehousing, distribution of non-final products (PR0031; Weaving (PR0033)

@Dyeing (PR008); Finishing (PR0012); Manufacturing (PR0016); Preparatory (PR0022); Weaving (PR0033).

^{\$} Dyeing (PR0008), Finishing (PR0012), Manufacturing (PR0016), Packing (PR0020), Pre-treatment (PR0021), Preparatory (PR0022), Weaving (PR0033)

^{**}Sizing, weaving, yarn and piece dyeing as well as making up of home textiles.

^{***}Terry towels, Hooded embroidery towels, tub mat and bath robes made of 100% cotton, cotton/viscose (bamboo), cotton/elastane and cotton/polyester knitted fabrics, yarn-dyed, piece-dyed, (with relative & disperse dyestuff) and finished with scented lavender and with active biological silvadur 930 flex accepted by OEKO-TEX; incl. acc. (PES sewing thread, cotton twill plain tapes as hanger loop on wash glove & towel, PES woven label and stain and taffeta label printed in black) (bases on material partly pre-certified according to OEKO-TEX® Standard).

^{****}Yarns made of 100% cotton, 100% viscose, cotton/polyester in raw white, bleached white, reactive and/or disperse dyed, softener finished;

produced using components partly pre-certified according to OEKO – TEX Standard 100.

^{##} The Manufacture and Supply of Terry Towels & Dyed Yarns.

III. Material approvals or renewals for which applications are currently pending before relevant authorities

Sr. No	Details of Application	Application Number	Date of application
1	Application for Permission for to Abstract Ground Water for Industrial Use	21-4/2750/PB/IND/2017	April 21, 2017

IV. Material approvals expired and renewal yet to be applied for

NIL

V. Material approvals required but not obtained or applied for

NIL

VI. Intellectual Property

As on the date of this Draft Red Herring Prospectus, our Company has registered the following trademark with the Registrar of Trademarks under the Trademarks Act, 1999:

Date of Issue	Particulars of the Mark	Trade Mark No.	Class of Registration
February 26, 2022		5346998	24
November 10, 2020		4740334	24
August 14, 2019	N/A	4264573	24
February 12, 2020		4438619	24
November 05, 2019		4338650	24

VII. Pending Intellectual property related approvals Application

Date of Application	Particulars of the Mark	Application Number	Class of Registration
November 19, 2024	Feather & Spun	6716614	24

For risk associated with our intellectual property please see, “*Risk Factors*” beginning on page 22.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

The Offer has been authorised by our Board pursuant to a resolution passed at its meeting held on January 30, 2026 and by our Shareholders pursuant to a special resolution passed at their meeting held on March 26, 2026 in terms of Section 62(1)(c) of the Companies Act. Further, our Board has taken on record the consent of the Selling Shareholders to participate in the Offer for Sale pursuant to a resolution passed at its meeting held on January 30, 2026

For details, see “The Offer” on page 61.

Our Board has approved this Draft Red Herring Prospectus pursuant to a resolution dated March 30, 2026.

In-principal Listing Approvals

Our Company has received in-principle approvals from the BSE and NSE for the listing of our Equity Shares pursuant to their respective letters, each dated [●] and [●], respectively.

Prohibition by the SEBI, the RBI or Governmental Authorities

Our Company, our Directors, our Promoters, the members of our Promoter Group, persons in control of our Company and companies or entities with which our Company's Promoters and Directors are associated as directors / promoters are not prohibited/debarred from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other securities market regulator in any other jurisdiction or any other authority/court. The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India. There are no violations of securities laws committed by them or are pending against them.

None of our Directors are, in any manner, associated with the securities market. Further, there are no outstanding actions initiated by SEBI against any of our Directors, in the past five years preceding the date of this Draft Red Herring Prospectus.

There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

Our Promoters or Directors have not been declared as Fugitive Economic Offenders.

Neither our Company nor our Directors or Promoters have been declared as a Wilful Defaulter.

The Company, its Directors and its Promoters / Promoter Group are not declared as "Fraudulent Borrowers" by the lending banks or financial institutions or consortium, in terms of the Master Directions on Frauds – Classification and Reporting by commercial banks and select FIs dated July 1, 2016, as amended, issued by the Reserve Bank of India.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018 and amendments thereof

Our Company, our Promoters, and the members of Promoter Group, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to them, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

- Our Company is eligible for the Offer in accordance with the Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:
- Our Company has had net tangible assets of at least ₹30.00 million, calculated on a restated basis, in each of the preceding three full years (of 12 months each) (i.e. Fiscals 2025, 2024 and 2023), of which not more than 50% are held in monetary assets;
- Our Company has an average operating profit of at least ₹1,50.00 million, calculated on a restated basis, during the preceding

three years (of 12 months each), with operating profit in each of these preceding three years;

- Our Company has a net worth of at least ₹10.00 million in each of the preceding three full years (of 12 months each), calculated on a restated basis; and
- Our Company has not changed its name in the last one year.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profits and net worth, have been derived from the Restated Financial Statements included in this Draft Red Herring Prospectus as at, and for the last three Fiscals, are set forth below:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
	<i>(in ₹ million unless stated otherwise)</i>		
Restated Net Tangible Assets (A) ^{(1)*}	1,862.09	1,679.45	1,529.11
Operating Profit (B) ^{(2)*}	470.61	392.82	343.96
Average operating profit	402.46		
Net Worth (C) ^{(3)*}	1,813.05	1,641.45	1,504.34
Restated Monetary Assets (D) ^{(4)*}	244.16	98.35	96.95
Restated Monetary Assets as a Percentage of the Restated Net Tangible Assets (D)/(A)	13.11%	5.86%	6.34%

**As restated*

- 1) *Net tangible assets have been defined in Regulation 2(1)gg of the SEBI ICDR Regulations as the sum of all net assets of the Company, excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38 and deferred tax assets as defined in Ind AS 12 and excluding the impact of deferred tax liabilities as defined in Ind AS 12 issued by Institute of Chartered Accountants of India.*
- 2) *Operating Profit means restated profit before tax excluding finance costs, other income and exceptional items.*
- 3) *"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, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, each as applicable for the Company on a restated basis*
- 4) *"Monetary Assets" means the aggregate of Cash in hand + Balance with bank in current and deposit account (net of bank deposits not considered as cash and cash equivalent and bank deposit showing under non current portion)*

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees in the Offer shall be not less than 1,000 and should our Company fail to do so, the Bid Amounts received by our Company shall be refunded to the Investors, in accordance with the SEBI ICDR Regulations and applicable law.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

1. None of our Company, our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by SEBI;
2. Neither the Promoters nor any of the Directors of our Company are promoters or a director of companies which are debarred from accessing the capital market by SEBI;
3. None of our Company, our Promoters or Directors have been categorized as a Wilful Defaulter or a Fraudulent Borrower;
4. None of our Promoters or Directors has been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018;
5. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus;
6. Our Company, along with the Registrar to the Offer, has entered into tripartite agreements dated March 24, 2025 with NSDL and CDSL, each, for dematerialization of the Equity Shares.
7. The Equity Shares of our Company held by our Promoters are dematerialized.
8. There are no outstanding convertible securities or any other right which would entitle any person with any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus; and

9. There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000 failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, and our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Disclaimer Clauses

DISCLAIMER CLAUSE OF THE SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO 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, SOBHAGYA CAPITAL OPTIONS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE BIDDERS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, SOBHAGYA CAPITAL OPTIONS PRIVATE LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 30, 2026 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLM, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

Disclaimer from our Company, our Directors, our Promoters , our Selling Shareholders and the BRLM

Our Company, our Promoters, Directors, each of our Selling Shareholders and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, would be doing so at his or her own risk. It is clarified that none of the Selling Shareholders, or their respective trustees, affiliates, associates, and officers accept and/or undertake any responsibility for any statements made in this Draft Red Herring Prospectus, other than those specifically made or undertaken confirmed by the such Selling Shareholders in relation to themselves itself as Selling Shareholders and their respective portion of the Offered Shares, and in this case only on a several and not joint basis. The BRLM accepts no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided in the Underwriting Agreement to be entered into among the Underwriters, and our Company.

All information, to the extent required in relation to the Offer, shall be made available by our Company, the Selling Shareholders and the BRLM 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.

None among our Company, BRLM, each of our Selling Shareholders and any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/ hardware system or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Disclaimer from the Selling Shareholders

It is clarified that the Selling Shareholders do not accept and/or undertake any responsibility for any statements made or undertakings provided in this Draft Red Herring Prospectus other than those specifically made or undertaken by them in relation to themselves as the Selling Shareholders and the Offered Shares

Further, the Selling Shareholders accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

Bidders will be required to confirm and will be deemed to have represented to the Selling Shareholders that they are all eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, 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.

Caution

Investors who Bid in the Offer will be required to confirm and would be deemed to have represented to our Company, Underwriters and their respective directors, partners, designated partners, trustees, 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, 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 Underwriters and their respective directors, partners, designated partners, trustees, 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.

The BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and their respective directors and officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and their respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Chandigarh, Punjab, India only.

Bidders eligible under Indian law to participate in the Offer

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, multilateral and bilateral development financial institutions, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Systemically Important NBFCs registered with the RBI, or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, state industrial development corporations, permitted insurance companies registered with IRDAI, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, permitted provident funds (subject to applicable law) and permitted pension funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by the army and navy or air force of Union of India and insurance funds set up and managed by the Department of Posts, India, systemically important NBFCs registered with the RBI and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. No person outside India is eligible to bid for Equity Shares in the Offer unless that person has received the preliminary offering

memorandum for the Issue, which contains the selling restrictions for the Offer outside India. Any person in whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Punjab, India only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any offer or sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Selling restrictions and transfer restrictions

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India. No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Offer are being offered and sold only outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act (“Regulation S”). Each purchaser of the Equity Shares in the Offer in India shall be deemed to:

- represent and warrant to our Company, the BRLM and the Syndicate Members that it was outside the United States (as defined in Regulation S) at the time the offer of the Equity Shares was made to it and it was outside the United States (as defined in Regulation S) when its buy order for the Equity Shares was originated.
- represent and warrant to our Company, the BRLM and the Syndicate Members that it did not purchase the Equity Shares as result of any “directed selling efforts” (as defined in Regulation S).
- represent and warrant to our Company, the BRLM and the Syndicate Members that it bought the Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to resell or otherwise transfer any of the Equity Shares, it agrees that it will not offer, sell or otherwise transfer the Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act.
- represent and warrant to our Company, the BRLM and the Syndicate Members that if it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.
- represent and warrant to our Company, the BRLM and the Syndicate Members that if it acquired any of the Equity Shares for one or more managed accounts, that it was authorized in writing by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.
- agree to indemnify and hold the Company, the BRLM and the Syndicate Members harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.
- acknowledge that our Company, the BRLM, the Syndicate Members and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of

Equity Shares that can be held by them under applicable law.

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

Disclaimer Clause of the BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to us post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to NSE. The disclaimer clause as intimated by NSE to us post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Listing

The Equity Shares proposed to be Allotted pursuant to the Red Herring Prospectus and the Prospectus are proposed to be listed on the BSE and the NSE. Applications will be made to the Stock Exchanges for obtaining permission for the listing and trading of the Equity Shares being issued and sold in the Offer and [●] will be the Designated Stock Exchange, with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares are not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges mentioned above are taken within such time prescribed by SEBI of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI.

