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Red Herring Prospectus
Dated: September 10, 2026
Please read Section 26 & 32 of the Companies Act, 2013
100% Book Built Issue

VIVEKANAND COTSPIN LIMITED

(Formerly known as Vivekanand Cotspin Private Limited)

CIN: U13111GJ2024PLC154066

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
S/No 181/1, 182/1, At Rangpurda, Kadi, Mahesana - 382715, Gujarat, India	NA	Ankit Sanchiher, Company Secretary and Compliance Officer.	**Tel. No.**: +91 9227825102; **E-mail:** cs@vcottonexport.com	www.vcottonexport.com

PROMOTERS OF THE COMPANY: NIRAV BHARATBHAI PATEL, JASMIN VISHNUBHAI PATEL, BHARATBHAI PRAHALADBHAI PATEL, VISHNUBHAI PRAHALADDAS PATEL, GAUTAM BHARATKUMAR PATEL, B P PATEL FAMILY TRUST, V P PATEL FAMILY TRUST, RANJANBEN BHARATBHAI PATEL AND KAPILABEN VISHNUBHAI PATEL

DETAILS OF THE ISSUE

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Upto 60,00,000 Equity Shares of face value of ₹ 10/- each (**"Equity Shares"**) aggregating to ₹ [●] Lakhs ("Issue")	Nil	₹[●] Lakhs	The Issue is being made pursuant to Regulation 229(1) and 253(1) of SEBI (ICDR) Regulations, 2018 as amended

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES

RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10/- each. The Issue Price, Floor Price or Price Band as determined by our Company in consultation with the BRLM and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under *"Basis for Issue Price"* on page 110 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (**"SEBI"**), nor does SEBI guarantee the accuracy or adequacy of this Red Herring Prospectus. Specific attention of the investors is invited to chapter titled *"Risk Factors"* beginning on page 19 of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares Issued through this Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited (BSE SME) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an In-Principle Approval letter dated August 05, 2026 from BSE Limited ("BSE") for using its name in this offer document for listing our shares on the SME Platform of BSE Limited ("BSE SME"). For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited ("BSE").

BOOK RUNNING LEAD MANAGER TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
Swastika Investmart Limited	**Mohit R. Goyal**	**Email:** mb@swastika.co.in **Tel. No.:** +91 0731 664 4244

REGISTRAR TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
MUFG Intime India Private Limited *(Formerly known as Link intime India Private Limited)*	**Shanti Gopalkrishnan**	**Email:** vivekanand.smeipo@in.mpms.mufg.com; **Tel. No.:** +91 810 811 4949

BID/ISSUE PROGRAMME

ANCHOR INVESTOR PORTION ISSUE OPENS/CLOSES ON:	September 18, 2026*
BID/ISSUE OPENS ON:	September 21, 2026
BID/ISSUE CLOSES ON:	September 23, 2026#^(1)

**Our Company, in consultation with the BRLM may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date;*

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

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

(1) Our Company is not considering any pre-IPO placement of equity shares of the Company.

VIVEKANAND COTSPIN LIMITED

(Formerly known as Vivekanand Cotspin Private Limited)

CIN: U13111GJ2024PLC154066

Our Company was originally formed and registered as a Limited Liability Partnership under the Limited Liability Partnership Act, 2008 ("LLP Act") in the name and style of "Vivekanand Cotspin LLP" (LLPIN: AAE-4147) and received a certificate of incorporation from the Registrar of Companies, Gujarat, Dadra and Nagar Havelli on July 21, 2015. Further, "Vivekanand Cotspin LLP" was thereafter converted from a Limited Liability Partnership to a Private Limited Company under part I Chapter XXI of Section 366 of Companies Act, 2013 with the name of "Vivekanand Cotspin Private Limited" and received a fresh certificate of incorporation from the Registrar of Companies, Central Registration Center on August 5, 2024. The Corporate Identification Number of our Company is U13111GJ2024PTC154066. Later, our Company was converted into Public Limited Company and consequently name of company was changed from "Vivekanand Cotspin Private Limited" to "Vivekanand Cotspin Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on December 02, 2024 and a fresh certificate of incorporation dated December 16, 2024 issued by the Registrar of Companies, Central Processing Centre. For further details, please refer to chapter titled *"History and Corporate Structure"* beginning on page 190 of this Red Herring Prospectus.

Registered Office: S/No 181/1, 182/1, At Rangpurda, Kadi, Mahesana-382715, Gujarat, India; **Tel No.:** +91 9227825102; **Email**: cs@vcottonexport.com **Website:** www.vcottonexport.com

Contact Person: Ankit Sanchiher, Company Secretary and Compliance Officer.

OUR PROMOTERS: NIRAV BHARATBHAI PATEL, JASMIN VISHNUBHAI PATEL, BHARATBHAI PRAHALADBHAI PATEL, VISHNUBHAI PRAHALADDAS PATEL, GAUTAM BHARATKUMAR PATEL, B P PATEL FAMILYTRUST, V P PATEL FAMILY TRUST, RANJANBEN BHARATBHAI PATEL AND KAPILABEN VISHNUBHAI PATEL

THE ISSUE

INITIAL PUBLIC ISSUE OF UPTO 60,00,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH OF VIVEKANAND COTSPIN LIMITED ("VCL" OR "OUR COMPANY") FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING TO ₹ [●] LAKHS, OF WHICH UPTO 3,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●]/- AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION") AND NET ISSUE TO PUBLIC OF UPTO 57,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●]/- AGGREGATING TO ₹ [●] LAKHS (HEREINAFTER REFERRED TO AS THE "NET ISSUE") THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.97% AND 25.62% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10/- EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER I.E. FINCIAL EXPRESS, ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER I.E. JANSATTA AND GUJRATI EDITION OF THE REGIONAL NEWSPAPER, FINANCIAL EXPRESS (GUJARATI), EACH WITH WIDE CIRCULATION, AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE", REFERRED TO AS THE "DESIGNATED STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.

In case of any revision in the Price Band, the Bid/Issue Period will be extended by at least 3 (three) additional Working Days after such revision in the Price Band, subject to the Bid/Issue 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/Issue Period for a minimum of 1 (One) Working Day, subject to the Bid/Issue Period not exceeding 10 (Ten) Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the respective websites 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.

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLM may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis ("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 (other than the Anchor Investor Portion) ("Net QIB Portion"). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors, out of which (a) one third of such portion was reserved for applicants with application size of more than 2 lots and up to such lots equivalent to not more than ₹ 10 lakhs and (b) two-third of such portion was reserved for applicants with application size of more than ₹ 10 lakhs provided that the unsubscribed portion in either of such subcategories could have been allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35.00% of the Net Issue shall be available for allocation to Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Potential Bidders, other than Anchor Investors, are required to participate in the Issue by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, please refer to the chapter titled *"Issue Procedure"* on page 283 of this Red Herring Prospectus.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to the section titled *"Issue Procedure"* beginning on page 283 of this Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10/- each. The Issue Price, Floor Price or the Price Band should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding 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

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Red Herring Prospectus. Specific attention of the investors is invited to chapter titled *"Risk Factors"* beginning on page 19 of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on SME Platform of BSE Limited ("BSE SME"), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In-Principle Approval letter dated August 05, 2026 from BSE Limited ("BSE") for using its name in this offer document for listing our shares on the SME Platform of BSE Limited ("BSE SME"). For the purpose of this Issue, the designated Stock Exchange is the BSE Limited.

BOOK RUNNING LEAD MANAGER TO THE ISSUE

swastika

SWASTIKA INVESTMART LIMITED
Address: Office No. 104, 1st Floor, KESHAVA Commercial Building, ot No.C-5, "E" Block, Bandra Kurla Complex, Opp GST Bhavan, Bandra (East), Mumbai – 400051, Maharashtra, India;
Merchant Banking Division: 48 Jaora Compound, M.Y.H Road, Indore (MP) – 452001;
Tel. No.: +91 0731 664 4244;
Email: mb@swastika.co.in;
Website: www.swastika.co.in;
Investor Grievance Email: mb.investorgrievance@swastika.co.in;
Contact Person: Mr. Mohit R. Goyal;
SEBI Registration No.: INM000012102;
CIN: L65910MH1992PLC067052

REGISTRAR TO THE ISSUE

MUFG

MUFG INTIME INDIA PRIVATE LIMITED;
(Formerly known as Link Intime India Private Limited)
Address: C 101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083, India;
Tel. No.: +91 810 811 4949;
Email: vivekanand.smeipo@in.mpms.mufg.com;
Website: www.linkintime.co.in
Investor Grievance Email: vivekanand.smeipo@in.mpms.mufg.com;
Contact Person: Shanti Gopalkrishnan;
SEBI Registration No.: INR000004058;
URL of SEBI website: www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10;
CIN: U67190MH1999PTC118368

BID/ISSUE PROGRAMME

ANCHOR INVESTOR BIDDING DATE	September 18, 2026*
BID/ISSUE OPENS ON	September 21, 2026
BID/ISSUE CLOSES ON	September 23, 2026#^(1)

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

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

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

(1)Our Company is not considering any pre-IPO placement of equity shares of the Company.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

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

Notwithstanding the foregoing, terms used in of the sections "Industry Overview", "Key Regulations and Policies", "Statement of Possible Tax Benefits", "Restated Financial Statements", "Basis for Issue Price", "History and Corporate Structure", "Other Regulatory and Statutory Disclosures", "Outstanding Litigations and Material Developments" and "Description of Equity Shares and Terms of the Articles of Association" on pages 124, 181, 119, 221, 110, 190, 256, 238 and 316 respectively, shall have the meaning ascribed to such terms in such sections.

GENERAL TERMS

Term	Description
"VCL", "the Company", "our Company" and Vivekanand Cotspin Limited.	Vivekanand Cotspin Limited, a company incorporated in India under the Companies Act 2013 having its Registered office at S/No 181/1, 182/1, At Rangpurda, Kadi, Mahesana-382715, Gujarat, India.
"Our Promoter(s)"	Mr. Nirav Bharatbhai Patel, Mr. Jasmin Vishnubhai Patel, Mr. Bharatbhai Prahaladbhai Patel, Mr. Vishnubhai Prahaladdas Patel, Mr. Gautam Bharatkumar Patel, B P Patel Family Trust, V P Patel Family Trust, Ranjanben Bharatbhai Patel and Kapilaben Vishnubhai Patel are the promoters of the Issuer Company.
"Promoters' Group"	Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled *"Our Promoters and Promoter's Group"* on page 209.
"page" or "Page" or "page no." or "page nos."	Any reference to any page no. is relating to this Red Herring Prospectus.
"we", "us" and "our"	Unless the context otherwise indicates or implies, refers to our Company.
"you", "your" or "yours"	Prospective investors in this Issue.

COMPANY RELATED TERMS

Term	Description
AOA / Articles / Articles of Association	The articles of association of our Company, as amended.
Audit Committee	The audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013, as described in *"Our Management"* on page 194.
Auditors/ Statutory Auditors	The Auditors of our Company being M/s Mistry & Shah LLP, Chartered Accountant having a valid Peer Review certificate Peer Review No. 022451.
Bankers to the Company	The Bank of Baroda Limited and State Bank of India.
Board of Directors / the Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled *"Our Management"* beginning on page 194 of this Red Herring Prospectus.
Chairman/ Chairperson	The Chairman/ Chairperson of Board of Directors of our Company being Mr. Nirav Bharatbhai Patel.
CIN	Corporate Identification Number of our Company i.e. U13111GJ2024PLC154066.
Chief Financial Officer/CFO	The Chief Financial Officer of our Company being Mr. Irfan Abdulbhai Mansuri.
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Mr. Ankit Sanchiher.

Term	Description
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996.
DIN	Directors Identification Number.
D&B Report	Industry report titled *"Industry Report on Cotton Yarn"* dated August 14, 2026 issued by Dun & Bradstreet. The D&B Report shall be available on the website of our Company at www.vcottonexport.com. The D&B Report has been exclusively commissioned and paid for by us in connection with the Issue.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified. For details of our directors, see *"Our Management"* on page 194.
Equity Shares	Equity Shares of the Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company.
Erstwhile LLP	M/s. Vivekanand Cotspin LLP (A LLP formed on July 21, 2015 between Mr. Nirav Bharatbhai Patel, Mr. Jasmin Vishnubhai Patel, Mr. Bharatbhai Prahaladbhai Patel, Mr. Vishnubhai Prahaladdas Patel and Mr. Gautam Bharatkumar Patel).
Erstwhile Partners	Mr. Nirav Bharatbhai Patel, Mr. Jasmin Vishnubhai Patel, Mr. Bharatbhai Prahaladbhai Patel, Mr. Vishnubhai Prahaladdas Patel and Mr. Gautam Bharatkumar Patel.
Executive Directors	Executive Directors are the Managing Director & Whole Time Directors of our Company as defined in clause (94) of section 2 of the Companies Act, 2013.
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018).
Group Companies	Companies with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and also other companies as considered material by our Board of the issuer as disclosed in *"Information with respect to Group Companies"* on page 217 of this Red Herring Prospectus.
Independent Director	Non-executive and independent director(s) of our Company who are eligible to be appointed as independent director(s) under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details, see section titled *"Our Management"* beginning on page 194.
Ind AS or Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
Indian GAAP	Generally Accepted Accounting Principles in India.
ISIN	International Securities Identification Number. In this case being INE1JJP01018.
IT Act	The Income Tax Act, 1961 as amended till date.
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled *"Our Management"* on page 194 of this Red Herring Prospectus.
Key Performance Indicators" or "KPIs"	Key financial and operational performance indicators of our Company, as included in *"Basis of Issue Price"* beginning on page 110 of this Red Herring Prospectus.
LLP	LLP incorporated under the Limited Liability Partnership Act, 2008.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on April 20, 2026 in accordance with the requirements of the SEBI (ICDR) Regulations, 2018.
MD or Managing Director	The Managing Director of our Company being Mr. Nirav Bharatbhai Patel.
MOA /Memorandum of Association	Memorandum of Association of our Company as amended from time to time.
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000 as amended from time to time.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013.
Non-Executive Director	A Director not being an Executive Director or an Independent Director. For details, see section titled *"Our Management"* on page 194.
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.

Term	Description
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Peer Review Auditor	The Auditors of our Company being S V J K and Associates, Chartered Accountant having a valid Peer Review certificate Peer Review No. 014698.
Promoter(s)	The promoters of our Company namely Mr. Nirav Bharatbhai Patel, Mr. Jasmin Vishnubhai Patel, Mr. Bharatbhai Prahaladbhai Patel, Mr. Vishnubhai Prahaladdas Patel, Mr. Gautam Bharatkumar Patel, B P Patel Family Trust , V P Patel Family Trust, Ranjanben Bharatbhai Patel and Kapilaben Vishnubhai Patel. For further details, please refer to section titled *"Our Promoters and Promoter Group"* beginning on page 209 of this Red Herring Prospectus.
Promoter Group	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 *"Our Promoters and Promoter Group"* on page 209 of this Red Herring Prospectus.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office and Manufacturing Unit	The registered of our Company, situated at S/No 181/1, 182/1, At Rangpurda, Kadi, Mahesana-382715, Gujarat, India.
Reserve Bank of India/ RBI	Reserve Bank of India constituted under the RBI Act, 1934.
Restated Financial Statements	The restated audited financial information of the Company, which comprises of the restated audited balance sheet, the restated audited profit and loss information and restated audited cash flow information for the financial years ended March 31, 2026, 2025 and 2024, together with the annexure and notes thereto.
RoC/ Registrar of Companies	The Registrar of Companies, Ahmedabad.
Senior Management (SM)	The senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in chapter titled *"Our Management"* on page 194.
Shareholder(s)	The holders of the Equity Shares 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 from time to time.
Stock Exchange	Unless the context requires otherwise, refers to, BSE Limited.
Stakeholders Relationship Committee	The Stakeholder's Relationship Committee of our Board constituted in accordance with section 178(5) of the Companies Act, 2013 and the SEBI Listing Regulations
Sub-Account	Sub-accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscriber to MOA / Initial Promoters	Initial Subscriber to MOA & AOA being Mr. Nirav Bharatbhai Patel, Mr. Jasmin Vishnubhai Patel, Mr. Bharatbhai Prahaladbhai Patel, Mr. Vishnubhai Prahaladdas Patel and Mr. Gautam Bharatkumar Patel.
Whole Time Director	"Whole-time Director" includes a director in the whole-time employment of our Company.
You or Your or Yours	Prospective Investors in this Issue.