If our Company does not allot Equity Shares pursuant to the Offer such time as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period or such other rate prescribed by SEBI.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

“Any person who –

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447”*

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than six (6) months extending up to 10 (ten) years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Consents

Consents in writing of our Selling Shareholder our Promoters, our Directors, the Company Secretary and Compliance Officer, Chief Financial Officer, the Senior Managerial Personnel, the Legal Counsel, the BRLM, the Bankers to our Company, Independent Chartered Engineer and Registrar to the Offer, have been obtained and consents in writing of, the Syndicate Members and Bankers to the Offer (Escrow Bank, Public Offer Account Bank, Sponsor Bank and Refund Bank), to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under Companies Act, 2013.

Our Company has received consent of our Statutory Auditors, who holds a valid peer review certificate, to include their name as required under Section 26(5) of the Companies Act 2013 in this Draft Red Herring Prospectus.

The said consents will be filed along with a copy of the Red Herring Prospectus with the Registrar of Companies, as required under the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus and Prospectus, for filing with the RoC.

Experts

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

Our Company has received written consent dated March 30, 2025 from J MANDAL & CO LLP, Chartered Accountants, to include their name as required under section 26(5) of the Companies Act read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act to the extent and in their capacity as Statutory Auditors, and in respect of Examination Report dated March 28, 2026 on our Restated Financial Statement and their report dated March 28, 2026 on the Statement of Tax Benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of filing of this Draft Red Herring Prospectus

Our Company has received a written consent dated March 25, 2026 from ER Pradeep Kumar Nanda, to include their name as an “expert” as defined under section 2(38) and 26(5) of the Companies Act to the extent and in their capacity as the independent chartered engineer and in respect of the certificate issued by them and included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning under the U.S. Securities Act, as amended (the “U.S. Securities Act”).

The above-mentioned consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues by our Company during the last 5 (five) years

Our Company has not made any public issue in the last 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus. The Company has not undertaken rights issues of its equity shares in the last 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus. For details, see “*Capital Structure*” on page 79 of this Draft Red Herring Prospectus.

Commission or Brokerage on Previous issues in the last 5 (five) years

Since this is the initial public offering of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the 5 (five) years preceding the date of this Draft Red Herring Prospectus.

Capital Issues in the Preceding Three Years

Our Company has not made any capital issue during the three years preceding the date of this Draft Red Herring Prospectus.

As on date of this Draft Red herring Prospectus, our Company does not have any listed group company or any listed subsidiary or a listed associate entity.

Performance vis-à-vis Objects

Our Company has not undertaken any public issues, including any rights issues to the public in the 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus.

Performance vis- à-vis Objects: Last Issue of Subsidiaries/Promoters

Our Company does not have any listed promoters nor any subsidiaries which have made any public issues, including rights issues to the public in the 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus.

The price information of past issues handled by the BRLM is as follows:

Price information of past issues handled by the Book Running Lead Manager

Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Sobhagya Capital options Private Limited

Sr. No	Issuer Name	Issue Size (₹ in Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % 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	Asston Pharmaceuticals Limited	27.56cr	₹123 per share	16-Jul-2025	₹119 per share	-15.93% (Benchmark: -2.48%)	-25.21% (Benchmark: -0.73%)	-32.77% (Benchmark: -1.51%)
2	Sihora Industries Limited	10.56cr	₹66 per share	17-Oct-2025	₹70 per share	-5.86% (Benchmark: 0.73%)	-12.70% (Benchmark: -0.67%)	NA
3	Shining Tools Limited	17.10cr	₹114 per share	14-Nov-2025	₹104 per share	-28.80% (Benchmark: 0.76%)	-38.27% (Benchmark: 11.16 %)	NA
4	Flywings Simulator Training Centre Ltd.	57.05cr	₹191 per share (upper band)	12-Dec-2025	₹195 per share	-7.26% (Benchmark : -1.06%)	22.32% (Benchmark: 4.23 %)	NA
5	Western Overseas Study Abroad Ltd.	10.07cr	₹56 per share	11-Dec-2025	₹54.90 per share	-58.16% (Benchmark : -1.46%)	-61.75% (Benchmark 5.13%)	NA
	Armour Security (India) Limited	26.50cr	₹55 per share	22-Jan-	₹45.60 per share	-40.94%		

6.			(upper band)	2026		(Benchmark : -1.64 %)	NA	NA
7.	Accretion Nutraveda Limited	24.57cr	₹129 per share	04-Feb- 2026	₹191 per share	0.04% (Benchmark : -4.27%)	NA	NA

Notes:

1. The BSE SENSEX and CNX NIFTY are considered as the Benchmark Index.
2. Price on BSE/NSE are considered for all the above calculations.
3. In case 30th, 90th and 180th day is not a trading day, closing price of the previous trading day has been considered.
4. In case 30th, 90th and 180th day, scripts are not traded then the last trading price has been considered.
5. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO*	Total funds Raised (₹ lakhs)	Nos of IPOs trading at discount on 30th Calendar Day from listing date			Nos of IPOs trading at premium on 30th Calendar Day from listing date			Nos of IPOs trading at discount on 180th Calendar Day from listing date			Nos of IPOs trading at premium on 180th Calendar Day from listing date		
			Over 50 %	Between 25-50%	Less than 25%	Over 50%	Between 25-50 %	Less than 25 %	Over 50%	Between 25-50%	Less than 25 %	Over 50%	Between -50%	Less Than 5%
Main Board														
FY 2023-24	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2024-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2025-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SME Platform														
FY 2023-24	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2024-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2025-26	7	173.41	1	2	3	-	-	1	2	3	-	-	-	-

Track record of past issues handled by the BRLM

For details regarding the track record of the Managers, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the website of the BRLM, as set forth in the table below:

Sr. No.	Name of the BRLM	Website
1.	Sobhagya Capital options Private Limited	https://www.sobhagyacapital.com/

For further details in relation to the BRLM, see “*General Information – Book Running Lead Manager*” on page 72.

Stock Market Data of the Equity Shares

This being the initial public offer of the Equity Shares of our Company, the Equity Shares is not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Offer and our Company dated [●] provides for retention of records with the Registrar to the Offer for a minimum period of 8 (eight) years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer-related queries and for redressal of complaints, Bidders may also write to the BRLM, in the manner provided below. Our Company, the BRLM and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the applicable provisions of the SEBI ICDR Regulations.

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Bid Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

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

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI ICDR Master Circular 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 in accordance with SEBI ICDR Master Circular in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-

allotted/partially-allotted applications, for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the BRLM shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay. Further, in terms of SEBI ICDR Master Circular read with SEBI RTA Master Circular, 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

The following compensation mechanism has become applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock.
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	Instantly revoke the blocked funds other than the original application amount; and ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher.	From the date on which multiple amounts were blocked till the date of actual unblock.
Blocking more amount than the Bid Amount	Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and ₹100 per day or 15% per annum of the difference amount, whichever is higher.	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock.
Delayed unblock for non – Allotted / partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher.	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock.

Further, in terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the Book Running Lead Manager, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Our Company, the BRLM and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of any SCSB, Registered broker, Syndicate member, RTA or CDP including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

Our Company shall obtain authentication on the SCORES in terms of the SEBI Circular SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023 and SEBI press release PR No. 06/2024 in relation to redressal of investor grievances through SCORES.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances 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 appointed Tanvi Mahendru, Company Secretary as the Compliance Officer and she may be contacted in case of any pre-Offer or post-Offer related problems, at the address set forth hereunder.

Address: Village Sarsini, AMB-CHD Highway,
Near Lalru, Tehsil Derabassi,
Lalru- 140501,
Punjab, India.
Telephone: +91 (01762)-506606
Email Id: cs@tctl.in

Further, our Board has constituted a Stakeholders' Relationship Committee, which is responsible for redressal of grievances of the security holders of our Company. For details, see "***Our Management***" on page 221. Our Company has not received any investor grievances during the three years preceding the date of this Draft Red Herring Prospectus and as on date, there are no investor complaints pending.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of this Draft Red Herring Prospectus.

Outstanding Debentures, Bonds or Redeemable Preference Shares

Our Company does not have any outstanding debentures, bonds or redeemable preference shares, as on the date of this Draft Red Herring Prospectus.

Partly Paid-Up Shares

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the Syndicate Agreement. For details of the Offer expenses, see "***Objects of the Offer***" on page 96 of this Draft Red Herring Prospectus.

Commission payable to SCBSs, Registered Brokers, CRTAs and CDPs

For details of the commission payable to SCBSs, Registered Brokers, CRTAs and CDPs, please see "***Objects of the Offer***" on page 96 of this Draft Red Herring Prospectus.

Disposal of investor grievances by listed Group Companies

Our Company does not have any listed group companies.

Capitalization of Reserves or Profits

Except as disclosed in "***Capital Structure***" on page 79, our Company has not capitalized its reserves or profits at any time during the 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus.

Revaluation of Assets

Our Company has not revalued any assets since incorporation.

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

Our Company has not made any application under the SEBI ICDR Regulations for seeking exemption from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

Other confirmations

No person connected with the Offer, except for fees or commission for services rendered in relation to the Offer, 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.

There are no findings or observations pursuant to any inspections by SEBI, RBI, or any other regulatory authority in India which are material and are required to be disclosed, or the non-disclosure of which may have a bearing on the investment decision of prospective investors in the Offer.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, offered and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, terms of the Red Herring Prospectus, Abridged Prospectus, Prospectus, Bid cum Application Form, Revision Form, CAN or Allotment Advice, and other terms and conditions as may be incorporated in the Allotment Advices and other documents or certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities, offered from time to time, by SEBI, the GoI, the Stock Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as maybe prescribed by such governmental, statutory and/or regulatory authority while granting their approval for the Offer, to the extent and for such time as these continue to be applicable.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. The fees and expenses relating to the Offer shall be shared by our Company and the Selling Shareholders in the manner agreed to among our Company and the Selling Shareholders and in accordance with applicable law. For details in relation to the Offer expenses, see “Objects of the Offer – Offer expenses” on page 96.

Ranking of the Equity Shares

The Equity Shares being issued and Allotted in the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the SCRR, our Memorandum of Association and Articles of Association and shall rank pari passu in all respects with the existing Equity Shares including rights in respect of voting and receiving dividend and other corporate benefits, if any, declared by our Company after the Allotment. For further details See “Main Provisions of the Articles of Association” on page 358.

Mode of payment of dividend

Our Company shall pay dividends, if declared, to the Shareholders, as per the provisions of the Companies Act 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the GoI in this respect. Any dividends declared after the date of Allotment in this Offer will be payable to the Allottees, for the entire year, in accordance with applicable law. For further information, see the sections titled “Dividend Policy” and “Main Provisions of the Articles of Association” on pages 240 and 358 respectively.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 10. The Floor Price of the Equity Shares is ₹ [●] per Equity Share of face value ₹ 10/- each and the Cap Price of the Equity Shares is ₹ [●] per Equity Share of face value ₹ 10/- each. The Offer Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Offer Price, Price Band and the minimum Bid Lot size for the Offer will be decided by our Company, in consultation with the BRLM, and published and advertised in all editions of the [●], (a English national daily newspaper), and all editions of [●] a Hindi national daily newspaper and [●] a Punjabi daily newspaper (Punjabi being the regional language of Chandigarh, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Offer Price and discount (if any) shall be determined by our Company, in consultation with BRLM, after the Bid/Offer Closing Date on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process.

At any given point of time, there shall be only one denomination for the Equity Shares, unless otherwise permitted by law.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws and our AoA, our equity Shareholders will have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act, 2013;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right to freely transfer their Equity Shares, subject to applicable foreign exchange regulations and other applicable laws, including rules framed by the RBI; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act 2013, the SEBI Listing Regulations and our MoA and AoA and other applicable laws.

For a detailed description of the main provisions of our AoA relating to voting rights, dividends, forfeiture, lien, transfer, transmission, consolidation and sub-division, see the section “*Main Provisions of the Articles of Association*” on page [•].

Allotment of Equity Shares only in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, the following agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated October 29, 2018 among our Company, NSDL and the Registrar to our Company; and
- Tripartite agreement dated June 14, 2022 among our Company, CDSL and the Registrar to our Company. For details in relation to the Basis of Allotment, see “*Offer Procedure*” on page 335.

Market lot and trading lot

Since trading of our Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [•] Equity Shares, subject to a minimum Allotment of [•] Equity Shares. For further information on the basis of Allotment, see the section “*Offer Procedure*” on page 335.

Joint holders

Where two or more persons are registered as the holders of any Equity Share, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship, subject to the provisions of our AoA.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts in Chandigarh, India.

Nomination facility to Bidders

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the Sole Bidder or First Bidder, along with other joint Bidders, may nominate any one person in whom,

in the event of the death of the Sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is verified or cancelled in the prescribed manner. A person, being a nominee, is entitled to the Equity Shares by reason of the death of the original holder(s), will, in accordance with Section 72 of the Companies Act, 2013, be entitled to the same benefits to which he or she will 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 the holder's death during minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Further, a nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, will, on the production of such evidence as may be required by our 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, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividend, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Collective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Collective Depository Participant.

Period of subscription list of the Offer

For details, see “Terms of the Offer – Bid/ Offer Programme” below.

Bid/Offer Programme

BID/ OFFER OPENS ON*	[●]
BID/ OFFER CLOSES ON**	[●] [^]

* Our Company, in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors. 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.

** Our Company, in consultation with the Book Running Lead Manager, may consider closing the Bid/Offer Period for QIBs one 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.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/ Offer Closing Date	[●] ⁽¹⁾
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●] ^{(2) (3)}
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account*	On or about [●]
Credit of the Equity Shares to depository accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

⁽¹⁾ Our Company may, in consultation with the BRLM, 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 may, in consultation with the BRLM, consider closing the Bid/ Offer Period for QIBs one day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.

⁽³⁾ UPI mandate end time and date shall be at 5:00 p.m. IST on Bid/Offer Closing Date [●].

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date 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 master circular no. HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 dated February 09, 2026, and SEBI master RTA circular no. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026 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 master circular no. HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 dated February 09, 2026, and SEBI RTA master circular no. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026.

The aforesaid timetable is indicative in nature and does not constitute any obligation or liability on our Company, or any of the Selling Shareholder or the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days from the Bid/Offer Closing Date or such other time as prescribed by 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 by our Company, in consultation with the BRLM, or any delay in receiving the final listing and trading approval from the Stock Exchanges and delay in respect of final certificates from SCSBs. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

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 Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the Registrar to the Offer on a daily basis in accordance with the SEBI master circular no. HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 dated February 09, 2026 read with SEBI RTA master circular no. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026.

SEBI vide circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, had reduced the post offer timeline for initial public offerings. The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public offer opening on or after September 01, 2023, and mandatory on or after December 1, 2023. Accordingly, the Offer will be made under UPI Phase III on mandatory basis.

In terms of the UPI Circulars, in relation to the Offer, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the Allotment and listing procedure within three Working Days from the Bid/Offer Closing Date or such other time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

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.

SEBI is in the process of streamlining and reducing the post offer timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above-mentioned

timelines. Further, the offer procedure is subject to change to any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

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 of Electronic Applications (Online ASBA through 3-in- 1 accounts) – For RIIs	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹ 0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non- Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non- Individual Applications where Bid Amount is more than ₹ 0.50 million)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ Revision/cancellation of Bids	
Modification of Bids by QIBs and NIB categories and modification/cancellation of Bids by Retail Individual Bidders [#]	Only between 10.00 a.m. and up to 4.00 p.m. IST
Upward or downward revision of Bids or cancellation of Bids by RIBs	Only between 10.00 a.m. on Bid/Offer Closing Date and up to 5.00 p.m. IST on Bid/Offer Closing Date

*UPI mandate end time and date shall be 5:00 p.m. on Bid/Offer Closing Date.

[#] QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

The Registrar to the Offer shall submit the details of cancelled / withdrawn / deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid / Offer Opening Date till the Bid / Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and RTA on a daily basis in accordance with the SEBI RTA Master Circular no. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026. To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

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 NIIs, and
- (ii) until 5:00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIIs.

On the Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by RIIs after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Offer Closing Date and in any case no later than 1:00 p.m. IST on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings, 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 and any revision in Bids will be accepted only during Monday to Friday during the Bid/ Offer Period and not accepted on public holidays. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/ Offer Period till 5.00 pm on the Bid/ Offer Closing Date after which the Stock Exchange(s) send the bid information to

the Registrar to the Offer for further processing. Bidders may please note that as per letter no. List/SMD/SM/2006 dated July 03, 2006, and letter no. NSE/IPO/25101-6 dated July 06, 2006, issued by BSE and NSE, respectively. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. None among our Company or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; and (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

The Designated Intermediary shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5:00 p.m. on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to Offer for further processing.

Our Company, in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Offer Period, in accordance with the SEBI ICDR Regulations, provided that (i) the Cap Price will be less than or equal to 120% of the Floor Price, (ii) the Cap Price will be at least 105% of the Floor Price, and (iii) the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the Price Band subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, 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 Exchanges by issuing a public notice and by indicating the change on the websites of the BRLM and terminals of the Syndicate Members and will also be intimated to the Designated Intermediaries and the Sponsor Bank(s). However, in case of revision in the Price Band, the Bid Lot shall remain the same.

In case of discrepancy in data entered in the electronic book *vis-à-vis* data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum subscription

The requirement of minimum subscription is not applicable to the Offer for Sale in accordance with the SEBI ICDR Regulations. If our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR or the minimum subscription of 90% of the Offer on the Bid/Offer Closing Date; or subscription level falls below aforesaid minimum subscription after the Bid/Offer Closing Date due to withdrawal of Bids or technical rejections or any other reason; or in case of devolvement of Underwriting, aforesaid minimum subscription is not received within 60 days from the date of Bid/Offer Closing Date or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares in the Offer, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law. If there is a delay beyond the prescribed time after our Company becomes liable to pay the amount, our Company and every Director of our Company, who are officers in default, shall pay interest at the rate of 15% per annum or such other amount prescribed under applicable law. No liability to make any payment of interest shall accrue to any of the Selling Shareholders unless any delay in making any of the payments hereunder or any delay in obtaining listing and/or trading approvals or any other approvals in relation to the Offer is solely attributable to the Selling Shareholders.

Undersubscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories at the discretion of our Company, in consultation with the BRLM, and the Designated Stock Exchange.

In case of under-subscription in the Offer, the Equity Shares will be allotted in the following order of priority: (a) Equity Shares will first be Allotted by the Company such that 90% of the Fresh Offer portion is subscribed ("Minimum Subscription"); (b) all the Offered Shares (in proportion to the Offered Shares being offered by each Selling Shareholder) will be allotted; and (c) once Equity Shares have been Allotted as per (a), (b) above, such number of Equity Shares will be Allotted by the Company towards the balance 10% of the Fresh Offer portion.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000 failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company and the Selling Shareholder shall be liable to pay interest on the application money in accordance with applicable laws to the Bidders if required to do so under applicable law, including due to failure to obtain listing or trading approval or pursuant to any direction or order of SEBI or any other governmental authority, provided that the Selling Shareholders shall be responsible to refund the amount as aforesaid only to the extent of their respective portion of the Offered Shares, and that the Selling Shareholders shall not be responsible to pay such interest as aforesaid unless such delay is caused solely by, or is directly attributable to, an act or omission of such Selling Shareholder in relation to its portion of the Offered Shares

The Selling Shareholders shall reimburse any expenses and interest incurred by our Company on behalf of them for any delays in making refunds as required under the Companies Act, the UPI Circulars and any other applicable law, provided that the Selling Shareholders shall not be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of the Selling Shareholders.

Undersubscription, if any, in any category except the QIB portion, would be met with spill-over from the other categories at the discretion of our Company and Selling Shareholders in consultation with the BRLM, and the Designated Stock Exchange.

Arrangement for Disposal of Odd Lots

There are no arrangements for disposal of Odd Lots since our Equity Shares will be traded in dematerialized form only and market lot for our Equity Shares will be one Equity Share.

Withdrawal of the Offer

The Offer shall be withdrawn in the event the requirement of the minimum subscription as prescribed under Regulation 45 of the SEBI ICDR Regulations is not fulfilled. Our Company and the Selling Shareholders, in consultation with the BRLM, reserves the right not to proceed with the Offer, in whole or in part thereof, 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 and price band advertisements were published, within two 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 and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The BRLM, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks (in case of UPI Bidders), to unblock the bank accounts of the ASBA Bidders and shall notify the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer and price band advertisement has appeared, and the Stock Exchanges will also be informed promptly. If our Company and the Selling Shareholders, in consultation with the BRLM withdraws the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with a public offering of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the filing of the Prospectus with the RoC.

New financial instruments

Our Company is not issuing any new financial instruments through this Offer.

Restriction on transfer and transmission of Equity Shares

Except for the lock-in of the pre-Offer Equity Shares, the Promoters' Contribution and Equity Shares allotted to Anchor Investors pursuant to the Offer, as detailed in the section "*Capital Structure - Details of build-up, contribution and lock-in of Promoters' shareholding and lock-in of other Equity Shares - Build-up of Promoters' equity shareholding in our Company*" on page 79 except as provided in our AoA as detailed in the section "*Main Provisions of the Articles of Association*" on page 358, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/splitting

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges. However, Allotees may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Withdrawal of the Offer

The Offer shall be withdrawn in the event that 90% of the Fresh Offer portion of the Offer is not subscribed. Our Company, in consultation with the BRLM, reserve the right not to proceed with the entire or portion of the Offer, after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company will issue a public notice in the newspapers, in which the pre-Offer advertisements were published, within two days from the Bid/Offer Closing Date, or such time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges simultaneously. The BRLM, through the Registrar to the Offer, will instruct the SCSBs and/or the Sponsor Bank(s) (in case of UPI Bidders using UPI Mechanism, subject to the Bid Amount being up to ₹0.20 million), to unblock the ASBA Accounts and the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the day of receipt of such instruction. The Stock Exchanges will also be informed promptly by our Company. If our Company, in consultation with the BRLM, withdraws the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a public offering of Equity Shares, our Company will file a fresh draft red herring prospectus with SEBI and the Stock Exchanges. Notwithstanding the foregoing, the Offer is also subject to (i) filing of the Prospectus with the RoC and (ii) obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for only after Allotment.

OFFER STRUCTURE

The Offer is being made through the Book Building Process. The Offer is of up to [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million comprising a Fresh Issue of up to Equity Shares aggregating up to ₹ 1,700 million and an Offer for Sale of up to 67,50,000 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders. The Offer shall constitute [●] % of the post-Offer paid-up Equity Share capital of our Company.