ISSUE RELATED TERMS

Terms	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Red Herring Prospectus.
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of prospectus as may be specified by the SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a bidder as proof of registration of the bid.
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue to successful Bidders.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges.
Allottee(s)	The successful bidder to whom the Equity Shares are being / have been issued.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.

Terms	Description
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bid/Issue Period or Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue 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 Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company in consultation with the Book Running Lead Manager.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/ Issue Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, 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 Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company.
ASBA or Application Supported by Blocked Amount	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorizing an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB and will include amounts blocked by UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained by an ASBA Bidder with a SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a UPI Bidder linked to a UPI ID, which will be blocked by the SCSB upon acceptance of the UPI Mandate Request in relation to a Bid by a UPI Bidder Bidding through the UPI Mechanism.
ASBA Bidder(s)	Any prospective investor who makes a bid pursuant to the terms of the Draft Red Herring Prospectus and the Bid cum Application Form including through UPI mode (as applicable).
ASBA Bid	A Bid made by an ASBA Bidder.
ASBA Form(s)	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Banker(s) to the Issue	Axis Bank Limited.
Banker to the Issue Agreement	Agreement dated August 13, 2026 entered into amongst the Company, Book Running Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted, described in *"Issue Procedure"* on page 283 of this Red Herring Prospectus.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.

Terms	Description
Bid/Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, all editions of English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and in Regional newspaper Financial Express (Gujarati) (regional language of Gujarat, where our Registered Office is located). Our Company, in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, as required under the SEBI ICDR Regulations.
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting all editions of English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and in Regional newspaper Financial Express (Gujarati), where our Registered Office is located).
Bid/ Issue Period	Except in relation to Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company, in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations. 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/Issue Period for a minimum of 3 (three) Working Days, subject to the Bid/Issue Period not exceeding 10 (ten) Working Days.
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of this Red Herring Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Red Herring Prospectus.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being Swastika Investmart Limited.
Broker Centres	Broker Centers of the Registered Brokers where ASBA Bidders can submit the ASBA Forms, provided that UPI Bidders may only submit ASBA Forms at such broker Centers if they are Bidding using the UPI Mechanism. The details of such broker Centers, along with the names and contact details of the Registered Brokers, are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Not or advice or intimation sent to each successful bidder indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.

Terms	Description
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price.
Client ID	Client Identification Number maintained with one of the Depositories in relation to Bidder's beneficiary account.
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI and as per the list available on the websites of BSE and NSE.
Collecting Registrar and Share Transfer Agents/ CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Demographic Details	The demographic details of the bidders such as their Address, PAN, name of the bidder father/husband, investor status, occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account(s) or the Refund Account(s), as appropriate, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Issue.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/ Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where bidder can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com
Designated Intermediaries / Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depositary Participant, a registrar to an Issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated Stock Exchange	BSE Limited (SME Platform) ("BSE SME").
DP	Depository Participant.
DP ID	Depository Participant's Identity Number.
Draft Red Herring Prospectus / DRHP	Draft Red Herring prospectus dated June 05, 2026 issued in accordance with Section 23, 26 and 32 of the Companies Act, 2013 and SEBI ICDR Regulation.
Eligible FPI(s)	FPI(s) that are eligible to participate in the Issue in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to subscribe or purchase the Equity Shares.
Eligible NRI(s)	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value ₹ 10/- each.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.

Terms	Description
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depositary participants.
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid.
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI BTI Regulations and with whom the Escrow Account(s) will be opened, in this case being Axis Bank Limited.
First 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.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole bidder	The bidder whose name appears first in the Bid cum Application Form or Revision Form.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investors	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fresh Issue	The Fresh Issue of Upto 60,00,000 Equity Shares ₹ 10/- each for cash at a price of ₹ [●]/- each (including a share premium of ₹ [●]/- each), aggregating up to ₹ [●] Lakhs.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations, 2018.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
General Information Document (GID)	The General Information Document for investing in public offers, prepared and issued in accordance with the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020, issued by SEBI, suitably modified and updated pursuant to, among others, the UPI Circulars and any subsequent circulars or notifications issued by SEBI from time to time.
Gross Proceeds	The gross proceeds of the Issue that will be available to our Company.
GIR Number	General Index Registry Number.
Individual Investors /Individual Bidders/ IB/ II	Minimum application size shall be two lots per application, such that the minimum application size shall be above ₹ 2 Lakhs. (including HUFs applying through their Karta) and Eligible NRI.
Individual Portion	The portion of the Net Issue being not less than 35% of the Net Equity Shares which shall be available for allocation to Individual Investors in accordance with the SEBI ICDR Regulations.
IPO/ Issue / Issue Size/ Public Issue	Initial Public Offering.
Issue Agreement	Issue Agreement dated May 07, 2026 amongst our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue/ Issue Size/ Initial Public Offer/ Initial Public Offer/ Initial Public Offering/ IPO	The initial public offering of upto 60,00,000 Equity Shares for cash at a price of ₹ [●]/- each, aggregating up to ₹ [●] Lakhs each (including a share premium of ₹ [●]/- each), aggregating up to ₹ [●] Lakhs by our Company.
Issue Proceeds	Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled *"Objects of the Issue"* page 97 of this Red Herring Prospectus.
Issue Price	The Price at which the Equity Shares are being issued/offered by our Company under this Red Herring Prospectus being ₹ [●]/- per equity share.
Issue Proceeds	The proceeds of the Issue which shall be available to our Company. For further information about use of the Issue Proceeds, see *"Objects of the Issue"* on page 97 of this Red Herring Prospectus.

Terms	Description
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the BSE Limited.
Market Making Agreement	The Market Making Agreement dated August 31, 2026 between our Company, Book Running Lead Manager and Market Maker.
Market Maker	Sunflower Broking Private Limited.
Market Maker Reservation Portion	The reserved portion of Upto 3,00,000 Equity Shares of ₹ 10/- each at an Issue price of ₹ [●]/- each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Issue.
Mutual Fund Portion	The portion of the Issue being 5% of the Net QIB Portion consisting of 57,000 Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Issue	The Issue excluding the Market Maker Reservation Portion of Upto 57,00,000 Equity Shares of Face Value of ₹ 10/- each fully paid for cash at a price of ₹ [●]/- Equity Share aggregating ₹ [●] Lakhs by our Company.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Net Proceeds	Proceeds of the Issue less our Company's share of the Issue expenses. For further details regarding the use of the Net Proceeds and the Issue expenses, see *"Objects of the Issue"* beginning on page 97 of this Red Herring Prospectus.
Non – Individual Portion including Qualified Institution Buyers (NII)	The remaining portion of the Net Issue, after Individual Investors portion, being not more than 50% of the Net issue which shall be available for allocation to NIIs in accordance with the SEBI ICDR Regulations.
Non-Institutional Bidders/ Non-Institutional Investors/ NIIs	All Bidders that are not QIBs, IBs or Eligible Employees Bidding in the Employee Reservation Portion and who have Bid for Equity Shares for an amount more than ₹ 2.00 Lakhs (but not including NRIs other than Eligible NRIs).
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Issue, consisting of at least 8,55,000 Equity Shares, shall be available for allocation on a proportionate basis to NIIs of which (a) one-third of the Non-Institutional Investor Category shall be available for allocation to Bidders with an application size of more than 2 (two) lots and up to such lots equivalent to not more than ₹ 10,00,000 and (b) two-thirds of the Non-Institutional Investor Category shall be available for allocation to Bidders with an application size of more than ₹10,00,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to other sub-category of Non-Institutional Investor and the remaining shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regards in Schedule XIII of SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.
Non-Resident/NR	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
Other Investor	Investors other than Individual Investors. These include individual applicants other than Individual Investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Price Band	Price band of a minimum price of ₹ [●]/- per Equity Share (Floor Price) and the maximum price of ₹ [●]/- per Equity Share (Cap Price) including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price. The Price Band and the minimum Bid Lot for the Issue will be decided by our Company, in consultation with the BRLM, and will be advertised in all editions of English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and in Regional newspaper Financial Express (Gujarati) being the regional language of Gujarat, where our Registered is situated) at least two Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.

Terms	Description
Pricing Date	The date on which our Company, in consultation with the BRLM, will finalize the Issue Price.
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Announcement	The Draft Red Herring Prospectus filed with SME Platform of BSE Limited was made public for comments, if any, for a period of at least twenty-one days from the date of filing the Draft Red Herring Prospectus, by hosting it on our Company's website, the BSE website and Book Running Lead Manager's website. Our Company had, within two working days of filing the Draft Red Herring Prospectus with BSE SME, made a public announcement in all editions of an English national daily newspaper, and all editions of a Hindi national daily newspaper and all editions of regional language newspaper, where our Registered Office is located, disclosing the fact of filing of the Draft Red Herring Prospectus with BSE SME and inviting the public to provide their comments to the BSE, our Company or the Book Running Lead Manager in respect of the disclosures made in the Draft Red Herring Prospectus.
Public Issue Account(s)	Bank account(s) to be opened with the Public Issue Account Bank(s) under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date.
Public Issue Account Bank(s)	The banks with which the Public Issue Account(s) is opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being Axis Bank Limited.
QIB Category/ QIB Portion	The portion of the Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue consisting of Upto 28,50,000 Equity Shares, available for allocation to QIBs (including Anchor Investors) on a proportionate basis (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company, in consultation with the BRLM up to a limit of 60% of the QIB Portion), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors).
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.
Red Herring Prospectus/ RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue including any addenda or corrigenda thereto. The Bid/Issue Opening Date shall be at least three Working Days after the filing of Red Herring Prospectus with the RoC. The Red Herring Prospectus will become the Prospectus upon filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto.
Refund Account(s)	The account(s) opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made.
Refund Bank(s)	The Banker(s) to the Issue which are a clearing member registered with SEBI under the SEBI BTI Regulations with whom the Refund Account(s) will be opened, in this case being Axis Bank Limited.
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of SEBI circular number CIR/CFD/14/2012 dated October 4, 2012, and the UPI Circulars, issued by SEBI.
Registrar Agreement	The agreement dated May 07, 2026 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar to the Issue/ Registrar	MUFG Intime India Private Limited (Formerly Link Intime India Private Limited).
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations.
Reserved Category/Categories	Categories of persons eligible for making bid under reservation portion.
Revision Form	The form used by the Applicant, to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s). Individual Investors, QIB Applicant and Non-Institutional Applicant are not allowed to lower or withdraw their Application Forms (in terms of quantity of Equity Shares or the Application

Terms	Description
	Amount) at any stage.
SCORES	Securities and Exchange Board of India Complaints Redress System.
Self-Certified Syndicate Bank(s)/ SCSB(s)	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and issues the facility of: (a) ASBA, including blocking of bank account. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 & https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, or such other website as may be prescribed by SEBI from time to time. Applications through UPI in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as updated from time to time
Specified Locations	Bidding Centers where the Syndicate shall accept ASBA Forms from Bidders, a list of which will be included in the Bid cum Application Form.
Specified Securities	Equity shares offered through this Red Herring Prospectus.
Sponsor Bank(s)	The Bankers to the Issue registered with SEBI, which have been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the UPI Bidders using the UPI and carry out other responsibilities, in terms of the UPI Circulars, in this case being Axis Bank Limited.
Stock Exchanges	BSE 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	The agreement to be entered into amongst our Company, the BRLM, the Syndicate Members and the Registrar, in relation to collection of Bids by the Syndicate.
Syndicate Members	Intermediaries (other than the BRLM) registered with SEBI who are permitted to carry out activities in relation to collection of Bids and as underwriters, namely, Swastika Investmart Limited.
Syndicate/ members of the Syndicate	Together, the BRLM and the Syndicate Members.
Systemically Important Non-Banking Financial Company/ NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Underwriters	Swastika Investmart Limited and Jevin Stock Broker Private Limited.
Underwriting Agreement	The agreement dated August 13, 2026 entered among the Underwriters and our Company to be entered into on or after the Pricing Date, but prior to filing of the Prospectus with RoC.
UPI	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two person's bank accounts using a payment address which uniquely identifies a person's bank Account.
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL- 2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (to the extent these circulars

Terms	Description
	are not rescinded by the SEBI RTA Master Circular), SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI RTA Master Circular (to the extent that such circular pertains to the UPI Mechanism), SEBI ICDR Master Circular, SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Individual Bidder to such Mobile App) to the Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The Bidding mechanism that may be used by Individual Investor to make Bids in the Issue in accordance with UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.
Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1) (lll) of the SEBI ICDR Regulations.
Working Day	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day(s) means, all days on which commercial banks in Gujarat are open for business. However, in respect of– (a) announcement related to the Price, if any; and (b) Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Gujarat are open for business; (c) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Saturdays, Sundays and bank holidays, as per circulars issued by SEBI

TECHNICAL AND INDUSTRY RELATED TERMS

Term	Full Form
BOM	Bill of Materials
B/R	Blow room
CAGR	Compound Annual Growth Rate
FMCG	Fast-Moving Consumer Goods
MCX	Multi Commodity Exchange
OEE	Overall Equipment Efficiency
POY	Partially Oriented Yarn
PT	Per Tonne
Spdl	Spindle
TEXPROCIL	The Cotton Textiles Export Promotion Council
TPD	Tonnes per Day
TPM	Tonnes per Month
UGVCL	Uttar Gujarat Vij Company Limited.

CONVENTIONAL TERMS / GENERAL TERMS / ABBREVIATIONS

Term	Description
A/c	Account.
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time.
AGM	Annual General Meeting.
AO	Assessing Officer.
ASBA	Application Supported by Blocked Amount.
AS	Accounting Standards issued by the Institute of Chartered Accountants of India.
AY	Assessment Year.
BG	Bank Guarantee.

Term	Description
CAGR	Compounded Annual Growth Rate.
CAN	Confirmation Allocation Note.
CDSL	Central Depository Services (India) Limited.
CFSS	Companies Fresh Start Scheme under Companies Act, 2013.
CIN	Corporate Identity Number.
CIT	Commissioner of Income Tax.
CRR	Cash Reserve Ratio.
Depositories	NSDL and CDSL.
Depositories Act	The Depositories Act, 1996 as amended from time to time.
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended from time to time.
DIN	Director identification number.
DP/ Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
DP ID	Depository Participant’s Identification.
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization.
ECS	Electronic Clearing System.
EMDE	Emerging Market and Developing Economy.
EoGM	Extra-ordinary General Meeting.
EPS	Earnings Per Share i.e. profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year.
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year.
FDI	Foreign Direct Investment.
FDR	Fixed Deposit Receipt.
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended.
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India,
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
Fis	Financial Institutions.
FIPB	Foreign Investment Promotion Board.
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
GDP	Gross Domestic Product.
GIR Number	General Index Registry Number.
Gov/ Government/GoI	Government of India.
HUF	Hindu Undivided Family.
IFRS	International Financial Reporting Standard.
ICSI	Institute of Company Secretaries of India.
ICAI	Institute of Chartered Accountants of India.
Indian GAAP	Generally Accepted Accounting Principles in India.
I.T. Act	Income Tax Act, 1961, as amended from time to time.
ITAT	Income Tax Appellate Tribunal.
INR/ Rs. / Rupees / ₹	Indian Rupees, the legal currency of the Republic of India.
LIC	Low-Income Country.
Ltd.	Limited.
Pvt. Ltd.	Private Limited.
MCA	Ministry of Corporate Affairs.
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended.
MOF	Ministry of Finance, Government of India.
MOU	Memorandum of Understanding.