Our Company, in consultation with the Book Running Lead Manager, may consider a Pre-IPO Placement aggregating up to [●] Equity Shares, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Offer, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Offer. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the proposed Objects of the Offer in compliance with applicable law. Prior to the completion of the Offer and the allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

In terms of Rule 19(2)(b) of the SCRR, the Offer is being made through Book Building Process, in compliance with Regulation 6(1) & Regulation 31 of the SEBI ICDR Regulations.

Particulars	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/allocation ⁽²⁾	Not more than [●] Equity Shares.	Not less than [●] Equity Shares or Offer less allocation to QIBs and Retail Individual Bidders.	Not less than [●] Equity Shares or Offer less allocation to QIBs and Non-Institutional Bidders.
Percentage of Offer Size available for Allotment or allocation	Not more than 50% of the Net Offer size shall be available for allocation to QIBs. Up to 5% of the Net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation, on a proportionate basis, to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs in the Net QIB Portion.	Not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Investors, or such higher amount as may be determined after allocation to QIB Bidders and Retail Individual Investors. The allotment to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Portion. The remaining available Equity Shares, if any, shall be allocated as follows: One-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size exceeding ₹0.20 million and up to ₹1.00 million; Two-thirds of the Non-Institutional Portion shall be	Not less than 35% of the Net Offer shall be available for allocation to Retail Individual Investors, or the Net Offer less allocation to QIBs and Non-Institutional Investors.

		available for allocation to Bidders with an application size of more than ₹1.00 million; and Any under-subscription in either of the above sub-categories of the Non-Institutional Portion may be allocated to Bidders in the other sub-category, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.	
Basis of Allotment if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion):) Up to [●] Equity Shares of face value of ₹10 each shall be available for allocation, on a proportionate basis, to Mutual Funds only;) Up to [●] Equity Shares of face value of ₹10 each shall be available for allocation, on a proportionate basis, to all QIBs, including Mutual Funds receiving allocation as per (a) above; and) Up to 60% of the QIB Category (of up to [●] Equity Shares of face value of ₹10 each) may be allocated on a discretionary basis to Anchor Investors. Out of the Anchor Investor Portion, 40% shall be reserved as follows: 33.33% for domestic Mutual Funds and 6.67% for Life Insurance Companies and Pension Funds, subject to valid Bids being received from such investors at or above the Anchor Investor Allocation Price.	The allotment to each NIB shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis, in accordance with the conditions specified in the SEBI ICDR Regulations. For further details, see “Offer Procedure” on page 335.	The allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares shall be allocated on a proportionate basis. See “Offer Procedure” on page 335.
Mode of Bidding*	Through ASBA process only (except Anchor Investors) (excluding the UPI Mechanism).	Through ASBA process only (including the UPI Mechanism for Bids up to ₹ 500,000).	Through ASBA process only (including the UPI Mechanism).
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹0.20 million.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹0.20 million.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Maximum Bid	Such number of Equity Shares each in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Offer, subject to applicable limits under applicable law.	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹10 each not exceeding the size of the Offer (excluding the QIB Portion), subject to limits prescribed under applicable law.	Such number of Equity Shares each in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹0.2 million.
Mode of Allotment*	Compulsorily in dematerialised form.		

Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.		
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter.		
Trading Lot	One Equity Share.		
Who can Apply ⁽³⁾	Public financial institutions (as specified in Section 2(72) of the Companies Act, 2013), FPIs registered with SEBI (other than individuals, corporate bodies and family offices), scheduled commercial banks, mutual funds registered with SEBI, venture capital funds registered with the SEBI, FVCIs, Alternative Investment Funds, multilateral and bilateral development financial institutions, state industrial development corporations, NBFC-SI, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of ₹250 million, pension funds with a minimum corpus of ₹250 million registered with the Pension Fund Regulatory and Development Authority, the National Investment Fund set up by FPIs registered with SEBI (other than individuals, corporate bodies and family offices), the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies and accredited investors as defined in regulation 2(1)(ab) of the SEBI AIF Regulations, for the limited purpose of their investment in angel funds registered with SEBI, under the SEBI AIF Regulations.	Resident Indian individuals, HUFs (in the name of Karta), companies, corporate bodies, Eligible NRIs, scientific institutions, societies and trusts and FPIs who are individuals, corporate bodies and family offices which are re-categorised as category II FPI (as defined in the SEBI FPI Regulations) and registered with SEBI.	Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs.
Terms of Payment	In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids ⁽⁴⁾ In case of all other Bidders: Full Bid Amount shall be blocked by the SCSBs in the bank account of the Bidders, or by the Sponsor Bank(s) through the UPI Mechanism (other than Anchor Investors) that is specified in the Bid cum Application Form at the time of the submission of the Bid cum Application Form		

Notes:

[^]Assuming full subscription in the Offer.

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in Public Offers shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

(1) Subject to valid Bids being received at or above the Offer Price, our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Offer Price on a discretionary basis, in accordance with the SEBI ICDR Regulations. The QIB Portion shall be reduced to the extent of Equity Shares allocated to Anchor Investors. Out of the Anchor Investor Portion, 40% shall be reserved as follows: (i) 33.33% for domestic Mutual Funds; and (ii) 6.67% for Life Insurance Companies and Pension Funds, subject to valid Bids being received from such investors at or above the Anchor Investor Allocation Price. Any under-subscription in clause (ii) above may be allocated to domestic Mutual Funds in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the remaining Net QIB Portion. Further, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation, on a proportionate basis, to Mutual Funds only. The remaining Net 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. In the event the aggregate demand from Mutual Funds is less than the allocation specified above, the balance Equity Shares in the Mutual Fund Portion shall be added to the Net QIB Portion and allocated proportionately to the QIBs (other than Anchor Investors) in proportion to their respective Bids.

(2) This Offer is being made in accordance with Rule 19(2)(b) of the SCRR through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations. Not more than 50% of the Net Offer shall be available for allocation to QIBs on a proportionate basis, provided that the Anchor Investor Portion may be allocated on a discretionary basis. Not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Investors, of which: (i) one-third shall be available for allocation to Bidders with an application size exceeding ₹0.20 million and up to ₹1.00 million; and (ii) two-thirds shall be available for allocation to Bidders with an application size of more than ₹1.00 million. Any under-subscription in either of the above sub-categories may be allocated to Bidders in the other sub-category, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Not less than 35% of the Net Offer shall be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in any category (except the QIB Portion) may be met with spill-over from any other category or categories, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, subject to valid Bids being received at or above the Offer Price and in accordance with applicable laws. Under-subscription, if any, in the QIB Portion shall not be met with spill-over from any other category or categories..

(3) 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.

(4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Form, provided that any difference between the price at which Equity Shares are allocated to the Anchor Investors and the Anchor Investor Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.

Bids by FPIs with certain structures as described under “Offer Procedure - Bids by FPIs” on page 335 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.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. 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. For further details, see “Terms of the Offer” on page 323.

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 unforeseen 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, in compliance with the SEBI ICDR Regulations. 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 public announcement and also by indicating the change on the websites of the BRLM and at the terminals of the members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of price band, the Bid lot shall remain the same.

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 Stock Exchanges may be taken as the final data for the purpose of Allotment.

OFFER PROCEDURE

All Bidders should read the general information document for investing in public offers prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by the SEBI and the UPI Circulars (the “General Information Document”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer. Bidders should note that the details and process provided in the General Information Document should be read along with this section. For details of filing of this Draft Red Herring Prospectus, and the Red Herring Prospectus and the Prospectus, see “General Information – Filing of this Draft Red Herring Prospectus” on page 72.

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/Applicants; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application Issue the Unified Payments Interface (“UPI”) and has consequently reduced the timelines for listing in a phased manner. UPI was introduced as an additional payment mechanism, alongside ASBA, for applications by Retail Individual Bidders through intermediaries with effect from January 1, 2019. Under Phase I (“UPI Phase I”), the UPI mechanism operated alongside the existing process and timeline of T+6 days until June 30, 2019. Subsequently, under Phase II (“UPI Phase II”), pursuant to SEBI circular dated March 30, 2020 (SEBI/HO/CFD/DIL2/CIR/P/2020/50), the physical movement of application forms from Designated Intermediaries to SCSBs for blocking of funds was discontinued. Retail Individual Bidders submitting ASBA Forms through Designated Intermediaries (other than SCSBs) were required to use only the UPI mechanism, with a timeline of T+6 days. Further, pursuant to the SEBI ICDR Master Circular, all individual bidders in initial public offerings with bid sizes up to ₹5,00,000 are required to use the UPI mechanism for submitting their bids. Thereafter, pursuant to SEBI circular dated August 9, 2023 (SEBI/HO/CFD/TPD1/CIR/P/2023/140), the final reduced timeline of T+3 days (“UPI Phase III”) for listing, using the UPI mechanism for applications by UPI Bidders, has been made mandatory for public offer opening on or after December 1, 2023 (“T+3 Circular”). Accordingly, the Offer shall be undertaken in accordance with the processes and procedures prescribed under UPI Phase III on a mandatory basis, subject to any circulars, clarifications or notifications issued by SEBI pursuant to the T+3 Circular. Subsequently, SEBI, vide the SEBI RTA Master Circular read with the SEBI ICDR Master Circular, has consolidated the aforementioned circulars to the extent relevant for RTAs and rescinded the earlier circulars.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular no. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead manager shall continue to coordinate with intermediaries involved in the said process.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking or 15% per annum of the Bid Amount. Additionally, SEBI vide its circular no HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 dated February 09, 2026, has reduced the time period for refund of application monies from 15 days to four days. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023 issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023, issued by CDSL, our Company may request the Depositories to suspend/ freeze the ISIN in depository system till listing/ trading effective date. Pursuant to the aforementioned circulars, our Company may request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of this Draft Red Herring Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-Offer shares may request our Company and/ or the Registrar for facilitating transfer of shares under suspended/frozen ISIN by submitting requisite documents to our Company and/or the Registrar. Our Company and/or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/Offer Opening Date.

Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus. The Book Running Lead Manager shall be the nodal entity for any issues arising out of public issuance process. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus, when filed.

Further, our Company, the Selling Shareholders and the Members of the Syndicate are not liable for any adverse occurrence consequent to the implementation of the UPI Mechanism for application in the Offer.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation to QIBs on a proportionate basis, 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, of which (i) 33.33 per cent shall be reserved for domestic mutual funds ; and (ii) 6.67 per cent shall be reserved for Life Insurance Companies and Pension Funds subject to valid Bids being received from them at or above the Anchor Investor Allocation Price and any undersubscription in (ii) above may be allocated to domestic mutual funds. Further, 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. 5% 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. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following and in accordance with the SEBI ICDR Regulations: (i) one-third of the Non-Institutional Portion shall be reserved for applicants with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the Non-Institutional Portion shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders..

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 on proportionate basis, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange subject to applicable laws and receipt of valid Bids received at or above the Offer Price.

In accordance with Rule 19(2)(b) of the SCRR, the Offer will constitute at least 25% of the post Offer paid-up Equity Share capital of our Company.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and with press releases dated June 25, 2021, read with press release dated September 17, 2021 and March 30, 2022, read with press release dated March 28, 2023.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including the DP ID and the Client ID and the PAN and UPI ID (for UPI Bidders Bidding through 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 the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Offer, in compliance with applicable laws.