Term	Description
NA	Not Applicable.
NAV	Net Asset Value.
NEFT	National Electronic Fund Transfer.
NOC	No Objection Certificate.
NR/ Non-Residents	Non-Resident.
NRE Account	Non-Resident External Account.
NRI	Non-Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations.
NRO Account	Non-Resident Ordinary Account.
NSDL	National Securities Depository Limited.
NTA	Net Tangible Assets.
p.a.	Per annum.
P/E Ratio	Price/ Earnings Ratio.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time.
PAT	Profit After Tax.
PBT	Profit Before Tax.
PIO	Person of Indian Origin.
PLR	Prime Lending Rate.
R & D	Research and Development.
RBI	Reserve Bank of India.
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time.
RFO	Revenue From Operations.
RoNW	Return on Net Worth.
RTGS	Real Time Gross Settlement.
SAT	Securities Appellate Tribunal.
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time.
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time.
SCSBs	Self-Certified Syndicate Banks.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time.
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
SEBI Rules and Regulations	SEBI (ICDR) Regulations, 2018, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time.
Sec.	Section.
Securities Act	The U.S. Securities Act of 1933, as amended.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time.
SME	Small and Medium Enterprises.
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time.
State Government	The Government of a State of India.
Stock Exchanges	Unless the context requires otherwise, refers to, the NSE.
STT	Securities Transaction Tax.
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals,
SPV	Special Purpose Vehicle.
TDS	Tax Deducted at Source.
TAN	Tax Deduction Account Number.
TIN	Tax payer Identification Number.

Term	Description
TRS	Transaction Registration Slip.
UIN	Unique Identification Number.
U.S. GAAP	Generally accepted accounting principles in the United States of America.
USD/ US$/ $	United States Dollar, the official currency of the Unites States of America.
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.
w.e.f.	With effect from.
Water Act, 1974	Water (Prevention and Control of Pollution) Act, 1974.
WIP	Work in process.
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
-, ()	Represent outflow.

KEY PERFORMANCE INDICATORS

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Total Revenue	Total Revenue is used to tack the total revenue generated by the business including other income.
EBITDA	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit after Tax	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE	RoE provides how efficiently our Company generates profits from shareholders' funds.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage.
Interest Coverage Ratio	The interest coverage ratio is a debt and profitability ratio used to determine how easily a company can pay interest on its outstanding debt.
Return on Capital employed (RoCE)	It is calculated as profit before tax plus finance costs divided by total equity plus non-current liabilities.
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Net Capital Turnover Ratio	This metric enables us to track the how effectively company is utilizing its working capital to generate revenue.

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

Notwithstanding the foregoing, terms in *"Description of Equity Shares and Terms of the Articles of Association"*, *"Statement of Possible Tax Benefits"*, *"Industry Overview"*, *"Key Regulations and Policies"*, *"Restated Financial Statements"*, *"Outstanding Litigations and Material Developments"* and *"Issue Procedure"*, will have the meaning ascribed to such terms in these respective sections.

CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

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

In this Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Vivekanand Cotspin Limited”, and, unless the context otherwise indicates or implies, refers to Vivekanand Cotspin Limited. In this Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Use of Financial Data

Unless stated otherwise, throughout this Red Herring Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Red Herring Prospectus is derived from our financial statements prepared and restated for the financial years ended on March 31, 2026, 2025 and 2024 on standalone basis in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “*Restated Financial Statementss”* beginning on page 221, which have been prepared in accordance with the requirements of Section 26 of Part 1 of Chapter III of Companies Act, 2013; Paragraph (A) of Clause 11(I) of Part A of Schedule VI of the SEBI ICDR Regulations, 2018; and the guidance Note on “Reports in Company Prospectus (Revised 2019)” issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time. For further information, please refer to the *“Restated Financial Statements”* chapter on page 221 of this Red Herring Prospectus.

Our fiscal year commences on April 1 of every year and ends on March 31 of every next year. Accordingly, all references in this Red Herring Prospectus to a particular Financial Year, Fiscal or Fiscal Year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data, see chapter title *“Risk Factors”* on page 19 of this Red Herring Prospectus.

Any percentage amounts, as set forth in *“Risk Factors”*, *“Business Overview”*, *“Management’s Discussion and Analysis of Financial Condition and Results of Operations”* and elsewhere in the Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company‘s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in section titled *“Restated Financial Statements”* beginning on page 221 of this Red Herring Prospectus.

For additional definitions used in this Red Herring Prospectus, see the section *“Definitions and Abbreviations”* on page 1 of this Red Herring Prospectus. In the section titled *“Description of Equity Shares and Terms of the Articles of Association”*, on page 316 of the Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Use of Industry & Market Data

Unless stated otherwise, information pertaining to the industry in which our Company operates in, contained in this Red Herring Prospectus is derived from the *“Industry Report on Cotton Yarn”* dated August 14, 2026 which has been exclusively commissioned and paid for by our Company, for the purpose of understanding the industry in connection with this Issue, since no report is publicly available which provides a comprehensive industry analysis, particularly for our Company’s product, that may be similar to the D&B Report. This Red Herring Prospectus contains certain data and statistics from the D&B Report, which is available on the website of our Company at www.vcottonexport.com.

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.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but accuracy, completeness and underlying assumptions of such third-party sources are not guaranteed. Although the industry and market data used in this Red Herring Prospectus is reliable, the data used in these sources may have been re-classified by us for the purposes of presentation however, no material data in connection with the Issue has been omitted. Data from these sources may also not be comparable. Further, D&B has confirmed that to the best of its knowledge no consent is required from any Government or other source from which any information is used in the D&B Report.

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 section *"Risk Factor"* on page 19 of this 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 Issue Price"* on Page 110 of the 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" or "INR" or "Rs." or "₹" are to Indian Rupee, the official currency of the Republic of India; and
- "USD" or "US$" are to United States Dollar, the official currency of the United States.

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in "Lakhs" units. One Lakh represents 1,00,000. In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Currency and Units of Presentation

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

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

Currency[(1)]	For the year/period ended		
	March 31, 2026	**March 31, 2025**	**March 31, 2024**
1 USD	94.65	85.58	83.37
1 SGD	72.71	63.61	61.80
1BDT (Bangladeshi Taka)	0.77	0.70	0.75
1CN¥ (Chinese Yuan)	13.55	11.78	11.64

Source: https://www.rbi.org.in/scripts/referenceratearchive.aspx.

[(1] *If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. The reference rates are rounded off to two decimal places.*

FORWARD LOOKING STATEMENTS

All statements contained in this Red Herring Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Red Herring Prospectus regarding matters that are not historical facts. We have included statements in the Red Herring Prospectus which contain words or phrases such as "will", "aim", "is likely to result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions, that are *"forward-looking statements"*. Also, statements which describe our strategies, objectives, plans or goals are also forward-looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events 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. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- Fluctuation in the prices of raw material;
- Natural disasters, geopolitical factors, or poor harvests can lead to supply shortages or increased raw material costs;
- Our ability to successfully implement our strategy, our growth and expansion, technological changes;
- Fail to attract, retain and manage the transition of our management team and other skilled employees;
- Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
- Ability to respond to technological changes;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
- Recession in the market;
- Changes in laws and regulations relating to the industries in which we operate;
- Our ability to expand our geographical area of operation;
- Effect of lack of infrastructure facilities on our business;
- Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations;
- Occurrence of natural disasters or calamities affecting the areas in which we have operations;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our ability to expand our geographical area of operation;
- Concentration of ownership among our Promoters.

For further discussion of factors that could cause our actual results to differ, see the Section titled *"Risk Factors"*, *"Business Overview"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* beginning on pages 19, 157 and 228 respectively of the Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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

Neither our Company, our Directors, our Officers, Book Running Lead Manager and Underwriter 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 SEBI requirements, our Company, and the Book Running Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

SECTION II - RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a better understanding, you should read this section together with "Business Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 157 and 228, respectively, as well as the other financial and statistical information contained in this Red Herring Prospectus. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.

If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our cash flows, business, financial condition and results of operations could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the impact is not quantifiable and hence the same has not been disclosed in such risk factors. Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Before making an investment decision, investors must rely on their own examination of the Issue and us.

This Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

In this Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in "Risk Factors" on page 19 and "Management Discussion and Analysis of Financial Condition and Results of Operations" on page 228 respectively of this Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the "Financial Information of our Company" prepared in accordance with the Indian Accounting Standards.

Materiality

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

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

INTERNAL RISK FACTORS

1. We have engaged in related party transactions and may continue to do so in the future. A significant portion of our sales and purchase transactions are with related parties.

Our Company in the past has entered into Related Party Transactions and may continue to do so in future also, which may affect our competitive edge. Our Company had entered into various transactions with our Promoters, Directors, Promoter Group members, Group Companies and Promoter Group Entities. These transactions, inter-alia includes rent, sale, loan & advances and purchases etc. Our Company entered into such transactions due to easy proximity and quick execution. Some portion of our sales and purchase transactions are with our related parties, namely Ambica Cotseeds Limited, Vivekanand Industries and Avadh Cotton Industries.

Ambica Cotseeds Limited, a key entity within the Vivekanand Group, is engaged in the export of cotton yarn and cotton bales. It has established a strong market presence and utilizes well-developed banking facilities, making it the primary entity for most of the group's export transactions. Our company procures imported cotton bales from Ambica Cotseeds Limited for its cotton yarn production. Due to the limited presence of post-spinning industries in India, a large portion of its finished goods is exported globally.

Vivekanand Industries operates in ginning and cotton seed oil production, utilizing cotton seed from our company. Additionally, it supplies cotton bales to Vivekanand Cotspin Limited as raw material for cotton yarn production. The entity also sources additional cotton bales from our company to fulfill large orders, with all related party transactions conducted at arm’s length prices.

Furthermore, Avadh Cotton Industries, engaged in cotton ginning and manufacturing, supplied cotton bales to Vivekanand Cotspin Limited during 2023-24 for its spinning unit. In the FY 2024-25, Vivekanand Cotspin Limited procured imported cotton bales from Ambica Cotseeds Pte Ltd, a Singapore-based entity engaged in cotton yarn and cotton bales trading, for use as raw material in its cotton yarn manufacturing process.

The aforesaid transactions are carried out based on transaction-specific purchase contracts, sales contracts, purchase orders, sales orders and order confirmations, as applicable. Separate commercial documents are executed for each transaction, setting out the quantity, quality specifications, pricing, delivery terms, payment terms and other commercial conditions.
Accordingly, the Company does not execute a single overarching purchase or sales agreement with the Related Parties. Instead, each transaction is governed by its respective contract and/or order confirmation executed in the ordinary course of business. All such transactions are undertaken on arm's length basis and in accordance with the Company's approved Related Party Transaction policy and the applicable provisions of the Companies Act, 2013 and SEBI regulations.

In addition to this, our company has also undertaken the following types of transactions with Ambica Cotseeds Pte. Ltd. in ordinary course of business:

- **Supply of Cotton Bales:** Ambica Cotseeds Pte. Ltd. supplies cotton bales to the Company on a principal-to-principal basis, pursuant to separately negotiated purchase contracts executed for each transaction.

- **Procurement Support Services:** In addition to supplying cotton bales on its own account, Ambica Cotseeds Pte. Ltd. also assists the Company, whenever required, in identifying overseas suppliers and facilitating procurement of cotton from international markets.

All the aforesaid transactions with Ambica Cotseeds Pte. Ltd., are undertaken on a contract-to-contract basis. Each transaction is independently governed by its respective purchase contract and order confirmation other customary commercial documentation executed for the specific transaction. Accordingly, there is no overarching or master service agreement between the Company and Ambica Cotseeds Pte. Ltd.

The detail of transactions with related party is as follows:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	% of revenue	For the period ended March 31, 2025	% of revenue	For the period ended August 04, 2024	% of revenue	For the year ended March 31, 2024	% of revenue
Transactions during the year:								
Director Remuneration								
Nirav Patel	-	0.00%	4.00	0.01%	-	0.00%	-	0.00%
Salary								
Irfan Abdulbhai Mansuri	9.60	0.02%	4.00	0.01%	-	0.00%	-	0.00%
Komal Vijaybhai Chauhan	5.42	0.01%	1.08	0.00%	-	0.00%	-	0.00%
Sitting fees								
Neha Agarwal	1.10	0.00%	-	0.00%	-	0.00%	-	0.00%
Sandeep Kumar Likhamania	1.10	0.00%	-	0.00%	-	0.00%	-	0.00%
Transfer of Company Loan to Director**								
Jasmin Vishnubhai Patel	-	0.00%	8.62	0.03%	-	0.00%	-	0.00%

Particulars	For the year ended March 31, 2026	% of revenue	For the period ended March 31, 2025	% of revenue	For the period ended August 04, 2024	% of revenue	For the year ended March 31, 2024	% of revenue
Unsecured Loan								
Truepay Finance Private Limited (Formerly known as Jain Finscap Private Limited)	-	0.00%	42.00	0.14%	-	0.00%	-	0.00%
Jasmin Vishnubhai Patel	-	0.00%	397.93	1.37%	9.01	0.12%	-	0.00%
Nirav Patel	-	0.00%	719.43	2.48%	-	0.00%	-	0.00%
Gautam Bharatbhai Patel	-	0.00%	264.81	0.91%	20.07	0.27%	-	0.00%
Vishnubhai Patel	-	0.00%	154.47	0.53%	-	0.00%	-	0.00%
Bharatbhai Patel	-	0.00%	326.53	1.12%	-	0.00%	-	0.00%
Repayment of Unsecured Loan								
Truepay Finance Private Limited (Formerly known as Jain Finscap Private Limited)	-	0.00%	42.00	0.14%	-	0.00%	-	0.00%
Vishnubhai Patel	160.50	0.39%	-	0.00%	-	0.00%	-	0.00%
Nirav Patel	607.90	1.49%	-	0.00%	-	0.00%	-	0.00%
Jasmin Vishnubhai Patel	198.54	0.49%	0.54	0.00%	-	0.00%	-	0.00%
Gautam Bharatbhai Patel	171.70	0.42%	0.92	0.00%	-	0.00%	-	0.00%
Bharatbhai Patel	212.42	0.52%	-	0.00%	-	0.00%	-	0.00%
Preet Vishnubhai Patel	-	0.00%	2.00	0.01%	-	0.00%	-	0.00%
Interest on Loan								
Vishnubhai Patel	17.72	0.04%	-	0.00%	-	0.00%	-	0.00%
Nirav Patel	36.78	0.09%	-	0.00%	-	0.00%	-	0.00%
Jasmin Vishnubhai Patel	45.60	0.11%	-	0.00%	-	0.00%	-	0.00%
Gautam Bharatbhai Patel	30.28	0.07%	-	0.00%	-	0.00%	-	0.00%
Bharatbhai Patel	37.47	0.09%	-	0.00%	-	0.00%	-	0.00%
Commission Expenses								
Ambica Cotseeds PTE Limited	-	0.00%	6.23	0.02%	-	0.00%	-	0.00%
Lease Expense								
Vishnubhai Patel	1.20	0.00%	1.00	0.00%	-	0.00%	-	0.00%
Bharatbhai Patel	1.20	0.00%	1.00	0.00%	-	0.00%	-	0.00%
Ranjan Patel	1.20	0.00%	1.20	0.00%	-	0.00%	0.35	0.00%
Kapilaben Vishnubhai Patel	1.20	0.00%	1.20	0.00%	-	0.00%	0.35	0.00%
Kantaben Prahladbhai Patel	-	0.00%	-	0.00%	-	0.00%	1.20	0.00%
Avadh Cotton Industries	2.40	0.01%	4.97	0.02%	-	0.00%	4.80	0.01%
Purchase								
Ambica Cotseeds Limited	-	0.00%	531.56	1.83%	13.22	0.18%	3,663.11	10.25%
Vivekanand Industries	-	0.00%	519.15	1.79%	759.28	10.06%	1,886.44	5.28%
Ambica Cotseeds PTE Limited	-	0.00%	1,847.64	6.36%	-	0.00%	-	0.00%
Avadh Cotton Industries	-	0.00%	-	0.00%	-	0.00%	139.90	0.39%
Kapilaben Vishnubhai Patel	-	0.00%	-	0.00%	-	0.00%	3.65	0.01%
Kantaben Prahladbhai Patel	-	0.00%	-	0.00%	-	0.00%	3.62	0.01%
Bharatbhai Patel	-	0.00%	-	0.00%	-	0.00%	3.36	0.01%
Sales								

Particulars	For the year ended March 31, 2026	% of revenue	For the period ended March 31, 2025	% of revenue	For the period ended August 04, 2024	% of revenue	For the year ended March 31, 2024	% of revenue
Ambica Cotseeds Limited	1,310.63	3.21%	7,096.25	24.43%	3,564.34	47.23%	13,743.42	38.46%
Vivekanand Industries	1,339.17	3.28%	3,354.08	11.55%	1,745.21	23.13%	9,870.98	27.62%
Capital Contribution								
Bharatbhai Patel	-	0.00%	-	0.00%	25.38	0.34%	218.25	0.61%
Gautam Bharatbhai Patel	-	0.00%	-	0.00%	100.15	1.33%	3.75	0.01%
Jasmin Vishnubhai Patel	-	0.00%	-	0.00%	188.74	2.50%	53.00	0.15%
Nirav Patel	-	0.00%	-	0.00%	194.14	2.57%	171.00	0.48%
Vishnubhai Patel	-	0.00%	-	0.00%	18.08	0.24%	60.96	0.17%
Capital Withdrawl								
Bharatbhai Patel	-	0.00%	-	0.00%	31.24	0.41%	287.01	0.80%
Gautam Bharatbhai Patel	-	0.00%	-	0.00%	30.64	0.41%	464.37	1.30%
Jasmin Vishnubhai Patel	-	0.00%	-	0.00%	43.99	0.58%	359.82	1.01%
Nirav Patel	-	0.00%	-	0.00%	158.64	2.10%	774.99	2.17%
Vishnubhai Patel	-	0.00%	-	0.00%	49.49	0.66%	136.81	0.38%
Interest on Capital								
Bharatbhai Patel	-	0.00%	-	0.00%	9.39	0.12%	18.56	0.05%
Gautam Bharatbhai Patel	-	0.00%	-	0.00%	11.57	0.15%	49.07	0.14%
Jasmin Vishnubhai Patel	-	0.00%	-	0.00%	13.31	0.18%	39.82	0.11%
Nirav Patel	-	0.00%	-	0.00%	10.68	0.14%	47.74	0.13%
Vishnubhai Patel	-	0.00%	-	0.00%	9.33	0.12%	24.40	0.07%

** % of total revenue from operations of that period/year.*

***The transfer of the vehicle loan to the Director/Partner was undertaken as part of the rationalization of the books of account of the erstwhile LLP. The vehicle financed under the said loan was reflected as an asset in the books of the erstwhile LLP. However, the vehicle was in the name of the individual Partner and not in the name of the LLP. Accordingly, in order to align the legal ownership of the vehicle with the accounting records, the LLP transferred the motor car at its carrying/book value to the respective Partner's Capital Account. Simultaneously, the outstanding vehicle loan pertaining to the said motor car was also transferred to the respective Partner's Capital Account.Accordingly, both the asset and the corresponding liability were transferred together, ensuring that the accounting treatment was consistent with the legal ownership of the vehicle. The transaction was merely an accounting and legal rationalization exercise and did not involve any cash outflow, loan waiver, write-off or financial benefit being extended by the Company to the Director/Partner.*

We also provides entity-wise and transaction-wise Break-up of Purchases from Related Parties

(₹ in Lakhs)

Party Name	For the Period Ended on March 31, 2026	For the Period Ended on March 31, 2025	For the Period Ended on Aug 04, 2024	For the Period Ended on March 31,2024
Ambica Cotseeds Limited	-	531.56	13.22	3,663.11
Vivekanand Industries	-	519.15	759.28	1,886.44
Ambica Cotseeds Pte. Ltd.	-	1,847.64	-	-
Avadh Cotton Industries	-	-	-	139.90
Kapilaben Vishnubhai Patel	-	-	-	3.65
Kantaben Prahladbhai Patel	-	-	-	3.62
Bharatbhai Prahladbhai Patel	-	-	-	3.36

Transaction-wise Purchases:

Ambica Cotseeds Limited:

(₹ in Lakhs)

Particulars	For the Period Ended on March 31, 2026	For the Period Ended on March 31, 2025	For the Period Ended on Aug 04, 2024	For the Period Ended on March 31,2024
Cotton Bales	-	220.52	10.90	3,590.99
Cotton Yarn	-	311.05	2.31	72.12
Total	**-**	**531.56**	**13.22**	**3,663.11**

Vivekanand Industries:

(₹ in Lakhs)

Particulars	For the Period Ended on March 31, 2026	For the Period Ended on March 31, 2025	For the Period Ended on Aug 04, 2024	For the Period Ended on March 31,2024
Cotton Bales	-	519.15	759.28	1,886.44
Total	-	519.15	759.28	1,886.44

Ambica Cotseeds Pte. Ltd.:

(₹ in Lakhs)

Particulars	For the Period Ended on March 31, 2026	For the Period Ended on March 31, 2025	For the Period Ended on Aug 04, 2024	For the Period Ended on March 31, 2024
Cotton Bales	-	1,847.64	-	-
Total	-	1,847.64	-	-

Further, we confirm that same inventory is not traded multiple times amongst group entities before reaching the ultimate end customer. The related party transactions undertaken by the Company and its related entities are driven by genuine business requirements and each entity performs a distinct commercial function within the cotton value chain. The movement of goods is supported by actual transfer of inventory, commercial documentation and business rationale.

The flow of goods is generally as follows:

- Cotton Seed generated during the ginning process of Vivekanand Cotspin Limited is sold to Vivekanand Industries & Others, where it undergoes further processing and value addition into cotton seed oil, wash oil and cotton seed oil cake before being sold to third-party customers.
- Cotton Yarn and Cotton Bales manufactured by Vivekanand Cotspin Limited are sold to Ambica Cotseeds Limited, which utilizes its established export network, customer relationships and banking facilities to export the products to international customers.
- Ambica Cotseeds Pte. Ltd., Singapore undertakes international merchant trading activities and sourcing functions independently and does not participate in any circular movement of inventory with the Issuer Company.

Accordingly, there is no multiple-layer trading of the same inventory within the group prior to sale to the end customer, and the related party transactions are not structured to artificially inflate turnover, profitability or margins of the Issuer Company.

Based on the foregoing, all the transaction with the related parties are supported by actual movement of goods and genuine commercial considerations and have been undertaken in the ordinary course of business and at arm's length basis. Further, there are no circular transactions within the related party transactions of the Issuer Company.

We also provides entity-wise and transaction-wise Break-up of Sales to Related Parties:

Sales to Related Parties:

(₹ in Lakhs)

Party Name	For the Period Ended on March 31, 2026	For the Period Ended on March 31, 2025	For the Period Ended on Aug 04, 2024	For the Period Ended on March 31,2024
Ambica Cotseeds Limited	1,310.63	7,096.25	3,564.34	13,743.42
% of Revenue from	3.21	24.43	47.23	38.46

Party Name	For the Period Ended on March 31, 2026	For the Period Ended on March 31, 2025	For the Period Ended on Aug 04, 2024	For the Period Ended on March 31,2024
Operations				
Vivekanand Industries	1,339.17	3,354.08	1,745.21	9,870.98
% of Revenue from Operations	3.28	11.55	23.13	27.62

Ambica Cotseeds Limited:

(₹ in Lakhs)

Particulars	For the Period Ended on March 31, 2026	For the Period Ended on March 31, 2025	For the Period Ended on Aug 04, 2024	For the Period Ended on March 31,2024
Cotton Yarn	1,310.63	3,891.70	2,166.04	6,058.02
Cotton Bales	-	3,065.74	1,281.51	7,260.86
Cotton Yarn Waste	-	138.82	116.79	331.54
Job Work Income	-	-	-	93.00
Total	**1,310.63**	**7,096.25**	**3,564.34**	**13,743.42**

Vivekanand Industries:

(₹ in Lakhs)

Particulars	For the Period Ended on March 31, 2026	For the Period Ended on March 31, 2025	For the Period Ended on Aug 04, 2024	For the Period Ended on March 31, 2024
Cotton Seed	1,339.17	2,852.21	1,100.69	3,257.58
Cotton Bales	-	501.24	644.51	6,432.31
Cotton Yarn	-	-	-	166.29
Cotton Yarn Waste	-	-	-	14.79
Kapas	-	0.63	-	-
Total	**1,339.17**	**3,354.08**	**1,745.21**	**9,870.98**

While all our related party transactions have been conducted on an arm's length basis and in compliance with applicable provision, we cannot assure you that we may not have achieved more favorable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

For further details, please refer to chapter titled *"Restated Financial Statements"* and *"Summary of Related Party Transactions"* on page 199 and 59 of this Red Herring Prospectus.

2. ***Our Company enters into significant business transactions with certain related parties to leverage their specialized capabilities, export infrastructure, processing facilities and established customer relationships. Any disruption, modification or termination of such arrangements, or our inability to replace them on commercially comparable terms, could adversely affect our business, operations and financial condition.***

The related party entities perform distinct functions within the cotton value chain and possess specialized capabilities, infrastructure, customer relationships and market access that facilitate efficient business operations. The transactions are not routed through related parties merely due to common ownership or control but are supported by clear business rationale and are undertaken at arm's length prices.

The commercial rationale for undertaking transactions with related parties is explained below:

1. Transactions with Ambica Cotseeds Limited

Ambica Cotseeds Limited is engaged in the business of domestic trading and export of cotton yarn and cotton bales and has established a strong presence in international markets over the years. The company has developed:

- Established relationships with overseas customers;
- Export marketing and distribution network;

- Expertise in export documentation and regulatory compliances;
- Strong banking arrangements and trade finance facilities;
- Experience in handling international logistics and shipment management; and
- Access to diversified export markets.

Given the comparatively limited presence of downstream textile industries such as weaving, knitting and garment manufacturing in India, a significant portion of cotton yarn and cotton bales produced by the Issuer Company is ultimately sold in export markets. Ambica Cotseeds Limited acts as a channel partner for servicing such export demand through its established customer network and export infrastructure.

Accordingly, transactions with Ambica Cotseeds Limited enable:

- Access to international markets and export customers;
- Efficient execution of export orders;
- Wider customer reach and market penetration;
- Better utilization of production capacity; and
- Reduced operational and administrative burden associated with export management.

The Issuer Company could undertake exports directly or through third-party export houses; however, Ambica Cotseeds Limited already possesses the required export ecosystem, customer relationships and banking infrastructure, thereby providing operational efficiencies and facilitating timely execution of export orders.

2. Transactions with Vivekanand Industries

Vivekanand Industries is engaged in cotton ginning and processing of cotton seed into value-added products such as:

- Cotton Seed Oil;
- Wash Oil; and
- Cotton Seed Oil Cake.

During the ginning process carried out by the Issuer Company, cotton seed is generated as a by-product. Vivekanand Industries possesses dedicated processing facilities and technical expertise for converting such cotton seed into commercially marketable products.

Accordingly, transactions with Vivekanand Industries facilitate:

- Value addition of cotton seed generated by the Issuer Company;
- Efficient utilization of by-products;
- Stable off-take of cotton seed production;
- Improved realization from the cotton value chain; and
- Reduction in inventory holding and storage requirements.

Further, Vivekanand Industries occasionally receives customer orders for cotton bales that exceed its own production capacity. In such cases, it procures products from the Issuer Company for onward sale to customers. This enables the Issuer Company to access additional customer relationships and increase utilization of its manufacturing capacity.

3. Transactions with Ambica Cotseeds Pte. Ltd., Singapore

Ambica Cotseeds Pte. Ltd. is engaged in international merchant trading and sourcing of cotton products. The company facilitates international procurement opportunities and assists in establishing sourcing relationships in overseas markets.

Transactions with Ambica Cotseeds Pte. Ltd. are undertaken where its international sourcing capabilities, market knowledge, overseas business network and business location provide commercial advantages to the Company.

3. Under-utilization of our manufacturing capacities and an inability to effectively utilize our existing manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.

As on date of this Red Herring Prospectus, our Company has 25,536 spindles installed at Kadi unit which has an annual installed capacity of spinning 4,551Kgs for Cotton Yarn. In Fiscals 2026, 2025 and 2024 our overall capacity utilization is detailed below:

Capacity of spinning of cotton into yarn:

Name of Product	Total Capacity Installed (in metric ton) (Per Year)	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended March 31, 2024	
		Total Production	Capacity Utilization (in %)	Total Production	Capacity Utilization (in %)	Total Production	Capacity Utilization (in %)
Cotton Bales	8,000	7,425	92.82	6,801	85.01	6,556	81.94
Cotton Yarn	4,551	3,051	67.05	3,415	75.05	3703	81.38

As certified by Multi Engineers Private Limited, Chartered Engineer vide certificate dated August 18, 2026.

Our capacity utilization levels are dependent on our ability to carry out uninterrupted operations at manufacturing facility as well as on the market demand of the product sold by us. Among others, the capacity utilization also depends upon the availability of raw materials, labour, industry/ market conditions and procurement practice followed by our customers. In the event we are unable to achieve considerable capacity utilization of our current manufacturing facility, it would result in operational inefficiencies which could have a material adverse effect on our business, results, financial condition and future prospects. Under-utilization of our manufacturing capabilities over extended periods, or significant under-utilization in the short-term, could materially and adversely impact our business, growth prospects and future financial performance.

The installed spinning capacity of the Company remained under-utilised during the Review Period. However, such under-utilisation is not attributable to any inadequacy of the Company's manufacturing infrastructure, installed capacity, plant capability or operational constraints, but is primarily a result of the Company's strategic production planning and commercial considerations.

The principal reasons for the under-utilisation are as follows:

- **Optimisation of product mix:** The Company manufactures cotton yarn based on customer requirements and market demand. During the Review Period, the Company increasingly focused on manufacturing value-added and customer-specific yarn products. Such products require additional process controls, stringent quality standards, traceability requirements and higher operational attention. Accordingly, production planning is driven by customer specifications, quality requirements and value realisation rather than maximising production volumes;

- **Volatility in cotton prices:** Fluctuations in cotton prices influence procurement planning, inventory management and production scheduling. The Company accordingly aligns its production with commercial viability while maintaining prudent inventory levels and efficient utilisation of resources.