Phased implementation of UPI

SEBI has issued the UPI Circulars in relation to streamlining the process of public offerof, *inter alia*, equity shares. Pursuant

to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public 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 UPI Circulars 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 issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 01, 2019, and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 01, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 (“**T+3 Notification**”). In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days. Accordingly, upon commencement of UPI Phase III, the reduced time duration shall be applicable for the Issue. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Offer will be made under UPI Phase III of the UPI Circular (on mandatory basis). The Offer will be advertised in all editions of [•], an English national daily newspaper and all editions of [•], a Hindi national daily newspaper and [•], Punjabi daily newspaper (Punjabi being the regional language of Chandigarh, where our Registered Office is located), each with wide circulation on or prior to the Bid/ Offer Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

All SCSBs offering facilities for making applications in public issues shall also provide facilities to make applications using UPI. Our Company will be required to appoint SCSBs as the Sponsor Bank(s) to act as conduits between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 0.20 million and up to ₹ 0.50 million, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Pursuant to the SEBI master circular (HO/49/14/14(2)2026-CFD-POD2/I/4518/2026) dated February 09, 2026 (to the extent that such circulars pertain to the UPI Mechanism) which has consolidated and rescinded the above-mentioned circulars (“**UPI Streamlining Circular**”), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised.

Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Further, pursuant to SEBI master circular (HO/49/14/14(2)2026-CFD-POD2/I/4518/2026) dated February 09, 2026, all individual investors applying in public issues where the application amount is up to ₹ 0.50 million shall use UPI and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- a) a syndicate member;
- b) a stock broker recognised with a registered stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);
- c) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);
- d) a registrar to an offer and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

For further details, refer to the *General Information Document* available on the websites of the Stock Exchanges and the BRLM.

Electronic registration of Bids

- a. The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer, subject to applicable laws;
- b. On the Bid/ Offer Closing Date, the Designated Intermediaries may upload the Bids until such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus;
- c. Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given until 5:00 pm IST for Retail Individual Bidders and 4:00 pm for Non- Institutional Bidders and QIBs, on the Bid/ Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing; and
- d. QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at the Bidding Centres and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form will be available with the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. UPI Bidders are mandatorily required to use the UPI Mechanism for submitting their bids to Designated Intermediaries and are allowed to use ASBA Process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

UPI Bidders must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected.

All ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in their respective ASBA Accounts, or (ii) the UPI ID, as applicable in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. UPI Bidders using the UPI Mechanism may also apply through the mobile applications using the UPI handles as provided on the website of the SEBI.

Since the Offer is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- (i) RIBs (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 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 Non-Institutional Bidders (other than Non-Institutional Bidders using UPI Mechanism) may submit their ASBA

Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLM. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid. In order to ensure timely information to Bidders, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/unblocked.

Pursuant to SEBI master circular no. HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 dated February 09, 2026, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with mandatory confirmation on the application monies blocked. The circular is applicable for all categories of investors viz. Retail, QIB and NIB and also for all modes through which the applications are processed.

The ASBA Bidders, including UPI Bidders, shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA Account of the Bidder pursuant to SEBI master circular no. HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 dated February 09, 2026.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs (except UPI Bidders). ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank(s), as applicable at the time of submitting the Bid.

UPI Bidders bidding through UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/ Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Issue Bidding process.

Anchor Investors are not permitted to participate in the Offer through the ASBA process. For Anchor Investors, the Anchor Investor Application Form will be available with the BRLM.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form *
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis ⁽¹⁾	[•]
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis ⁽¹⁾	[•]
Anchor Investors ⁽²⁾	[•]

* Excluding electronic Bid cum Application Forms Notes:

- (1) Electronic Bid cum Application forms and the Abridged Prospectus will also be available for download on the websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com).
- (2) Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLM.

Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders Bidding through the UPI Mechanism) to the respective SCSB where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges.

Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For ASBA Forms (other than UPI Bidders using UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis through API integration to enable the Sponsor Banks to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Banks shall initiate a request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI mandate request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. In accordance with BSE Circular No: 20220803-40 and NSE Circular No: 25/2022, each dated August 03, 2022, for all pending UPI Mandate Requests, the Sponsor Banks shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/ Offer Closing Date (“**Cut-Off Time**”). Accordingly, UPI Bidders Bidding using through the UPI Mechanism should accept UPI mandate requests for blocking of funds prior to the Cut- Off Time and all pending UPI mandate requests at the Cut-Off Time shall lapse. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI master circular no HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 dated February 09, 2026. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Banks, 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 Sponsor Banks and Bankers to the Offer shall provide the audit trail to the BRLM for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in circulars prescribed by SEBI, from time to time.

The processing fees for applications made by the UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such SCSBs provide a written confirmation in compliance with the SEBI RTA Master Circular no. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026, in a format prescribed by SEBI and applicable law. The Offer will be made under UPI Phase III of the UPI circular.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

The Sponsor Banks shall host a web portal for intermediaries (closed user group) from the date of Bid/ Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

Pursuant to NSE circular dated August 03, 2022, the following is applicable to all initial public offers opening on or after September 01, 2022:

- a. Cut-off time for acceptance of UPI Mandate shall be up to 5:00 pm on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the Offer and depository participants shall continue till further notice;
- b. There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued;
- c. Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 5:00 pm on the initial public offer closure day; and
- d. Exchanges shall display bid details of only successful ASBA blocked applications i.e. Application with latest status as RC 100 – Block Request Accepted by Investor/ Client.

Participation by Promoters, Promoter Group, the BRLM, associates and affiliates of the BRLM and the Syndicate Members and the persons related to Promoters, Promoter Group, BRLM and the Syndicate Members and Bids by Anchor Investors.

The BRLM and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis or in any other manner as introduced under applicable laws and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of the allocation to be made on a proportionate basis.

Neither (i) the BRLM or any associates of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities which are associates of the BRLM or FPIs other than individuals, corporate bodies and family offices which are associates of the BRLM) or pension funds sponsored by entities which are associates of the BRLM nor; (ii) any “person related to the Promoters or Promoter Group” shall apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoter or Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoter or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Except for Mutual Funds, AIFs or FPIs other than individuals, corporate bodies and family offices sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associates of the BRLM, no BRLM or its respective associates can apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an associate of the BRLM, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLM. Further, persons related to our Promoters and Promoter Group shall not apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company in consultation with BRLM reserves the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. 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 ([•] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([•] in colour). Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment.

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their respective SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSBs (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs applying on a non-repatriation basis in the Offer through the UPI Mechanism are advised to enquire with their relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form. NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

For further details of restrictions on investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 356.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA NDI Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment. By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment. Participation of Eligible NRIs in the Offer shall be subject to compliance with the FEMA NDI Rules. In accordance with the FEMA NDI Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up Equity Share capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

Bids by FPIs

An FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognised stock exchange in India, and/or may purchase or sell securities other than equity instruments.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our total paid-up Equity Share capital on a fully diluted basis. Further, in terms of the FEMA NDI Rules, the total holding by each FPI (or a group) shall be less than 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis. In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or

10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents ([•] in colour).

As specified in the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the SEBI master circular bearing reference number SEBI/HO/AFD/AFD-PoD-2/P/CIR/2024/70 dated May 30, 2024 (“**MIM Structure**”), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. 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 utilize the MIM Structure 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 are liable to be rejected. Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) ODI which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; (vii) Entities registered as Collective Investment Scheme having multiple share classes; (viii) Multiple branches in different jurisdictions of foreign bank registered as FPIs; (ix) Government and Government related investors registered as Category 1 FPIs; and (x) Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the 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.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time. In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to *inter alia* the following conditions:

- a. such offshore derivative instruments are transferred only to persons in accordance with Regulation 21(1) of the SEBI FPI Regulations; and
- b. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Offer shall be subject to the FEMA NDI Rules.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder

should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in the Draft Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form “*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.*”

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the “**FPI Group**”) shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer Equity Share capital shall be liable to be rejected.

Bids by SEBI registered AIFs, VCFs and FVCIs

The SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs,

The SEBI FVCI Regulations as amended, *inter alia*, prescribe the investment restrictions on VCFs, and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, subject to FEMA NDI Rules, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in an investee company directly or through investment in the units of other AIF. Category III AIFs cannot invest more than 10% of the investible funds in an investee company directly or through investment in the units of other AIF. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. However, large value funds for accredited investors of Category III AIFs may invest up to 20% of the investible funds in an investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company and the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA NDI Rules.

All Non-Resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, in consultation with BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued

by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with BRLM, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "**Banking Regulation Act**") and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate equity investment in subsidiaries and other entities engaged in financial and non-financial services, including overseas investments, cannot exceed 20% of the bank's paid-up share capital and reserves.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company, subject to prior approval of the RBI, if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company; (iii) hold along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above.

Further, the aggregate investment by a banking company in all its subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments, cannot exceed 20% of the banking company's paid-up share capital and reserves.

The banking company is required to submit a time-bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make investment in a (i) subsidiary or a financial services company that is not a subsidiary (with certain exceptions prescribed); and (ii) non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in para 5(a)(v)(c)(i) of the Master Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circular (CIR/CFD/DIL/12/2012) dated September 13, 2012 and circular (CIR/CFD/DIL/1/2013) dated January 02, 2013 issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, read with the Investments – Master Circular dated October 27, 2022, each as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds with minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM reserve the right to reject any Bid, without assigning any reason thereof.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its Statutory Auditor(s), must be attached to the Bid-cum Application Form. Failing this, our Company, in consultation with BRLM, reserves the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time. The investment limit for NBFC- SI shall be as prescribed by RBI from time to time.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million, registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable laws a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLM, in its absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLM, may deem fit.

Bids by provident funds / pension funds

In case of Bids made by provident funds / pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable laws, a certified copy of 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 BRLM reserve the right to reject any Bid, without assigning any reason therefor.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

- (a) Anchor Investor Application Forms to be made available for the Anchor Investor Portion at the offices of the BRLM;
- (b) The Bids are required to be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million;
- (c) 40% of the Anchor Investor Portion shall be reserved as following- 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds and 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.;
- (d) Bidding for Anchor Investors will open one Working Day before the Bid / Offer Opening Date and will be completed on the same day;
- (e) Our Company, in consultation with the BRLM will finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion is not less than:
 - maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;
 - minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and
 - in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.
- (f) Allocation to Anchor Investors is required to 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 will be made, is required to be made available in the public domain by the BRLM before the Bid / Offer Opening Date, through intimation to the Stock Exchanges.