- **Focus on sustainable profitability:** The Company follows a prudent business strategy of optimising product mix and value realisation instead of operating the plant at full capacity merely to maximise production volume. Management believes that sustainable profitability, operational efficiency and product quality are more appropriate performance indicators than capacity utilisation alone.

The proposed investment under the Objects of the Issue is not intended to increase the installed production capacity. The existing installed capacity of 25,536 spindles is adequate for the Company's current operations. The proposed capital expenditure is solely for technological upgradation through installation of Comber Machines, Compact Spinning Systems and Automatic Cone Winding (Link Coner) Systems within the existing manufacturing facility. The proposed machinery is expected to improve process efficiency, product quality, automation, operational reliability, reduce wastage and enhance the Company's capability to manufacture a broader range of value-added yarn products.

To optimise utilisation of its existing manufacturing facilities, the Company continues to undertake the following initiatives:

- Expanding its domestic and export customer base;
- Strengthening relationships with existing customers to secure repeat business;
- Optimising its product mix in line with customer requirements and market opportunities;
- Undertaking continuous technological upgradation to improve productivity, operational efficiency and product quality; and
- Leveraging its integrated ginning and spinning operations for efficient raw material sourcing and cost optimisation.

Accordingly, the Company believes that the proposed technological upgradation, together with its continued focus on operational efficiency, customer diversification and value-added products, will strengthen its competitiveness, improve operational performance and support better utilisation of its existing manufacturing facilities over the medium to long term.

4. There may be potential conflicts of interest if our promoter group entities and group companies get involved in any business activities that compete with or are in the same line of activity as our business operations.

At present, our promoter group entities and group companies, namely Avadh Cotton Industries, Vivekanand Industries, Ambica Cotseeds Limited, and Ambica Cotseeds PTE Ltd, are involved in businesses similar to our company. These entities operate in the import and export of cotton yarn and cotton bales, ginning activities, and the operation of cotton seed oil mills. Given the overlap in business activities, there exists a possibility that these entities may, at some point, directly or indirectly compete with our business operations.

While we strive to manage any potential conflicts of interest, there can be no guarantee that the interests of our promoter group entities and group companies will not diverge from ours or that they will not engage in activities that could conflict with our current or future business initiatives. If such conflicts arise, they could have a material and adverse impact on our company's reputation, market positioning, business operations, financial health, and overall results.

Furthermore, any competitive actions taken by these group entities or business conflicts may undermine our profitability, limit our growth prospects, or create challenges in achieving our strategic objectives. Consequently, this could significantly affect our financial condition and the ability to meet our business targets and impacting long-term growth.

Our Company has entered into a non-compete agreement dated March 24, 2026 with Ambica Cotseeds Limited, dated 10th April, 2026 with Ambica Cotseeds Pte Limited, Vivekanand Industries, Avadh Cotton Industries.

For details, please refer the chapter titled "Our Promoters and Promoter Group" and "Information with respect to group companies" beginning on pages 188 and 195 of this Red Herring Prospectus.

The details of the group companies engaged in a similar line of business as that of our Company are set out below:

Name of Group Company	Description of Business	Similarity with the Company's Business	Distinguishing Points	Customer Profile	Supplier Profile	Non-Compete Agreement
Ambica Cotseeds Limited	Please refer to the "Group Companies" chapter of the Offer Document for detailed description of its business	Operates in a similar line of business relating to trading of cotton bales and cotton yarn	Primarily engaged in merchant trading and export activities with an established international customer network, whereas the Issuer Company is principally engaged in manufacturing of cotton yarn and cotton ginning.	Domestic and international textile manufacturers, traders and export customers.	Domestic cotton processors, manufacturers, traders and import suppliers.	Yes – Non - Compete Agreement Dated March 24, 2026
Ambica Cotseeds Pte Limited		Operates in a similar line of business relating to merchant trading of cotton bales in international markets	Acts as an overseas sourcing and merchant trading entity, whereas the Issuer Company is engaged in manufacturing and domestic operations.	Overseas traders and international customers.	International cotton suppliers and overseas merchants.	Yes –Non- Compete Agreement Dated April 10,2026
Truepay Finance Private		Truepay Finance Private Limited is	Operates in the financial services sector, whereas the	Borrowers and financial service	Financial institutions and funding	No

Name of Group Company	Description of Business	Similarity with the Company's Business	Distinguishing Points	Customer Profile	Supplier Profile	Non-Compete Agreement
Limited		not engaged in a business similar to that of the Company, and therefore no non-compete arrangement is applicable in its case	Issuer Company is engaged in cotton ginning and manufacture of cotton yarn	customers.	sources.	

5. ***Any fluctuations in cotton prices and availability may pose a significant risk to the Company's cost of production and profitability.***

Our business is heavily dependent on the availability and pricing of raw cotton, which is subject to seasonal variations, global demand-supply dynamics, and government policies on agricultural production. The price of cotton is influenced by multiple factors, including weather conditions, international trade policies, fluctuations in foreign exchange rates, and subsidies or tariffs imposed by cotton-producing countries. Any sharp increase in raw cotton prices could significantly raise our production costs, while price volatility may impact our ability to maintain stable margins.

There is no assurance that we will always be able to procure raw cotton at favorable prices or in required quantities. In periods of limited availability, we may have to source cotton at higher costs, which could reduce our competitiveness and profitability. Additionally, a decline in global or domestic cotton demand may lead to inventory accumulation, further impacting cash flow and operational efficiency.

While we have established long-term relationships with suppliers and maintain an efficient procurement strategy, these efforts do not fully mitigate the risks associated with price fluctuations and supply constraints. Despite our cost management initiatives, adverse movements in cotton prices may still impact our financial performance. Any sustained increase in raw material costs without a corresponding increase in product prices could negatively affect our profit margins and overall business growth.

For further details, please refer to chapter titled *"Business Overview"* on page 157 of this Red Herring Prospectus.

6. ***Dependence on seasonal cotton production may disrupt raw material procurement, impacting manufacturing continuity, production schedules, and profitability.***

Cotton production is seasonal, with peak availability occurring during harvest periods i.e., November to March. This seasonality can result in fluctuations in raw material availability and pricing, impacting our ability to maintain consistent production levels. Factors such as unexpected weather patterns, pest infestations, and variations in crop yield can disrupt the supply chain, forcing us to adjust procurement strategies or purchase raw cotton at higher prices.

If cotton availability declines during off-seasons, we may experience supply shortages that could delay production schedules and order fulfillment and impact our working capital cycle. Additionally, reliance on seasonal procurement increases our inventory holding costs, as we may need to stockpile raw cotton to sustain production during lean periods. In such cases, market price fluctuations may impact the valuation of our inventory, potentially affecting profitability.

Although, we maintain strategic relationships with multiple suppliers and engage in advance procurement planning. We also explore alternatives such as diversifying sourcing regions to reduce dependence on any single geographic location. However, there is no assurance that these measures will entirely offset supply constraints or price volatility, and prolonged disruptions could impact our operational and financial performance.

For further details, please refer to chapter titled *"Business Overview"* on page 157 of this Red Herring Prospectus.

7. ***There are certain discrepancies / errors noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 2013. Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of the Company to that extent.***

In the past, our Company has experienced certain delays in filing, as well as inaccuracies in filings, with the Registrar of Companies ("ROC"), and has not complied with certain provisions under applicable laws, i.e. the Companies Act, 2013. We have obtained a Search report from the M/s Parikh Dave and Associates, Practising Company Secretary, dated May 28, 2026. While we have taken steps to regularise such lapses and strengthen our internal compliance processes, there can be no assurance that similar instances will not occur in the future.

The details of non-compliances or delayed filings is given as follows:

S. No.	Nature of Filing / Compliance	Description of Error / Non - compliance	Status / Remarks
1.	Form MGT-7 for FY ended March 31, 2025	1. Number of persons under the category of Non-Promoters, Non-Executive Non-Independent Directors has been mentioned incorrectly 2. Designation of Ms. Komal Chauhan has been inadvertently mentioned as "Director" instead of "Company Secretary" 3. Date of 11th Board Meeting has been inadvertently mentioned incorrect	The e - Form has already been filed. No further statutory action required, as internal records such as Resolutions, Minutes, Explanatory Statement reflects correct details. This is a clerical irregularity with no ongoing impact.
2.	Form ADT-1 dated 09th October, 2025	1. Applicability of auditor rotation as per Section 139(2) has been inadvertently selected as "No" 2. Due to inadvertent error, "Recommendation of Audit Committee" for the appointment of the Statutory Auditor has been selected as "Not Applicable"	The e - Form has already been filed. No further statutory action required, as internal records such as Resolutions, Minutes, Explanatory Statement reflects correct details. This is a clerical irregularity with no ongoing impact.

The above non-compliances under the provisions of the Companies Act, 2013 were inadvertent and clerical in nature and did not arise from any deliberate or wilful default. Such non-compliances are procedural and are not material in nature. The non-compliances do not have any material impact on the affairs, governance or operations of the Company. While no legal proceedings or regulatory action has been initiated against our Company as of the date of this Red Hearing Prospectus, we cannot assure you that such legal proceedings or regulatory actions will not be initiated against our Company in future and we cannot assure that we will not be subject to penalties imposed by concerned regulatory authorities in this respect. Therefore, if the authorities impose monetary penalties on our Company or against any of the Directors of our Company or take certain punitive actions against our Company or Directors of our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.

The Company taken measures to mitigate the risks arising from such non-compliances, from now on company has duly maintained its internal records, including the relevant Board/Shareholders' Resolutions, Minutes of Meetings and Explanatory Statements, which correctly addresses the non-compliances. Further, to address the issue of inadvertent reporting, company has implemented a "maker and checker system" to ensure accuracy and accountability in our processes. This dual-approval system requires one (the maker) to prepare or input information, while another (the checker) is responsible for reviewing and verifying its accuracy before final submission.

The Company hereby undertake that any regulatory penalty, if levied, shall be borne out of the internal accruals of the company and no IPO proceeds (including general corporate purpose amount) shall be utilised for such payment, if any.

8. The Chairman & Managing Director of our Company, Nirav Bharatbhai Patel has been director of the Company which was voluntary Struck-Off.

Our Company's Chairman & Managing Director i.e. Nirav Bharatbhai Patel, was previously associated as a director with a company that was subsequently struck off from the register of companies maintained by the Registrar of Companies pursuant to a voluntary application for strike-off under the provisions of the Companies Act, 2013. Although such strike-off was voluntary and not due to any fraud, misconduct or regulatory action attributable to Nirav Bharatbhai Patel being an Executive Director of the Sun Ambica Energy Private Limited, investors may perceive such association negatively. Any adverse perception arising from his association with such struck-off company may affect the reputation of our Company and could result in increased scrutiny from investors, regulatory authorities and other stakeholders. Consequently, this may adversely affect the market perception of our Company and the trading price of the Equity Shares.

The details of company which were voluntary struck-off are as set out below:

S. No.	Name of Company	Name of Directors	Type of Strike-off	Details of Strike-off	Reasons for Strike-off
1.	Sun Ambica Energy Private Limited	1.Nirav Bharatbhai Patel (Executive & Promoter) 2.Preet Vishnubhai Patel (Executive & Promoter)	Voluntary Strike-off	Mr. Nirav Bharatbhai Patel, who is currently director of our company, was also director of Sun Ambica Energy Private Limited. The said company applied for voluntary strike-off pursuant to a resolution passed by its members on November 10, 2023. We have been provided with a copy of Form STK-7 issued by the Registrar of Companies evidencing the strike-off of the said company vide ROC Notice dated February 19, 2024. Further, as per the records available on the Ministry of Corporate Affairs portal, the present status of Sun Ambica Energy Private Limited is reflected as "Struck Off."	The Company had not commenced any business since incorporation of the Company and there was no further plan as to running of the business as well. Therefore, Board of Directors of the Company vide their meeting dated October 15, 2023, approved application for voluntary strike-off of name of the Company from registrar of Companies after which the company passed a special resolution dated November 10, 2023 for voluntary strike-off, and filed Form STK-2 with the ROC accordingly.

9. A portion of our gross margins is attributable to transactions with related parties, and any reduction or discontinuation of such transactions could adversely affect our profitability and results of operations.

Some portion of our company's gross margins and profitability is attributable to transactions with related parties, which are given below:

Gross Margin Analysis

(₹ in Lakhs)

Particulars	For the Period Ended on March 31, 2026	For the Period Ended on March 31, 2025	For the Period Ended on Aug 04, 2024	For the Period Ended on March 31,2024
Revenue from Operations	40,801.01	29,046.69	7,546.69	35,738.81
Less: Cost of Material Consumed	23,732.07	15,288.98	5,258.54	20,506.34
Less: Purchase of Stock-in-Trade	13,341.37	12,059.62	380.65	12,754.25
Less: Changes in Inventories of Finished Goods and WIP	666.46	(430.73)	888.63	(1,213.88)
Less: Depreciation and Amortisation Expenses(1), (2)& (3)	570.77	387.90	211.41	557.99
Gross Margin	2,490.34	1,740.92	807.46	3,134.11
Gross Margin Attributable to Related Party Transactions	161.73	626.34	568.10	2,070.86
Gross Margin Attributable to Non-Related Party Transactions	2,328.61	1,114.58	239.36	1,063.25

Note:

(1) 2025-26- The amount of 570.77 lakhs includes 481.93 lakhs of depreciation on plant and machinery.
(2) 2024-25- The amount of 387.90 lakhs includes 323.82 lakhs of depreciation on plant and machinery;
(3) 2023-24- The amount of 557.99 lakhs includes 447.23 lakhs of depreciation on plant and machinery.

Entity-wise Profitability

(₹ in Lakhs)

Entity Name	FY 2026	FY 2025	FY 2024
Ambica Cotseeds Limited	-	33.54	32.85
Vivekanand Industries	-	8.14	22.44

Avadh Cotton Industries	-	1.67	2.37

10. There is intense competition in the cotton processing and yarn manufacturing industry, which may affect market position and profitability.

The cotton processing and yarn manufacturing industry is highly competitive, with numerous domestic and international players competing for market share. Competitors include large-scale vertically integrated textile companies, regional manufacturers, and international firms with established supply chains and financial strength. Our ability to maintain or expand our market position depends on factors such as pricing strategies, product quality, operational efficiency, and customer relationships.

If competitors offer lower-priced or higher-quality products, we may face pricing pressure that could impact our revenue and profit margins. Additionally, changes in customer preferences, technological advancements, and the entry of new players could intensify market competition. Inability to adapt to industry trends or differentiate our offerings could result in the loss of key customers and a decline in market share.

We strive to enhance our competitive edge through continuous improvements in manufacturing processes, product innovation, and customer engagement. However, despite these efforts, there is no assurance that we will sustain our competitive position or withstand aggressive market competition, which could adversely affect our financial performance.

For further details, please refer to chapter titled *"Business Overview"* view on page 157 of this Red Herring Prospectus.

11. There is volatility in foreign exchange rates, which may affect export revenues and impact overall profitability.

A portion of our revenue is derived from exports, making us susceptible to fluctuations in foreign exchange rates. The appreciation or depreciation of the Indian Rupee against foreign currencies can impact our export earnings and cost structure. If the Rupee appreciates, our products may become less competitive in global markets, potentially leading to lower demand and revenue losses. Conversely, depreciation of the Rupee could increase the cost of imported raw materials or machinery, affecting production costs.

The details of revenue derived from exports is as follows:

(₹ in Lakhs)

Particulars	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended August 04, 2025		For the period ended March 31, 2024	
	Amount	%	Amount	%	Amount	%	Amount	%
Bangladesh	465.25	1.15	612.48	2.12	0.00	0.00	3130.49	8.85
China	2,572.58	6.37	0.00	0.00	0.00	0.00	0.00	0.00
Indonesia	98.77	0.24	0.00	0.00	0.00	0.00	0.00	0.00
Portugal	93.92	0.23	0.00	0.00	0.00	0.00	60.65	0.17
South Africa	407.59	1.01	0.00	0.00	0.00	0.00	0.00	0.00
Vietnam	498.88	1.23	155.82	0.54	132.45	1.77	0.00	0.00
Total	**4,137.00**	**10.24**	**768.30**	**2.66**	**132.45**	**1.77**	**3191.14**	**9.02**

Sudden fluctuations in currency values could impact our profitability and financial stability, particularly if sustained over extended periods. Exposures may result in foreign exchange losses, further affecting overall business performance.

For further details, please refer to chapter titled *"Business Overview"* on page 157 of this Red Herring Prospectus.

12. In case of our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business it may have a material adverse effect on our business.

Our Company has been converted from a Limited Liability Partnership (LLP) to a Company. We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions. Further we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire or need to update pursuant to change in name and conversion of company to public Company.

While we have obtained a significant number of approvals, licenses, registrations and permits from the relevant authorities still there are several licenses in respect of which we have filed application for change of name / issue of fresh license in the name of the newly converted Company. While we have made all efforts to comply with all the applicable provisions of relevant laws, we are not sure that the relevant authority will issue an approval or renew expired approvals within the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could result in cost and time overrun or which could affect our related operations.

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavor to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, see *"Government and other Approvals"* on page 251 of this Red Herring Prospectus.

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

Our Company had reported certain negative cash flows from operating, investing activities and financing activities in the previous years as per the Restated Financial Statements and the same are summarized as under:

(₹ in Lakhs)

Particulars	**For the year ended March 31,**		
	2026	**2025**	**2024**
Cash flow from Operating Activities	866.64	-371.96	2,440.04
Cash flow from Investing Activities	-126.84	3.59	-1,543.89
Cash flow from Financing Activities	-733.20	381.12	-988.79

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may affect our business and financial operations.

For further please refer chapter titled *"Restated Financial Statements"* beginning on page 199 of this Red Herring Prospectus.

14. There are certain delays in filing returns with Certain Government Authorities. Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of relevant act could impact the financial position of our Company to that extent.

In the past, our company has delayed in filing GST returns, EPF returns, ESIC returns and deposit of statutory dues, as a result of which, we have been required to pay the late filing fees along with interest on delayed deposit of due taxes and statutory dues. Although the late filing fees levied are not significant but if we continue this practice, the accumulated amounts of each delay may adversely affect our cash flows. In the event of any cognizance being taken by the concerned authorities in respect of above, actions may be taken against our Company and our directors, in which event the financials of our Company and our directors may be affected. However, the Company strives to prevent such delays by planning in advance and creating an awareness about the applicability and timeliness of the statutory payment.

The details of late filings under GST and EPF is provided herein below:

GST R1:

Month	**Due date (mm/dd/yy)**	**Actual filing date(mm/dd/yy)**	**Delay (in days)**
GST R1			
Apr-2023	5/11/2023	5/10/2023	0
May-2023	6/11/2023	6/9/2023	0
Jun-2023	7/11/2023	7/11/2023	0
Jul-2023	8/11/2023	8/10/2023	0
Aug-2023	9/11/2023	9/6/2023	0
Sep-2023	10/11/2023	10/6/2023	0
Oct-2023	11/11/2023	11/4/2023	0
Nov-2023	12/11/2023	12/6/2023	0
Dec-2023	1/11/2024	1/10/2024	0
Jan-2024	2/11/2024	2/9/2024	0
Feb-2024	3/11/2024	3/8/2024	0
Mar-2024	4/11/2024	4/11/2024	0
Apr-2024	5/11/2024	5/11/2024	0
May-2024	6/11/2024	6/11/2024	0

Month	Due date (mm/dd/yy)	Actual filing date(mm/dd/yy)	Delay (in days)
Jun-2024	7/11/2024	7/10/2024	0
Jul-2024	8/11/2024	8/10/2024	0
Aug-2024	9/11/2024	9/11/2024	0
Sep-2024	10/11/2024	11/6/2024	26
Oct-2024	11/11/2024	11/11/2024	0
Nov-2024	12/11/2024	12/10/2024	0
Dec-2024	1/11/2025	1/11/2025	0
Jan-2025	2/11/2025	2/11/2025	0
Feb-2025	3/11/2025	3/11/2025	0
Mar-2025	4/11/2025	4/11/2025	0
Apr-2025	5/11/2025	5/10/2025	0
May-2025	6/11/2025	6/10/2025	0
Jun-2025	7/11/2025	7/11/2025	0
Jul-2025	8/11/2025	8/11/2025	0
Aug-2025	9/11/2025	9/11/2025	0
Sep-2025	10/11/2025	10/9/2025	0
Oct-2025	11/11/2025	11/11/2025	0
Nov-2025	12/11/2025	12/8/2025	0
Dec-2025	1/11/2026	1/10/2026	0
Jan-2026	2/11/2026	2/9/2026	0
Feb-2026	3/11/2026	3/11/2026	0
Mar-2026	4/11/2026	4/11/2026	0

GST-3B:

Month	Due date (mm/dd/yy)	Actual filing date(mm/dd/yy)	Delay (in days)
Apr-2023	5/20/2023	5/20/2023	0
May-2023	6/20/2023	6/20/2023	0
Jun-2023	7/20/2023	7/20/2023	0
Jul-2023	8/20/2023	8/19/2023	0
Aug-2023	9/20/2023	9/19/2023	0
Sep-2023	10/20/2023	10/20/2023	0
Oct-2023	11/20/2023	11/20/2023	0
Nov-2023	12/20/2023	12/19/2023	0
Dec-2023	1/20/2024	1/20/2024	0
Jan-2024	2/20/2024	2/20/2024	0
Feb-2024	3/20/2024	3/22/2024	2
Mar-2024	4/20/2024	4/20/2024	0
Apr-2024	5/20/2024	5/20/2024	0
May-2024	6/20/2024	6/20/2024	0
Jun-2024	7/20/2024	7/20/2024	0
Jul-2024	8/20/2024	8/22/2024	2
Aug-2024	9/20/2024	10/05/2024	15
Sep-2024	10/20/2024	11/7/2024	18
Oct-2024	11/20/2024	11/20/2024	0
Nov-2024	12/20/2024	12/20/2024	0
Dec-2024	1/20/2025	1/22/2025	2
Jan-2025	2/20/2025	2/20/2025	0
Feb-2025	3/20/2025	3/20/2025	0
Mar-2025	4/20/2025	4/20/2025	0
Apr-2025	5/20/2025	5/20/2025	0
May-2025	6/20/2025	6/20/2025	0
Jun-2025	7/20/2025	7/19/2025	0
Jul-2025	8/20/2025	8/20/2025	0
Aug-2025	9/20/2025	9/20/2025	0

Month	Due date (mm/dd/yy)	Actual filing date(mm/dd/yy)	Delay (in days)
Sep-2025	10/20/2025	10/18/2025	0
Oct-2025	11/20/2025	11/20/2025	0
Nov-2025	12/20/2025	12/20/2025	0
Dec-2025	1/20/2026	1/20/2026	0
Jan-2026	2/20/2026	2/20/2026	0
Feb-2026	3/20/2026	3/20/2026	0
Mar-2026	4/20/2026	4/20/2026	0

EPF Payments:

Month	Due date (mm/dd/yy)	Actual filing date(mm/dd/yy)	Delay (in days)
Apr-2023	5/15/2023	7/18/2023	64
May-2023	6/15/2023	7/12/2023	27
Jun-2023	7/15/2023	7/12/2023	0
Jul-2023	8/15/2023	9/16/2023	32
Aug-2023	9/15/2023	9/16/2023	1
Sep-2023	10/15/2023	10/13/2023	0
Oct-2023	11/15/2023	12/6/2023	21
Nov-2023	12/15/2023	3/30/2024	106
Dec-2023	1/15/2024	3/30/2024	75
Jan-2024	2/15/2024	3/30/2024	44
Feb-2024	3/15/2024	4/15/2024	31
Mar-2024	4/15/2024	4/15/2024	0
Apr-2024	5/15/2024	5/15/2024	0
May-2024	6/15/2024	6/25/2024	10
Jun-2024	7/15/2024	7/15/2024	0
Jul-2024	8/15/2024	8/14/2024	0
Aug-2024	9/15/2024	10/9/2024	24
Sep-2024	10/15/2024	10/17/2024	2
Oct-2024	11/15/2024	11/16/2024	1
Nov-2024	12/15/2024	12/16/2024	1
Dec-2024	1/15/2025	2/1/2025	17
Jan-2025	2/15/2025	2/15/2025	0
Feb-2025	3/15/2025	3/15/2025	0
Mar-2025	4/15/2025	4/13/2025	0
Apr-2025	5/15/2025	5/15/2025	0
May-2025	6/15/2025	6/10/2025	0
Jun-2025	7/15/2025	7/15/2025	0
Jul-2025	8/15/2025	8/13/2025	0
Aug-2025	9/15/2025	9/12/2025	0
Sep-2025	10/15/2025	10/15/2025	0
Oct-2025	11/15/2025	11/14/2025	0
Nov-2025	12/15/2025	12/15/2025	0
Dec-2025	1/15/2026	1/13/2026	0
Jan-2026	2/15/2026	2/16/2026	1
Feb-2026	3/15/2026	3/15/2026	0
Mar-2026	4/15/2026	4/17/2026	2

The delays were primarily due to account reconciliation issues with customers, delayed bill settlements and technical challenges encountered on statutory portals. The Company has strengthened its internal compliance framework by implementing a statutory compliance calendar, periodic management review, channeling more resources towards improving our administrative systems and training our staff to rectify such delays, maker-checker controls and regular monitoring of labour law compliances to ensure timely filing and payment of statutory dues. The management is committed to maintaining full compliance with all applicable statutory requirements going forward. However, there can be no assurance that such delays may not arise in the future. This may lead to financial penalties from respective government authorities. While we have been required to make payment of fines/ penalties for delays in payment of such statutory dues, wherever applicable, these have not been material in nature. However, we cannot assure you that we will not be subject to such penalties and fines in the future which may have a material adverse impact on our financial condition and cash flows.

The Company undertake that any regulatory penalty, if levied, shall be borne out of the internal accruals of the company and no IPO proceeds (including general corporate purpose amount) shall be utilised for such payment.

In addition, our Company is required to pay certain statutory dues including provident fund contributions as indicated in the tables below. The table below sets forth the details of the statutory dues related to our employees paid by our Company for the financial years ended March 31, 2026, 2025 and 2023 have been disclosed below:

Particulars	**For the Financial Year**		
	March 31, 2026	**March 31, 2025**	**March 31, 2024**
Provident Fund (₹ in Lakhs) (including Employer and Employee Contribution)	0.64	0.63	0.66
Number of Employees for whom provident fund has been paid	22	23	23
Professional Tax (₹ in Lakhs)	-	-	-
Number of Employees for whom PT has been paid	150	160	143
Tax deducted at source on salary (₹ in Lakhs)		0.25	
Number of Employees for whom TDS has been paid	-	1	-

15. Our revenues are significantly dependent upon sales of our main products that are cotton bales and yarn.

Our core business is the manufacturing and trading of cotton bales and yarn. Consequently, our income is significantly dependent on sales of the cotton bales and yarn and over the years, such sales have emerged as the major contributor to our revenue and business. Our continued reliance on sales of our products for a significant portion of our revenue exposes us to risks, including the potential reduction in the demand for such products in the future; increased competition from domestic and regional manufacturers; cost-effective technology; fluctuations in the price and availability of the raw materials; changes in regulations and import duties; and the cyclical nature of our customers' businesses. One or more such reasons may affect our revenues and income from sales of our products and thereby adversely affect our business, profitability, cash flows and results of operations.

Please find the Product wise distribution of our Products:

(₹ in Lakhs)

Particulars	**For the period ended March 31, 2026**		**For the period ended March 31, 2025**		**For the period ended August 04, 2024**		**For the period ended March 31, 2024**	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
Cotton Yarn	21,080.23	52.18	9,353.64	32.37	3,243.40	43.43	9,742.95	27.53
Cotton Bales	15,650.16	38.74	16,095.92	55.70	2,769.81	37.09	21,041.68	59.46
Cotton Yarn Waste	930.3	2.30	592.45	2.05	346.06	4.63	1,117.61	3.16
Cotton Seed	2,709.63	6.71	2,852.21	9.87	1,100.69	14.74	3,375.51	9.54
Others*	27.38	0.07	5.79	0.02	7.5	0.10	110.16	0.31
Total	**40,397.70**	**100.00**	**28,900.01**	**100.00**	**7,467.46**	**100.00**	**35,387.91**	**100.00**

*****Other includes sale of scrap waste and Job Work Income.

For further details, please refer to chapter titled *"Business Overview"* on page 157 of this Red Herring Prospectus.

16. We have certain outstanding litigation against us, an adverse outcome of which may adversely affect our business, reputation and results of operations.

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

LITIGATIONS AGAINST OUR COMPANY

Nature of Cases	**No. of Outstanding Cases**	**Amount involved (In Lakhs)**
Criminal Complaints	--	--

Statutory/ Regulatory Authorities	--	--
Taxation Matters	4	55.63
Other Litigation	--	--

LITIGATIONS AGAINST OUR DIRECTORS AND / OR PROMOTERS

Nature of Cases	No. of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	5*	0.02
Other Litigation	--	--

** Amount in respect of 4 matters is not Unascertained.*

LITIGATIONS BY OUR GROUP COMPANIES

Nature of Cases	No. of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	6	138.22
Statutory/ Regulatory Authorities	--	--
Taxation Matters	--	--
Other Litigation	--	--

LITIGATIONS AGAINST OUR GROUP COMPANIES

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	14	916.62
Other Litigation	1	8.35

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

We cannot assure you that any of the outstanding litigation matters will be settled in our favour or that no additional liabilities will arise out of these proceedings. In addition to the above, we could also be adversely affected by complaints, claims or legal actions brought by persons, including before consumer forums or sector-specific or other regulatory authorities in the ordinary course of business or otherwise, in relation to our business operations, our intellectual property, our branding or marketing efforts or campaigns or our policies. We may also be subject to legal action by our employees and/or former employees in relation to alleged grievances, such as termination of employment. We cannot assure you that such complaints, claims or requests for information will not result in investigations, enquiries or legal actions by any regulatory authority or third persons against us.

For further details of certain material legal proceedings involving our Company, our Promoters, our Directors, see *"Outstanding Litigations and Material Developments"* beginning on page 238 of this Red Herring Prospectus.

17. Our Restated Financial Statements are reviewed and signed by a peer-reviewed auditor who is not the Statutory Auditor of our Company, which could give rise to differences in professional judgment or interpretation.

Our Restated Financial Statements included in this Red Herring Prospectus have been reviewed and signed by M/s S V J K & Associates, Chartered Accountants, who hold a valid peer review certificate, in accordance with the requirements of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and not by our Statutory Auditor, M/s Mistry & Shah LLP.

The Company engaged such peer-reviewed auditor to undertake an independent review and validation of the Restated Financial Statements as a matter of prudence and enhanced governance, and not due to any regulatory non-compliance or qualification with respect to the Statutory Auditor.