- (g) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- (h) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
- (i) Neither the BRLM nor any associate of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities or pension funds sponsored by entities which are associate of the BRLM or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLM) can apply in the Offer under the Anchor Investor Portion. Further, an Anchor Investor shall be deemed to be an “associate of the BRLM” if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLM.
- (j) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered as multiple Bids
- (k) 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 Offer Price will be payable by the Anchor Investors on the Anchor Investor Pay-In Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in the Red Herring Prospectus, when filed. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws. In accordance with RBI regulations, OCBs cannot participate in the Offer.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder’s responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he / she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLM is cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [•], an English national daily newspaper, and all editions of [•], a Hindi national daily newspaper and [•], Punjabi daily newspaper (Punjabi being the regional language of Chandigarh, where our Registered Office is located), each with wide circulation. Our Company shall, in the pre-Offer advertisement state the Bid / Offer Opening Date, the Bid / Offer Closing Date and the QIB Bid / Offer Closing Date, as applicable. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the

format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters on or after the determination of the Offer Price. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid(s) until the Bid / Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

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;
2. All Bidders (other than Anchor Investors) should submit their Bids using the ASBA process only;
3. Ensure that you have Bid within the Price Band;
4. Ensure that you (other than Anchor Investors) have mentioned the correct ASBA Account number (for all Bidders other than UPI Bidders Bidding using the UPI Mechanism) in the Bid cum Application Form (with a maximum length of 45 characters) and such ASBA account belongs to you and no one else. UPI Bidders using the UPI Mechanism must mention their correct UPI ID and shall use only his / her own bank account which is linked to such UPI ID and not the bank account of any third party;
5. UPI Bidders Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
6. UPI Bidders Bidding using the UPI Mechanism shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;
7. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
8. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialised form only;
9. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate, Sub-Syndicate Members, Registered Brokers, RTA or CDP;
10. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;
11. If the first Bidder is not the ASBA Account holder (or the UPI-linked bank account holder, as the case may be), ensure that the Bid cum Application Form is signed by the ASBA Account holder (or the UPI-linked bank account holder, as the case may be). Bidders (except UPI Bidders) should ensure that they have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Bid cum Application Form. UPI Bidders Bidding should ensure that they have mentioned the correct UPI-linked bank account number and their correct UPI ID in the Bid cum Application Form;
12. Retail Individual Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;
13. Ensure that they have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank(s), as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank(s) for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
14. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
15. 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 Collecting 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;
16. Bidders should ensure that they receive the Acknowledgment Slip in the form of a counterfoil or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;
 17. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;
 18. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
 19. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular MRD/DoP/Dep/Cir-09/06 dated July 20, 2006 and SEBI circular no. MRD/DoP/SE/Cir-13/06 dated September 26, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral / bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax Act, 1961. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
 20. Ensure that the Demographic Details are updated, true and correct in all respects;
 21. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
 22. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
 23. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
 24. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
 25. UPI Bidders Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
 26. Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;
 27. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
 28. 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;
 29. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form 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 <https://www.sebi.gov.in/>);
 30. Ensure that you have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank(s), 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 at the time of submission of the Bid;
 31. UPI Bidders Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his / her UPI PIN. Upon the authorisation of the mandate using his / her UPI PIN, the Retail Individual Bidder shall be deemed to have verified the attachment containing the application details of the Retail Individual Bidder Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank(s) to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his / her ASBA Account;
 32. UPI Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account)

- and of the First Bidder (in case of joint account) in the Bid cum Application Form;
33. UPI Bidders Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in his / her account and subsequent debit of funds in case of allotment in a timely manner;
 34. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the RII's ASBA Account;
 35. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLM;
 36. Ensure that ASBA bidders shall ensure that bids above ₹0.50 million, are uploaded only by the SCSBs;
 37. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. on the Bid / Offer Closing Date; and
 38. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press releases dated June 25, 2021 and September 17, 2021. Pursuant to the press release dated April 23, 2024, the last date for linking PAN and Aadhaar was extended to March 31, 2024.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the SEBI RTA Master Circular is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid for a Bid Amount exceeding ₹0.20 million (for Bids by RIIs);
4. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
5. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
6. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;
7. Bids by HUFs not mentioned correctly as provided in "*Offer Procedure – Bids by HUFs*" on page 335;
8. Anchor Investors should not Bid through the ASBA process;
9. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;
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 physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
12. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

13. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer / Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Draft Red Herring Prospectus;
14. If you are a QIB or an NIB, do not submit your Bid after 4.00 p.m. on the Bid / Offer Closing Date. If you are an RIB, or applying under other reserved categories do not submit your Bid after 5.00 p.m. on the Bid / Offer Closing Date;
15. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
16. If you are a UPI Bidders using UPI Mechanism, do not submit more than one Bid cum Application Form for each UPI ID;
17. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹0.50 million;
18. Do not submit the General Index Register (GIR) number instead of the PAN;
19. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
20. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders Bidding using the UPI Mechanism, in the UPI- linked bank account where funds for making the Bid are available;
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. Retail Individual Bidders;
22. 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 Bidder;
23. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by Retail Individual Bidders using the UPI Mechanism;
24. 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;
25. 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);
26. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a UPI Bidder Bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or mobile application and/or UPI handle that is not listed on the website of SEBI;
27. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
28. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
29. Do not submit the Bid cum Application Form to any non-SCSB Bank or our Company;
30. Do not submit a Bid cum Application Form with third party UPI ID or using a third-party bank account (in case of Bids submitted by UPI Bidders using the UPI Mechanism); and
31. Do not Bid if you are an OCB.

For helpline details of the Book Running Lead Manager pursuant to the SEBI UPI Circulars, see “*General Information – Book Running Lead Manager*” on page 72.

Grounds for Technical Rejection

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document (“**GID**”). In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids could be rejected on the following additional technical grounds:

- a. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
- b. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
- c. Bids submitted on a plain paper;
- d. Bids submitted by UPI Bidders through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
- e. Bids under the UPI Mechanism submitted by UPI Bidders using third-party bank accounts or using a third-party linked bank account UPI ID (subject to availability of information regarding third-party account from Sponsor Bank(s));
- f. Anchor Investors should submit Anchor Investor Application Form only to the BRLM;
- g. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
- h. ASBA Form by the UPI Bidders using third party bank accounts or using third party linked bank account UPI IDs;
- i. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
- j. Bids submitted without the signature of the First Bidder or Sole Bidder;

- k. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
- l. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
- m. GIR number furnished instead of PAN;
- n. Bids by RIBs with Bid Amount of a value of more than ₹ 0.20 million;
- o. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- p. Bids accompanied by stock invest, money order, postal order, or cash; and
- q. Bids uploaded by QIBs after 4.00 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 RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges. On Bid/ Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received RIBs after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund orders/unblocking, etc., investors shall reach out to our Company Secretary and Compliance Officer. See “*General Information – Company Secretary and Compliance Officer of our Company*” on page 72

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. The BRLM shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders 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 master circular with circular number HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 dated February 09, 2026, and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

The allotment of Equity Shares to each RIB shall not be less than the minimum bid lot, subject to the availability of shares in RIB category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised 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.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares issued through the Offer through the Red Herring Prospectus except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Issue to public may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to Bidders other than to the Retail Individual Bidders, Non-Institutional Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The Allotment of Equity Shares to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to the availability of Equity Shares in Retail Portion and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

The Allotment to each Non-Institutional Bidders shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis, which shall be subject to the following, and in accordance with the SEBI ICDR Regulations:

- (i) one-third of the Non- Institutional Portion will be available for allocation to Bidders with a Bid size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with a Bid size of more than ₹1.00 million, provided that under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated ~~392~~ Bidders in the other sub-category of Non- Institutional

Portion. The Allocation to each Non-Institutional Bidder shall not be less than the minimum application size, 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 in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

Payment into Escrow Account(s) for Anchor Investors

Our Company in consultation with the BRLM, in its absolute discretion, will decide the list of Anchor Investors to whom the Allotment Advice 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. Anchor Investors are not permitted to Bid in the Issue through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

- (i) In case of resident Anchor Investors: "[●]"
- (ii) In case of Non-Resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Bankers to the Offer and the Registrar to Offer to facilitate collections from Anchor Investors.

Pre-Offer and Price Band Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre- Offer and Price Band advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●], Punjabi daily newspaper (Punjabi being the regional language of Chandigarh, where our Registered Office is located), each with wide circulation.

In the pre-Offer and Price Band advertisement, we shall state the Bid/ Offer Opening Date and the Bid/ Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment Advertisement

The Allotment advertisement shall be uploaded on the websites of our Company, the BRLM and the Registrar to Offer, before 9:00 p.m. IST, on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from all the Stock Exchanges is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares of the Issuer are proposed to be listed, then the Allotment Advertisement shall be uploaded on the websites of our Company, the BRLM and the Registrar to Offer, following the receipt of final listing and trading approval from all the Stock Exchanges.

Our Company, the BRLM and the Registrar shall publish an allotment advertisement not later than one Working Day after the commencement of trading, disclosing the date of commencement of trading in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper and [●], Punjabi daily newspaper (Punjabi being the regional language of Chandigarh, where our Registered Office is located).

The information set out above is given for the benefit of the Bidders/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. Bidders/Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, two

agreements have been signed amongst our Company, the respective Depositories and the Registrar to our Company:

- Tripartite agreement dated October 29, 2018, amongst our Company, NSDL and the Registrar to our Company.
- Tripartite agreement dated June 14, 2022, amongst our Company, CDSL and the Registrar to our Company.

Undertakings by our Company

Our Company undertakes the following:

- (i) that the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- (ii) if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;
- (iii) that the promoter contribution in full, wherever required, shall be brought in advance before the Offer opens for public subscription and the balance, if any, shall be brought on a pro-rata basis before the calls are made on public in accordance with applicable provisions of SEBI ICDR Regulations;
- (iv) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within three Working Days of the Bid / Offer Closing Date or such other time as may be prescribed by SEBI;
- (v) that funds required for making refunds/unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to Offer by our Company;
- (vi) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant 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;
- (vii) that if our Company does not proceed with the Offer after the Bid / Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid / Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- (viii) that if our Company, in consultation with the BRLM and the Selling Shareholders withdraw the Offer after the Bid / Offer Closing Date, our Company shall be required to file a fresh draft Issue document with SEBI, in the event our Company subsequently decide to proceed with the Offer thereafter;
- (ix) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;
- (x) it shall not issue any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer.
- (xi) that adequate arrangements shall be made to consider all ASBA applications as similar to non-ASBA applications while finalising the basis of allotment; and
- (xii) Compliance with all disclosure and accounting norms as may be specified by SEBI from time to time.

Undertakings by the Selling Shareholders

The Selling Shareholders, severally and not jointly, undertake the following in respect of themselves as the Selling Shareholders, and their respective portions of the Offered Shares

i. that the Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations and are in dematerialised form;

ii. that they are the legal and beneficial owner of the Offered Shares;

iii. that the Offered Shares have been held by them for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI;

iv. that they shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, except for fees or commission for services rendered in relation to the Offer;

v. that the Equity Shares being sold by them pursuant to the Offer are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be in dematerialized form at the time of transfer and shall be transferred to the eligible investors within the time specified under applicable law;

vi. that they shall provide all reasonable co-operation as requested by our Company to the extent of the Offered Shares of each of the Selling Shareholder, in relation to the completion of Allotment and dispatch of the Allotment Advice and CAN, if required, and completion of the necessary formalities for listing and commencement of trading of its portion of

the Offered Shares on the Stock Exchanges, and refund orders to the extent of the Offered Shares;

vii. that it shall deposit its Equity Shares offered for sale in the Offer in an escrow demat in accordance with the Share Escrow Agreement to be executed between the parties to such Share Escrow Agreement;

viii. that they shall provide such reasonable support and cooperation to our Company and the BRLM in relation to the Equity Shares offered by them in the Offer for Sale for the competition of the necessary formalities for listing and commencement of trading at the Stock Exchanges;

ix. that they shall not have recourse to the proceeds of the Offer for Sale which shall be held in escrow in its favour, until final listing and trading approvals have been received from the Stock Exchanges; and that it will 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 Offered Shares.

The statements and undertakings provided above, in relation to the Selling Shareholders, are statements which are specifically confirmed or undertaken by the Selling Shareholders in relation to themselves and the Offered Shares. All other statements or undertakings or both in this Draft Red Herring Prospectus in relation to the Selling Shareholders, shall be statements made by our Company, even if the same relate to the Selling Shareholders.

Utilisation of Offer Proceeds

Our Board certifies 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, 2013;
- details of all monies utilized out of the Fresh Offer shall be disclosed and continue to be disclosed till the time any part of the Offer Proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; 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 indicating the form in which such unutilized monies have been invested.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1.00 million or 1% of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5.00 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the GoI 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. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. The GoI makes policy announcements on FDI through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The DPIIT (formerly Department of Industrial Policy & Promotion) issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (the “**FDI Policy**”), which consolidates and supersedes all previous press note, 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 Consolidated 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. For further details, see “*Key Regulations and Policies*” on page 208.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, please see section titled “*Offer Procedure – Bids by Eligible NRIs*” and “*Offer Procedure – Bids by FPIs*” on page 335 respectively.

As per the existing policy of the GoI, OCBs cannot participate in this Offer.

In terms of Press Note 3 of 2020, dated April 17, 2020 (“**Press Note**”), issued by the DPIIT, the FDI Policy and the FEMA (Non-debt Instruments) Rules has been amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the GoI. 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 GoI. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Further, in accordance with the amendment to the Companies (Share Capital and Debentures) Rules, 2014 vide notification dated May 4, 2022 issued by Ministry of Corporate Affairs, a declaration shall be inserted in the share transfer form stipulating whether government approval shall be required to be obtained under Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to transfer of shares, as applicable. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the GoI is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Issue Period.

Foreign Exchange Laws

The foreign investment in our Company is governed by inter alia the FEMA, the FEMA Non-debt Instruments Rules, the FDI Policy issued and amended by way of press notes, and the SEBI FPI Regulations.

In terms of the FEMA Non-debt Instruments Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The aggregate limit for FPI investments shall be the sectoral cap applicable to our Company. In accordance with the FEMA Non-debt Instruments 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 five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share 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.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in ‘offshore transactions’ in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

Pursuant to the Companies Act and the SEBI ICDR Regulations, the Description of Equity Shares and Terms of the Articles of Association are detailed below. Capitalised terms used in this section have the meaning given to them in the Articles of Association. Each provision below is numbered as per the corresponding article number in the Articles of Association, and defined terms herein have the meaning given to them in the Articles of Association.

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the Extraordinary General Meeting held on, 28th February, 2026 in substitution for and to the entire exclusion of, the regulations contained in the existing Articles of Association of the Company.

Sr. No	Particulars	Content
1.	No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to therepeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	Table F Not Applicable.
	INTERPRETATION CLAUSE	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	Act
	(b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	Articles
	(c) "Auditors" means and includes those persons appointed as such for the time being of the Company.	Auditors
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	Capital
	(e) "The Company" shall mean " T.C TERRYTEX LIMITED "	
	(f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	Executor or Administrator
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	Legal Representative
	(h) Words importing the masculine gender also include the feminine gender.	Gender
	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	In Writing and Written
	(j) The marginal notes hereto shall not affect the construction thereof.	Marginal notes
	(k) "Meeting" or "General Meeting" means a meeting of	Meeting or General Meeting

Sr. No	Particulars	Content
	members.	
	(l) "Month" means a calendar month.	Month
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	Annual General Meeting
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	Extra-Ordinary General Meeting
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	National Holiday
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	Non-retiring Directors
	(q) "Office" means the registered Office for the time being of the Company.	Office
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	Ordinary and Special Resolution
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	Person
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	Proxy
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	Register of Members
	(v) "Seal" means the common seal for the time being of the Company.	Seal
	(w) "Special Resolution" shall have the meanings assigned to it by Section 114 of the Act.	Special Resolution
	(x) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	Singular number
	(y) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	Statutes
	(z) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	These presents
	(aa) "Variation" shall include abrogation; and "vary" shall include abrogate.	Variation
	(bb) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	Year and Financial Year
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	Expressions in the Act to bear the same meaning in Articles
	CAPITAL	
3.	a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	Authorized Capital.

Sr. No	Particulars	Content
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	Increase of capital by the Company how carried into effect
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	New Capital same as existing capital
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premium, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	Non Voting Shares
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	Redeemable Preference Shares
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	Voting rights of preference shares

Sr. No	Particulars	Content
9.	On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption; (b) No such Shares shall be redeemed unless they are fully paid; (c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed; (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and (e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital	Provisions to apply on issue of Redeemable Preference Shares
10.	The Company may (subject to the provisions of sections 52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce (a) the share capital; (b) any capital redemption reserve account; or (c) any security premium account In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.	Reduction of capital
11.	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.	Debentures
12.	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.	Issue of Sweat Equity Shares
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and	ESOP

Sr. No	Particulars	Content
	applicable guidelines made there under, by whatever name called.	
14.	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.	Buy Back of shares
15.	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	Consolidation, Sub-Division And Cancellation
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	Issue of Depository Receipts
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	Issue of Securities
	MODIFICATION OF CLASS RIGHTS	
18.	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	Modification of rights
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	New Issue of Shares not to affect rights attached to existing shares of that class.
19.	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	Shares at the disposal of the Directors.

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	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.	
20.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	Power to issue shares on preferential basis.
21.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	Shares should be Numbered progressively and no share to be subdivided.
22.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	Acceptance of Shares.
23.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	Directors may allot shares as full paid-up
24.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	Deposit and call etc. to be a debt payable immediately.
25.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	Liability of Members.
26.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a	Registration of Shares.

Sr. No	Particulars	Content
	person of unsound mind.	
	RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT	
27.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	CERTIFICATES	
28.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue	Share Certificates.
	thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, subdivision, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a 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 of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue. (b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act. (c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall	

Sr. No	Particulars	Content
	be responsible for the safe custody of such machine, equipment or other material used for the purpose.	
29.	If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof 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 lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. 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 Rs.50/- 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	Issue of new certificates in place of those defaced, lost or destroyed.

Sr. No	Particulars	Content
	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 debentures of the Company.	
30.	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	The first named joint holder deemed Sole holder.
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	Maximum number of joint holders.
31.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	Company not bound to recognize any interest in share other than that of registered holders.
32.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	Installment on shares to be duly paid.
	UNDERWRITING AND BROKERAGE	
33.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	Commission
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	Brokerage
	CALLS	
35.	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.	Directors may make calls
36.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person	Notice of Calls

Sr. No	Particulars	Content
	or persons to whom such call shall be paid.	
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	Calls to date from resolution.
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	Calls on uniform basis.
39.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	Directors may extend time.
40.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	Calls to carry interest.
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	Sums deemed to be calls.
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	Proof on trial of suit for money due on shares.

Sr. No	Particulars	Content
43.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	Judgment, decree, partial payment motto proceed for forfeiture.
44.	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on	Payments in Anticipation of calls may carry interest
	shares may carry interest but shall not confer a right to dividend or to participate in profits. (b) No Member paying any such sum in advance shall be entitled to 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 this Article shall mutatis mutandis apply to calls on debentures issued by the Company.	
	LIEN	
45.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.	Company to have Lien on shares.
46.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificate in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers	As to enforcing lien by sale.

Sr. No	Particulars	Content
	concerned.	
47.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to 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.	Application of proceeds of sale.
	FORFEITURE AND SURRENDER OF SHARES	
48.	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the	If call or installment not paid, notice may be given.
	relevant exchange control laws or other applicable laws of India, for the time being in force.	
49.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	Terms of notice.
50.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	On default of payment, shares to be forfeited.

Sr. No	Particulars	Content
51.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	Notice of forfeiture to a Member
52.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	Forfeited shares to be property of the Company and may be sold etc.
53.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	Members still liable to pay money owing at time of forfeiture and interest.
54.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	Effect of forfeiture.
55.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles 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 shares.	Evidence of Forfeiture.
56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: 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, re-allotment or other disposal of the shares.	Title of purchaser and allottee of Forfeited shares.
57.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	Cancellation of share certificate in respect of forfeited shares.
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	Forfeiture may be remitted.

Sr. No	Particulars	Content
59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	Validity of sale
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	Surrender of shares.
	TRANSFER AND TRANSMISSION OF SHARES	
61.	(a) Subject to provisions of Article 82, the instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	Execution of the instrument of shares.
62.	Subject to provisions of Article 82, 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;	Transfer Form.
63.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository and shares under transfer are in dematerialized form and a proper instrument of transfer is delivered through depository participant. provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	Transfer not to be registered except in dematerialized form and on production of instrument of transfer.
64.	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— 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;	Directors may refuse to register transfer.
65.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of	Notice of refusal to be given to transferor and transferee.
	the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	

Sr. No	Particulars	Content
66.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	No fee on transfer.
67.	The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debenture holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	Closure of Register of Members or debenture holder or other security holders.
68.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	Custody of transfer Deeds.
69.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	Application for transfer of partly paid shares.
70.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	Notice to transferee.
71.	(a) 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 person recognized by the Company as having any title to his interest in the shares. (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate (c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.	Recognition of legal representative.

Sr. No	Particulars	Content
72.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a	Titles of Shares of deceased Member
	duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.	
73.	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.	Notice of application when to be given
74.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	Registration of persons entitled to share otherwise than by transfer (transmission clause).
75.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	Refusal to register nominee.
76.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	Board may require evidence of transmission.

Sr. No	Particulars	Content
77.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	Company not liable for disregard of a notice prohibiting registration of transfer.
78.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	Form of transfer Outside India.
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	No transfer to insolvent etc.
	NOMINATION	
80.	i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination. ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination. iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.	Nomination

Sr. No	Particulars	Content
81.	A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either- (i) to be registered himself as holder of the security, as the case may be; or (ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made; (iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be; (iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided further 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 or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.	Transmission of Securities by nominee
	DEMATERIALIZATION OF SHARES	
82.	Subject to the provisions of the Act and Rules made thereunder the Company will offer its members facility to hold securities issued by it in dematerialized form. All the fresh securities to be issued by the company will be in dematerialized form. Any person seeking transfer of shares, shall first get his / her shares dematerialized before execution of instrument of transfer.	Dematerialisation of Securities
	JOINT HOLDER	
83.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	Joint Holders
84.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	Joint and several liabilities for all payments in respect of shares.
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	Title of survivors.
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	Receipts of one sufficient.

Sr. No	Particulars	Content
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall be deemed to be service on all the holders.	Delivery of certificate and giving of notices to first named holders.
	SHARE WARRANTS	
85.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	Power to issue share warrants
86.	(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant. (b) Not more than one person shall be recognized as depositor of the Share warrant. (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.	Deposit of share warrants
87.	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.	Privileges and disabilities of the holders of share warrant
88.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	Issue of new share warrant coupons
	CONVERSION OF SHARES INTO STOCK	
89.	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.	Conversion of shares into stock or reconversion.
90.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation 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.	Transfer of stock.

Sr. No	Particulars	Content
91.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	Rights of stockholders.
92.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	Regulations.
	BORROWING POWERS	
93.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, anybody corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	Power to borrow.
94.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	Issue of discount etc. or with special privileges.
95.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	Securing payment or repayment of Moneys borrowed.
96.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	Bonds, Debentures etc. to be under the control of the Directors.

Sr. No	Particulars	Content
97.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	Mortgage of uncalled Capital.
98.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	Indemnity may be given.
	MEETINGS OF MEMBERS	
99.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	Distinction between AGM & EGM.
100.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	Extra-Ordinary General Meeting by Board and by requisition
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	When a Director or any two Members may call an Extra Ordinary General Meeting
101.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	Meeting not to transact business not mentioned in notice.
102.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	Chairman of General Meeting
103.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	Business confined to election of Chairman whilst chair is vacant.
104.	The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.	Chairman with consent may adjourn meeting.