Since the peer-reviewed auditor who reviewed and signed the Restated Financial Statements is different from our Statutory Auditor, there may be differences in interpretation, professional judgment or understanding of our accounting records and accounting policies between the two auditors. Such differences could, in turn, impact the manner in which certain financial information is presented or interpreted in this Red Herring Prospectus. While we believe that our financial statements have been prepared and reviewed in accordance with applicable accounting standards and regulatory requirements, any perceived or actual inconsistency could affect investor confidence in our reported financial information, which may have a material adverse impact on the perception of our business, results of operations and financial condition.

18. ***Our Promoters i.e. Ranjanben Bharatbhai Patel and Kapilaben Vishnubhai Patel have limited experience in the current line of business.***

Our Promoters i.e. Ranjanben Bharatbhai Patel and Kapilaben Vishnubhai Patel have limited experience in the current line of business of the Company. While they possess considerable experience and expertise in general, they have limited experience in the line of cotton processing and yarn manufacturing sector. Our Promoters may not be able to provide the necessary strategic guidance and leadership to sustain and grow our business, lack of vintage experience to address the risks frequently encountered by industry, may adversely affect our operations. Their lack of experience in the industry may also impact their ability to accurately assess and respond to market trends and demands. As a result, there may be a material adverse effect on our business, financial condition, and results of operations.

For further details of our Promoters and Management, please refer chapter titled "Our Promoters and Promoter Group" and "Our Management" beginning on page 188 and 174 of this Red Herring Prospectus.

19. ***Our insurance may not be adequate to protect us against all potential losses to which we may be subject.***

We maintain comprehensive insurance coverage, including coverage for the building, plant machinery, and other assets. This insurance extends to risks such as damage caused by severe weather conditions, floods, fires, earthquakes, burglary, and vehicle-related incidents, as well as third-party liabilities. However, not all risks associated with textile manufacturing are fully insurable, and the coverage we have, while common in the industry, may not be adequate to cover every potential loss. Our insurance policies are subject to limitations, deductibles, exclusions, and may not fully compensate for all types of losses.

(₹ in Lakhs except Percentage)

Particulars	**For the Fiscal Year**		
	March 31, 2026	**March 31, 2025**	**March 31, 2024**
Total Assets as per Restated Financial Statement	8,485.05	8,753.15	8,483.14
Book Value of Property plant & Equipment	4,254	4,556	5,141
Book Value of Inventories	2,441	1,789	2,495
Total Book Value of assets on which insurance has been taken (A)	6,695	6,345	7,636
Insurance coverage (B)	11,850	8,700	7,400
% of Insurance Coverage (B/A)	**177.00%**	**137.12%**	**96.91%**

(1) Insurance coverage = Total insurance coverage amount by considering insurance policies of property, equipments, vehicles, stock, erection and all risk insurance;

Further, we cannot guarantee that claims under our policies, such as those related to fire, marine, or accident coverage, will be settled in full or on time by the insurers. Any delay in claims settlement could affect our operations and financial stability. In the event of a loss exceeding our insured limits, or where a risk is not covered, we may face significant financial strain due to the loss of investment, increased working capital requirements, or project disruptions. Although we have not encountered such situation for claiming the insurance for the Fiscal Years 2026, 2025, and 2024, there can be no guarantee that this will continue in the future.

For further details on our insurance arrangements, please refer to the chapter titled "*Business Overview"* beginning on page 140 of this Red Herring Prospectus.

20. ***We have common suppliers and customers with certain of our related parties and group entities, which may give rise to actual or perceived conflicts of interest and may adversely affect our business, results of operations and financial condition.***

Certain of our suppliers and customers are also suppliers to or customers of our related parties and group entities due to the like nature of our business and industry. Although transactions with such common suppliers and customers are undertaken independently, in the ordinary course of business and based on commercial considerations, there can be no assurance that such arrangements will not give rise to actual or perceived conflicts of interest or regulatory scrutiny. Further, any reduction in business from such common suppliers or customers, or any inability to procure raw materials or secure customer orders on competitive terms, could adversely affect our business, results of operations and financial condition.

21. ***Our operations are subject to high working capital requirements. Our inability to maintain sufficient cash flow, credit facilities and other sources of funding, in a timely manner, or at all, to meet requirement of working capital or pay out debts, could adversely affect our operations.***

Our business requires significant amount of working capital and major portion of our working capital is utilized towards debtors and inventories. We have been sanctioned working capital including working capital term loans of ₹ 4,800 Lakhs as on the date of this Red Herring Prospectus from the existing bankers. Our growing scale and expansion, if any, may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. In the event we are not able to recover our dues from our Debtors, we may not be able to maintain our Sales level and thus adversely affecting our financial health.

Basis of estimation of working capital requirements

The details of the existing working capital requirements of our Company as at financial year ended March 31, 2026, 2025 and 2024 and the funding pattern for such periods, based on our Restated Audited Standalone Financial statements, are set out in the table below:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2025	March 31, 2026
Inventories	2,494.56	1,789.47	2,440.57
Trade Receivables	230.83	1,522.16	1,176.73
Short-Term Loans and Advances	24.79	388.99	136.84
Other Current Assets	395.57	268.88	361.12
Total Current Assets	**3,145.75**	**3,969.50**	**4,115.26**
Trade Payables	1,466.85	615.62	187.19
Other Current Liabilities	224.30	294.66	236.16
Short-Term Provisions	92.80	136.14	149.77
Total Current Liabilities	**1,783.94**	**1,046.42**	**573.13**
Net Working Capital	**1,361.81**	**2,923.09**	**3,542.13**
Sources of Funds			
Borrowing	1,361.81	2,526.97	3,240.83
Internal Accruals	-	396.12	301.30
Total	**1,361.81**	**2,923.09**	**3,542.13**

As certified by M/s. Mistry & Shah LLP, Chartered Accountants, the Statutory Auditor of our Company by their certificate dated August 14, 2026.

Future Estimates of working capital requirements

On the basis of existing and estimated working capital requirements of our Company on an Restated basis, and the assumptions for such working capital requirements, our Board pursuant to its resolution dated May 30, 2026 has approved the projected working capital requirements for Fiscal 2027, Fiscal 2028 and Fiscal 2029 and the proposed funding of such working capital requirements, as set forth below:

(₹ in Lakhs)

Particulars	March 31, 2027	March 31, 2028
Inventories	4,027.86	4,636.91
Trade Receivables	1,909.30	2,335.17
Short-Term Loans and Advances	441.87	544.38
Other Current Assets	479.18	503.14
Total Current Assets	**6,858.21**	**8,019.59**
Trade Payables	352.38	422.89
Other Current Liabilities	263.24	286.70
Short-Term Provisions	273.89	335.14
Total Current Liabilities	**889.51**	**1,044.72**
Net Working Capital	**5,968.70**	**6,974.87**
Sources of Funds		
Borrowing	4,166.92	4,356.92
Internal Accruals	1,301.78	2,017.95

Particulars	March 31, 2027	March 31, 2028
Proceeds from IPO	**500.00**	**600.00**
Total	**5,968.70**	**6,974.87**

As certified by M/s. Mistry & Shah LLP, Chartered Accountants, the Statutory Auditor of our Company by their certificate dated August 14, 2026

22. Our Company has not entered into any fixed or long term contracts with its customers and we will operate on the basis of orders received on hand. Inability to maintain regular order flow would adversely impact our revenues and profitability.

We have not entered into any fixed or long-term contracts with our customers and we cater to them on an order-by-order basis. As a result, our customers can terminate their relationships with us without any notice and, without consequence, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our materials. Our Company's customers have no obligation to place orders with us and may either cancel, reduce or delay orders. The orders placed by our Company's customers are dependent on factors such as the customer satisfaction with the level of service that our Company provides, quality consistency, fluctuation in demand for our Company's products and customer's inventory management.

Although we place a strong emphasis on quality, pricing and timely delivery of our products and after sales service such as feedback on the trends in their market, personal interaction by the top management with the customers, etc., in the absence of contracts, any sudden change in the buying pattern of buyers could adversely affect the business and the profitability of our Company.

23. We do not maintain long-term contracts with our third-party suppliers, and our business may be adversely affected by a shortfall in supply, or increase in price of materials.

Substantially all our materials are purchased from third parties. We do not have any long-term supply contracts with any of our specific suppliers with respect to our material requirements and typically place orders with them in advance of our anticipated requirements. The availability of these materials is subject to many risks, including insect or animal infestation, adverse weather conditions, adverse ground conditions and natural and other disasters. Certain materials are available only at specific times during a year due to the seasonality of growing periods and harvest times in India. Furthermore, materials are subject to price volatility caused by factors, including commodity market fluctuations, the quality and availability of supply, currency fluctuations, consumer demand and changes in governmental agricultural programs. Material price increases result in corresponding increases in our selling costs. We also face a risk that one or more of our existing suppliers may discontinue their supplies to us, and any inability on our part to procure materials from alternate suppliers in a timely fashion, or on terms acceptable to us, may adversely affect our operations.

We rely on the adequate and timely availability of materials. Any supply chain disruptions may impact our material sourcing, which in turn may impact our ability to fulfil the demand of the customers. Any significant change in the cost structure or disruption in supply may affect the pricing and supply of products. If we are not able to increase our product prices to offset increased material costs, or if unit volume sales are significantly reduced, it could have an adverse impact on our profitability. This may adversely affect our business and financial performance.

24. Our business, financial condition and results of operations are subject to seasonal fluctuations associated with cotton crop cycles, availability of raw cotton and demand patterns in the textile industry, which may adversely affect our revenues, cash flows and profitability.

Our business is dependent upon the procurement, processing and sale of cotton and cotton-related products, the availability and pricing of which are influenced by agricultural production cycles, weather conditions and seasonal market dynamics. Cotton arrivals in India are generally concentrated during the harvest season, resulting in significant procurement activities during specific periods of the year. Consequently, our inventory levels, working capital requirements and operational activities may vary significantly across different periods.

The availability, quality and yield of cotton crops are affected by several factors beyond our control, including monsoon patterns, rainfall levels, droughts, floods, pest infestations, crop diseases and other adverse climatic conditions. Any reduction in cotton production or deterioration in crop quality may result in lower availability of raw cotton, increased procurement costs and supply disruptions, which could adversely affect our operations and profitability.

Further, demand for cotton and cotton products from textile manufacturers, spinning mills and other end-users may fluctuate due to seasonal trends, export demand, prevailing economic conditions, changes in consumer preferences and global textile market dynamics. Periods of reduced demand may lead to slower inventory turnover, extended holding periods and increased working capital requirements. Prolonged inventory holding may also expose us to risks associated with fluctuations in cotton prices, quality deterioration and margin pressures.

Seasonal variations in cotton procurement and sales may result in fluctuations in our quarterly and annual revenues, operating margins, cash flows and profitability. Any inability to accurately forecast market demand, efficiently manage inventory levels, secure adequate working capital or effectively mitigate the impact of seasonal and agricultural factors may have a material adverse effect on our business, financial condition, results of operations and cash flows. Past performance may not be indicative of future results.

25. Our operations are concentrated in the state of Gujarat and any adverse developments affecting Gujarat could have an adverse effect on our business, results of operations and financial condition.

We manufacture our products from our manufacturing facilities which are located at Kadi, Gujarat. Any disruption in the operations due to supply of power, fire outages or industrial accidents at the unit could hamper or delay our ability to continue production and servicing. Any disruption or suspension in the production process in this facility can significantly impact our ability to service customer needs and relation with our customers and have a material adverse effect on our business, revenues, reputation, results of operation and financial condition.

26. We are exposed to Risks from Labour Shortages, Strikes, and Wage Demands that Could Affect Our Cash Flows and Operational Performance.

The cotton processing and yarn manufacturing industry requires skilled labor for efficient production, quality control, and machine operation. Availability of trained workers is crucial for maintaining productivity and ensuring consistency in manufacturing output. Labor shortages, high attrition rates, or difficulties in hiring and retaining skilled employees could result in production inefficiencies, increased training costs, and delays in order fulfillment.

Our business is subject to various laws and regulations concerning employee welfare, including minimum wage requirements, working conditions, employee insurance, and other benefits. Changes in these regulations, such as increases in wage mandates by state governments or new requirements for working hours and facilities, could impose additional costs and affect our financial performance.

Additionally, disruptions due to labour disputes, strikes, or work stoppages could significantly impact our manufacturing processes. Although we have not encounter such event in past but if such events occur in future it may lead to interruptions in production, affecting both our cash flows and overall business performance.

Below are the Attrition Rate of our company:

Particulars	For the period ended March 31, 2026	For the period ended March 31, 2025	For the period ended March 31, 2024
Opening	178	143	160
Add: Addition	22	74	67
Less: Employee Left	57	57	77
Closing	143	160	150
Average Employee	143	152	155
Attrition Rate (%)*	**40%**	**38%**	**50%**

**Employee attrition reflected during the review period is primarily attributable to the nature of the cotton ginning and spinning industry, which is labour-intensive and employs a significant number of semi-skilled workmen. Employee movement is common in the textile industry due to seasonal migration of labour, personal reasons, opportunities for marginally higher wages, proximity to native places and movement between nearby textile units.*

The Company maintains an adequate pool of skilled and semi-skilled manpower and continuously recruits and trains replacement personnel to ensure uninterrupted manufacturing operations. The reported attrition has largely been in the workmen category and has not involved any significant attrition of key managerial personnel or critical technical employees. Further, despite the employee movement, the Company has been able to maintain smooth production operations without any material disruption.

We also confirm that there has been no instance of labour shortage affecting production, no strikes, lock-outs or industrial disputes, and no material wage-related disruptions or collective wage demands during the last three financial years. The Company has maintained cordial industrial relations and continues to comply with applicable labour laws and employee welfare requirements.

Accordingly, the management believes that the level of employee attrition has not had, and is not expected to have, any material adverse impact on the Company's business operations or financial performance.

27. *If we fail to acquire new consumers or fail to do so in a cost-effective manner, we may not be able to increase revenue or maintain profitability.*

Our revenue from cotton processing operations has grown from ₹ 35,738.81 Lakhs in FY 2024 to ₹ 36,593.38 Lakhs in FY 2025 and ₹ 40,801.01 Lakhs in FY 2026. However, we cannot assure you that these historical growth rates will be sustained or replicated in the future. If we are unable to effectively expand our consumer base, or if we fail to do so at a cost-efficient rate, we may face challenges in driving revenue growth and preserving profitability.

The detail of our revenue and profitability model is as follows:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from Operations	40,801.01	36,593.38	35,738.81
EBITDA	1,509.31	1,458.92	1,459.46
EBITDA Margin (%)	3.70%	3.99%	4.08%
PAT	368.78	494.29	335.33
PAT Margin (%)	0.90%	1.35%	0.94%

In the highly competitive cotton processing sector, maintaining and improving our marketing strategies may necessitate substantial financial investments. These expenditures are essential to stay competitive, attract new customers, and retain existing ones. However, there is a risk that the costs associated with such marketing efforts may exceed the revenue generated or the number of customers acquired. If the return on investment from these strategies does not meet expectations, it could place pressure on our profitability. Consequently, the challenge lies in balancing the costs of marketing initiatives with the actual benefits they bring in terms of revenue growth and market share expansion.

For further details, please refer to chapter titled *"Restated Financial Statements"* on page 221 of this Red Herring Prospectus.