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	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.	
105.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	Chairman's casting vote.
106.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	In what case poll taken without adjournment.
107.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	Demand for poll not to prevent transaction of other business.
	VOTES OF MEMBERS	
108.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	Members in arrears not to vote.
109.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	Number of votes each member entitled.
110.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	Casting of votes by a member entitled to more than one vote.
111.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	Vote of member of unsound mind and of minor
112.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	Postal Ballot

Sr. No	Particulars	Content
113.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	E-Voting
114.	(a) 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. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed jointsholders thereof. (b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Votes of joint members.
115.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	Votes may be given by proxy or by representative
116.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	Representation of a body corporate.
117.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable. (b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	Members paying money in advance.
118.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent members.

Sr. No	Particulars	Content
119.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	No votes by proxy on show of hands.
120.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	Appointment of a Proxy.
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	Form of proxy.
122.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which	Validity of votes given by proxy notwithstanding death of a member.
	such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	
123.	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.	Time for objections to votes.
124.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	Chairperson of the Meeting to be the judge of validity of any vote.
	DIRECTORS	
125.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special Resolution The following shall be the First Directors of the Company: 1. ANIL SATIA 2. MR. AKHIL SATIA 3. RAKESH DOOMRA	Number of Directors
126.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	Qualification shares.

Sr. No	Particulars	Content
127.	(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled. (c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board. (d) The Nominee Director/s shall, notwithstanding anything to the contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.	Nominee Directors.
128.	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	Appointment of alternate Director.
129.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	Additional Director
130.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated	Director's power to fill casual vacancies.
	before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	
131.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	Sitting Fees.

Sr. No	Particulars	Content
132.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	Travelling expenses Incurred by Director on Company's business.
	PROCEEDING OF THE BOARD OF DIRECTORS	
133.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	Meetings of Directors.
134.	(a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. (b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	Chairperson
135.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	Questions at Board meeting how decided.
136.	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.	Continuing directors may act notwithstanding any vacancy in the Board
137.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	Directors may appoint committee.
138.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	Committee Meeting show to be governed.
139.	(a) A committee may elect a Chairperson of its meetings. (b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time	Chairperson of Committee Meetings

Sr. No	Particulars	Content
	appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	
140.	(a) A committee may meet and adjourn as it thinks fit. (b) 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.	Meetings of the Committee
141.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	Acts of Board or Committee shall be valid notwithstanding defect in appointment.
	RETIREMENT AND ROTATION OF DIRECTORS	
142.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	Power to fill casual vacancy
	POWERS OF THE BOARD	
143.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	Powers of the Board
144.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	Certain powers of the Board
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	To acquire any property , right etc.
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	To take on Lease.

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	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company	To erect & construct.
	for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	To pay for property.
	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	To insure properties of the Company.
	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	To open Bank accounts.
	(7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	To secure contracts by way of mortgage.
	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	To accept surrender of shares.
	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	To appoint trustees for the Company.
	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any	To conduct legal proceedings.

Sr. No	Particulars	Content
	award thereon.	
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	Bankruptcy & Insolvency
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	To issue receipts & give discharge.
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	To invest and deal with money of the Company.
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	To give Security by way of indemnity.
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	To determine signing powers.
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	Commission or share in profits.
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	Bonus etc. to employees.

Sr. No	Particulars	Content
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	Transfer to Reserve Funds.
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts	To appoint and remove officers and other employees.
	they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	

Sr. No	Particulars	Content
	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	To appoint Attorneys.
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	To enter into contracts.
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	To make rules.
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	To effect contracts etc.
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of these objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	To apply & obtain concessions licenses etc.
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	To pay commissions or interest.
	(26) To redeem preference shares.	To redeem preference shares.
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	To assist charitable or benevolent institutions.

Sr. No	Particulars	Content
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how. (32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products. (33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient. (34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate. (35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested. (36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit. (37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.	

Sr. No	Particulars	Content
	(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.	
	MANAGING AND WHOLE-TIME DIRECTORS	
145.	a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.	Powers to appoint Managing/Whole Time Directors.
146.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	Remuneration of Managing or Whole Time Director.

Sr. No	Particulars	Content
147.	(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board. (2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers. (3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles. (4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit. (5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms	Powers and duties of Managing Director or Whole-Time Director.
	and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.	
	CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER	
148.	a) Subject to the provisions of the Act— - A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; - A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. b) 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.	Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer
	THE SEAL	

Sr. No	Particulars	Content
149.	(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. (b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.	The seal, its custody and use.
150.	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board 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.	Deeds how executed.
	DIVIDEND AND RESERVES	
151.	(1) 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. (2) No amount paid or credited as paid on a share in advance of call shall be treated for the purposes of this regulation as paid on the share. (3) 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.	Division of profits.
152.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of	The company in General Meeting may declare Dividends.
	Directors, but the Company may declare a smaller dividend in general meeting.	
153.	a) 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. b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	Transfer to reserves

Sr. No	Particulars	Content
154.	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.	Interim Dividend.
155.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	Debts may be deducted.
156.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	Capital paid up in advance not to earn dividend.
157.	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 dividends as from a particular date such share shall rank for dividend accordingly.	Dividends in proportion to amount paid-up.
158.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	Retention of dividends until completion of transfer under Articles.
159.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	Effect of transfer of shares.
161.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	Dividend to joint holders.
162.	Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	Dividends how remitted.
163.	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.	Notice of dividend.
164.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	No interest on Dividends.
	CAPITALIZATION	

Sr. No	Particulars	Content
165.	(1) The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards: (i) paying up any amounts for the time being unpaid on any shares held by such members respectively; (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii). (3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares. (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.	Capitalization.
166.	(1) 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 to do all acts and things required to give effect thereto. (2) The Board shall have full power - (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such 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 the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares. (3) Any agreement made under such authority shall be effective and binding on all such members. (4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.	Fractional Certificates.

Sr. No	Particulars	Content
167.	(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges. (2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.	Inspection of Minutes Books of General Meetings.
168.	a) 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. b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.	Inspection of Accounts
	FOREIGN REGISTER	
169.	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.	Foreign Register.
	DOCUMENTS AND SERVICE OF NOTICES	
170.	Any document or notice to be served or given by the Company designed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	Signing of documents & notices to be served or given.
171.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	Authentication of documents and proceedings.
	WINDING UP	
172.	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	

Sr. No	Particulars	Content
173.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and	Directors' and others right to indemnity.
	damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	
174.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	Not responsible for acts of others
	SECRECY	
175.	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	Secrecy
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the	Access to property information etc.

Sr. No	Particulars	Content
	Company to disclose or to communicate.	

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of this Draft Red Herring Prospectus which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Draft Red Herring Prospectus until the Bid/Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date). Copies of the documents for shall also be made available on the website of the Company at <https://tctl.in>.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required, in the interest of our Company, or if required by the other parties, without reference to the Shareholders, subject to compliance with the provisions of the Companies Act and other applicable law.

A. Material Contracts for the Offer

1. Offer Agreement dated March 27, 2026 entered into between our Company, the Selling Shareholder, and the BRLM;
2. Registrar Agreement dated March 27, 2026 entered into amongst our Company the Selling Shareholder, and the Registrar to the Offer;
3. Cash escrow and sponsor bank agreement dated [●] amongst our Company, the Selling Shareholder, the Registrar to the Offer, the BRLM, the Escrow Collection Bank(s), Public Issue Account Bank(s), Sponsor Banks and the Refund Bank(s);
4. Syndicate agreement dated [●] amongst our Company, the Selling Shareholders, the BRLM, the Syndicate Members and the Registrar to the Offer;
5. Monitoring agency agreement dated [●] amongst our Company and the Monitoring Agency.

B. Material Documents

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time;
2. Certificate of incorporation dated August 30, 2005 issued by the RoC.
3. Resolution of the Board of Directors dated January 30, 2026 and special resolution dated March 26, 2026 passed by our Shareholders in relation to the Offer and other related matters;
4. Resolution of our Board of Directors dated March 30, 2026 approving this Draft Red Herring Prospectus;
5. Resolution of the Board of our Company dated January 30, 2026 taking on record the approvals for the Offer for Sale by the Selling Shareholders to participate in the Offer for Sale
6. Examination report dated March 28, 2026 of our Statutory Auditors on our Restated Financial Statements, included in this Draft Red Herring Prospectus;
7. Copies of the annual reports of the Company for the Financial Year ended 2023, 2024 and 2025;
8. The statement of possible special tax benefits dated March 30, 2026, the Statutory Auditors;
9. Consents of our Promoters, our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, our Chief Executive Officer, Legal Advisor to the Offer, the Book Running Lead Manager, the Registrar to the Offer, Banker to our Company, to act in their respective capacities;
10. Consent dated March 30, 2026 by Statutory Auditors, J MANDAL & CO LLP, Chartered Accountants, to include their name in this Draft Red Herring Prospectus and as an “Expert” defined under Section 2(38) of the Companies Act, read with Section 26(5) of the Companies Act, in respect of the examination report of the Auditors on the Restated Financial Statements included in this Draft Red Herring Prospectus;
11. Certificate dated March 30, 2026 by the Statutory Auditors, J MANDAL & CO LLP, Chartered Accountants verifying the key performance indicators (KPI).
12. Consent dated March 25, 2026 by ER Pardeep Kumar Nanda, Independent Chartered Engineer, to include their name in this Draft Red Herring Prospectus and as an “Expert” defined under Section 2(38) of the Companies Act in respect of the certificates dated March 30, 2026;
13. Consent dated March 20, 2026 from Dun & Bradstreet Information Services India Private Limited, to include contents or any part thereof from their report titled “home textile industry” dated March 20, 2026 in this Draft Red Herring Prospectus; exclusively for the purposes of the Issue. To access the report online, click <https://tctl.in/>
14. Report titled “home textile industry” dated March 20, 2026, prepared and issued by Dun & Bradstreet Information Services India Private Limited and commissioned by our Company for an agreed fees;
15. Tripartite agreement dated October 11, 2018 between our Company, NSDL and the Registrar to the Offer;

16. Tripartite agreement dated June 14, 2022 between our Company, CDSL and the Registrar to the Offer;
17. In principle listing approvals dated [●] and [●] issued by BSE and NSE respectively; and
18. Due diligence certificate dated March 30, 2026, addressed to the SEBI from the BRLM.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at an time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholder's subject to compliance of the provisions contained in the Companies Act, 2013 and other relevant statutes.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

Sd/-

Mr. Akhil Satia
Managing Director & Chairman and Promoter
DIN: 01138038

Date: March 30, 2026
Place: Punjab

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

Sd/-

Mr. Parminder Singh Barnala

Whole Time Director

DIN: 10578371

Date: March 30, 2026

Place: Punjab

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

Sd/-

Ms. Aishwaria Sethi
Non-Executive Director
DIN: 11136468

Date: March 30, 2026
Place: Punjab

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

Sd/-

Mr. Jagjit Singh

Non-Executive Independent Director

DIN: 11119861

Date: March 30, 2026

Place: Punjab

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

Sd/-

Saurabh Kansal
Independent Director
DIN: 11137445

Date: March 30, 2026
Place: Punjab

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

Sd/-

Mr. Tanuj Gaba

Independent Director

DIN: 11137519

Date: March 30, 2026

Place: Punjab

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

Sd/-

Mr. Rajiv Chopra

Chief Financial Officer

Date: March 30, 2026

Place: Punjab

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

Sd/-

**Selling shareholder
Ashis Living Private Limited**

**Date: March 30, 2026
Place: Punjab**