28. *Our success is dependent on our Promoters, management team and skilled & unskilled manpower. Our inability to attract and retain key personnel or the loss of services of our Promoters or Managing Director and Whole Time Director may have an adverse effect on our business prospects.*

Our Promoters, Managing Director, Whole Time Director and management team have significantly contributed to the growth of our business, and our future success is dependent on the continued services of our management team. Our Managing Director Nirav Bharatbhai Patel and Whole-Time Director Jasminbhai Bharatbhai Patel are having experience of 15 years and 06 years respectively in this Industry which turn out beneficial for the Company. An inability to retain any key managerial personnel may have an adverse effect on our operations. Our ability to execute contracts and to obtain new clients also depends on our ability to attract, train, motivate and retain highly skilled professionals, particularly at managerial levels. We might face challenges in recruiting suitably skilled personnel, particularly as we continue to grow and diversify our operations. In the future, we may also not be unable to compete with other larger companies for suitably skilled personnel due to their ability to offer more competitive compensation and benefits. The loss of any of the members of our senior management team, our directors or other key personnel or an inability on our part to manage the attrition levels; may materially and adversely impact our business, results of operations, financial condition and growth prospects.

For further details of our Promoters and Management, please refer chapter titled *"Our Promoters and Promoter Group"* and *"Our Management"* beginning on page 209 and 194 of this Red Herring Prospectus.

29. *Our Registered and other offices and all our existing manufacturing units from where we operate, have been acquired on lease basis from the members of our Promoter Group, including our Promoters. There can be no assurance that the lease agreements will be renewed upon termination or that we will be able to obtain other premises on lease on same or similar commercial terms.*

Our registered office is located at S/No. 181/1, 182/1, at Rangpurda, Kadi, Mahesana-382715, Gujarat, India and the same is not owned by us. We have obtained this property from our promoter group entity Avadh Cotton Industries through a Lease deed dated November 27, 2024 for a period of 10 years. Further, other offices are also taken on lease from promoters and promoter group members. Any termination of the lease in connection with the above properties or our failure to renew the same, in a timely manner or at all could adversely affect our operations.

If we are required to vacate the current premises, we would be required to make alternative arrangements for our business activities and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

For details regarding properties taken on lease refer the Section titled "Properties" – "*Business Overview"* beginning on page no. 157 of this Red Herring Prospectus.

30. We are heavily dependent on a few key customers for a significant portion of our revenue. The loss of any major customer could have a material adverse impact on our financial performance.

Our top ten customers have contributed 51.184%, 83.08% and 88.73% of our revenues for the year ended March 31, 2026, 2025 and 2024 respectively based on Restated Financial Statements. However, our top customers may vary from period to period depending on the demand and thus the composition and revenue generated from these customers might change as we continue to add new customers in normal course of business. we could experience a reduction in our results of operations, cash flows and liquidity if we lose one or more of these customers or the amount of business we obtain from them is reduced for any reason, including but not limited on account of any dispute or disqualification.

(₹ in Lakhs)

Particular*	**For the period ended March 31, 2026**		**For the period ended March 31, 2025**		**For the period ended March 31, 2024**	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**
Top 1 Customer	4,857.82	12.02	10,660.60	29.31	13,743.42	38.84
Top 3 Customers	10,091.03	24.98	21,164.32	58.20	26,054.82	73.63
Top 5 Customers	14,080.91	34.86	26,166.93	71.95	27,914.40	78.88
Top 10 Customers	20,676.99	51.18	30,215.41	83.08	31,400.01	88.73

**Note that Name of Customers are not mentioned since Company has not received written consent from its Customers till filing of Red Herring Prospectus to include their name in this Red Herring Prospectus.*

Further, the details of revenue from all our top 5 customers are set out below:

(₹ in Lakhs)

Particular*	**For the period ended March 31, 2026**		**For the period ended March 31, 2025**		**For the period ended March 31, 2024**	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**
Top First Customer	4,857.82	12.02	10,660.60	29.31	13,743.42	38.84
Top Second Customer	3,041.84	7.53	5,404.44	14.86	9,870.98	27.89
Top Third Customers	2,191.37	5.42	5,099.28	14.02	2,440.42	6.90
Top Forth Customer	2,049.23	5.07	2,681.39	7.37	958.89	2.71
Top Fifth Customer	1,940.65	4.80	2,321.22	6.38	900.70	2.55

Although, we enjoyed good relation with our customers and not encounter and adverse occurrence of event, but we cannot assure you that the customers which contribute to the major part of our revenue stream will pay us the amounts due to us on time, or at all. In the event any of our significant customers fail to fulfil their respective obligations, our business, financial condition and results of operations would be adversely affected. While we believe we have maintained good and long-term relationships with our customers, there can be no assurance that we will continue to have such long-term relationship with them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

For further details, please refer to chapter titled *"Business Overview"* on page 157 of this Red Herring Prospectus.

31. Certain members of our Promoter Group do not possess Permanent Account Numbers ("PAN") due to their foreign nationality and certain Indian Promoter Group members have not filed income tax returns, which may expose them to regulatory actions and may adversely affect the reputation of our Company and the Issue.

As on the date of this Red Herring Prospectus, certain members of our Promoter Group are foreign nationals and son of one of the Promoter i.e. Mantra Patel due his minority do not possess Permanent Account Numbers ("PAN") issued by the Income Tax Department of India. In addition, certain Indian members of our Promoter Group have not filed income tax returns for one or more financial years, as applicable to them under the provisions of the Income-tax Act, 1961.

The failure of such Indian Promoter Group members to comply with applicable tax filing requirements may expose them to penalties, interest, assessments, inquiries or other actions by the relevant tax authorities. Further, our Company may be required to provide clarifications, information or disclosures in relation to such non-compliances before regulatory authorities, stock exchanges or other stakeholders.

Although such matters pertain to the concerned Promoter Group members in their individual capacities and not to our Company, any regulatory action, adverse findings or proceedings initiated against such persons may adversely affect the reputation of our Promoter Group and our Company. Such events may also result in increased regulatory scrutiny and could adversely affect investor perception of our Company and the Issue.

Accordingly, any such developments could adversely affect our reputation, business prospects, financial condition, results of operations and the market price of our Equity Shares.

32. The unsecured loan availed by our Company from Promoters, Directors and promoter group members may be recalled at any given point of time.

Our Company has been availing unsecured loans from Promoters, Directors and promoter group members from time to time. The total outstanding payable to them as on March 31, 2026 amounts to ₹ 661.71 Lakhs based on Restated Financial Statements. Although there are no terms and condition prescribed for repayment of unsecured loan which can be recalled at any given point of time during ordinary course of business and thus may affect the business operations and financial performance of our Company.

For further details regarding loans availed by our Company, please refer *"Statements of Financial Indebtedness"* on page 224 of this Red Herring Prospectus.

33. Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an effect on our business, results of operations and financial condition.

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy involves focusing on Optimal Utilization of Resources and to develop relationships with customer. For further details, see the section titled *"Business Overview"* on page 157 of this Red Herring Prospectus. Our success in implementing our growth strategies may be affected by:

- Our ability to identify and enter new markets for expansion;
- Our ability to maintain the consistent quality of our cotton products;
- Changes in the regulatory environment affecting the cotton processing and manufacturing industry in India.

There can be no assurance that we will be able to execute our strategy on time or within our projected budget, or that our expansion plans will necessarily lead to increased profitability. Any of these factors could affect our results of operations. We cannot guarantee that we will not experience time delays or cost overruns in implementing our strategies in the future. Additionally, our growth strategy may place significant demands on our management, financial, and other resources, requiring continuous improvement of our operational and internal controls. Our inability to effectively manage our business and growth strategy could have a negative impact on our financial position and profitability.

34. Our Company's logo is not registered as of the date of this Red Herring Prospectus. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third party intellectual property rights which could have a material adverse effect on our business, results of operations and financial condition. We may not be able to prevent unauthorised use of trademarks obtained/ applied for by third parties, which may lead to the dilution of our goodwill.

As on date of Red Herring Prospectus, we have made an application for registration of our logo under the Trade Marks Act, 1999, hence, we do not enjoy the statutory protections accorded to a registered logo. The Company application status is showing as *"Objected"* on the Trade Mark portal, on the grounds of objection regarding submission of Power of Attorney however, we have filed fresh Power of Attorney executed on duly stamped paper in accordance with the applicable state jurisdiction requirements, along with the prescribed fees. Thus, we cannot assure that our reply will be acceptable to the Registry. Further, there can be no assurance that third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. We may not be able to detect any unauthorized use or our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed.

For further details on our trademark, please refer to the chapter titled *"Business Overview"* beginning on page 140 of this Red Herring Prospectus.

35. The debt facilities granted to our Company are secured against collateral properties leased by the Company, as well as personal guarantees from our Directors and Promoters and corporate guarantee from promoter group entity. If any

personal guarantees provided by our Directors and Promoters are invoked, it could negatively impact our business, financial condition, operations, cash flows, and prospects.

Our Promoters, Directors and promoter group entity have provided guarantees to secure our existing borrowings from our lenders, which are primarily working capital and non-fund based in nature. Additionally, the properties leased by the Company have been mortgaged as collateral to secure our debt facilities. The guarantees provided still continues to be in force as on the date of filing this Red Herring Prospectus. In case of a default under our loan agreements, the guarantees may be invoked, which could negatively impact the reputation and net worth of our Directors and Promoters. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. In addition, our Directors may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company. We may also not be successful in procuring alternate guarantees/ alternate security satisfactory to the lenders and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows.

For further details regarding loans availed by our Company, please refer to the chapter titled *"Statements of Financial Indebtedness"* beginning on page 224 of this Red Herring Prospectus.

36. Any increase in or occurrence of our contingent liabilities may adversely affect our financial condition.

Our Company is subject to certain contingent liabilities arising from tax disputes that are not yet settled. These contingent liabilities are disclosed in our financial statements and are based on estimates and judgments regarding the likelihood of outcomes and potential financial impacts.

The potential for these liabilities to materialize could require us to make significant provisions or incur other costs, which may strain our financial resources. Additionally, such liabilities could lead to reputational damage, regulatory scrutiny, or operational disruptions, further affecting our business.

(₹ In Lakh)

Particulars	**For the year ended March 31,**		
	2026	**2025**	**2024**
Contingent liabilities	54.37	424.78	259.01
Total	**54.37**	**424.78**	**259.01**

Any increase in our contingent liabilities or occurrence of these liabilities may materially and adversely affect our financial position, results of operations and cash flows. For further details of our contingent liabilities, please refer to section titled *"Summary of Contingent Liabilities"* and *"Restated Financial Statements"* beginning on page 60 and 221 of this Red Herring Prospectus.

37. The Company is yet to place orders for 100% of the Plant and Machineries for our proposed object, as specified in the Objects of the Issue. Any delay in placing orders, procurement may delay our implementation schedule and may also lead to increase in price of these plant & machinery, further affecting our revenue and profitability.

Although we have identified the type of Plant and Machineries required to be bought however, we are yet to place orders for 100% of the Plant and Machineries worth ₹ 526.89 Lakhs as detailed in the *"Objects of the Issue"* beginning on page 97 of this Red Herring Prospectus. These are based on our estimates and on third-party quotations, which are subject to a number of variables, including possible cost overruns, changes in management's views of the desirability of current plans, change in supplier of Plant and Machinery among others which may have an adverse effect on our business and results of operations.

Further, we cannot assure that we would be able to procure these Plant and Machineries, or procure the same within budgeted costs and timelines. Delays in acquisition of the same could result in the cost and time overrun, which would have a material adverse effect on our business, results of operations and financial condition.

For further details, please refer to the chapter titled *"Objects of the Issue"* beginning on page 97 of this Red Herring Prospectus.

38. Our top ten suppliers contribute majority of our purchases. Any loss of business with one or more of them may adversely affect our business operations and profitability.

Our top ten suppliers contributed approximately 52.06%, 74.08% and 72.71% of our total purchases and Direct Cost for the year ended March 31, 2026, 2025 and 2024 respectively based on Restated Financial Statements. However, our top suppliers may vary from period to period depending on the demand-supply mechanism and thus the supply process from these suppliers might change as we continue to seek more cost-effective suppliers in normal course of business.

(₹ in Lakhs)

Particular	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended March 31, 2024	
	Amount	%	Amount	%	Amount	%
Top 1 Supplier	8,122.72	21.30	13,281.82	40.95	12,865.60	39.47
Top 3 Suppliers	11,998.62	31.46	17,155.34	52.90	18,780.43	57.61
Top 5 Suppliers	14,568.38	38.20	20,139.17	62.10	21,609.71	66.29
Top 10 Suppliers	19,300.17	50.61	24,525.01	75.62	24,184.82	74.19

**Note that Name of Suppliers are not mentioned since Company has not received written consent from its Suppliers till filing of Red Herring Prospectus to include their name in this Red Herring Prospectus*

Further, the details of our top 5 suppliers are set out below:

(₹ in Lakhs)

Particular	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended March 31, 2024	
	Amount	%	Amount	%	Amount	%
Top First Supplier	8122.72	21.30	13281.82	40.95	12865.60	39.47
Top Second Supplier	2109.00	5.53	2025.88	6.25	3663.11	11.24
Top Third Supplier	1766.89	4.63	1847.64	5.70	2251.72	6.91
Top Forth Supplier	1471.91	3.86	1705.40	5.26	1886.44	5.79
Top Fifth Supplier	1097.86	2.88	1278.43	3.94	942.84	2.89

Since our business is concentrated among relatively significant suppliers, we could experience a reduction in our purchases and business operations, if we lose one or more of these suppliers, including but not limited on account of any dispute or disqualification.

Although, we enjoyed good relation with our suppliers and not encounter and adverse occurrence of event and we believe we have maintained good and long-term relationships with our other suppliers too, there can be no assurance that we will continue to have such long-term relationship with them. We cannot assure that we shall do the same quantum of business, or any business at all, with these customers, and loss of business with one or more of them may adversely affect our purchases and business operations.

The details of raw materials purchased from related parties during the Restated Period are provided below:

Related Party-wise Raw Material Purchases

(₹ in Lakhs)

Related Party Name	Nature of Material Purchased	For the Period Ended on March 31, 2026	For the Period Ended on March 31, 2025	For the Period Ended on Aug 04, 2024	For the Period Ended on March 31, 2024
Ambica Cotseeds Limited	Cotton Bales	-	220.52	10.90	3,590.99
Vivekanand Industries	Cotton Bales	-	519.15	759.28	1,886.44
Ambica Cotseeds Pte. Ltd.	Cotton Bales	-	1,847.64	-	-
Avadh Cotton Industries	Cotton Bales	-	-	-	139.90
Kapilaben Vishnubhai Patel	Kapas (Raw Cotton)	-	-	-	3.65
Kantaben Prahladbhai Patel	Kapas (Raw Cotton)	-	-	-	3.62
Bharatbhai Prahladbhai Patel	Kapas (Raw Cotton)	-	-	-	3.36
Total Related Party Purchases		-	2,587.31	770.18	5,627.96

Raw Material Procurement Analysis

(₹ in Lakhs)

Particulars	For the Period Ended on March 31, 2026	For the Period Ended on March 31, 2025	For the Period Ended on Aug 04, 2024	For the Period Ended on March 31,2024
Total Purchases	24,794.69	14,423.01	5,567.56	19,842.97
Purchases from Related Parties	-	2,587.31	770.18	5,627.96
% of Purchases from Related Parties	0.00%	17.94%	13.83%	28.36%

For further details, please refer to chapter titled *"Business Overview"* on page 157 of this Red Herring Prospectus.

39. The price, which we are able to obtain for the yarn and cotton bales that we produce depend largely on prevailing market prices.

Any decrease in yarn prices may adversely affect our profitability. The wholesale price of cotton has a significant impact on our profits. Cotton is subject to price fluctuations resulting from weather, natural disasters, domestic and foreign trade policies, shifts in supply and demand and other factors beyond our control. As a result, any prolonged decrease in cotton prices could have a material adverse effect on our Company and our results of operations. Further, we have not yet entered into any contract for hedging the risk of any adverse price movement in the price of our raw material or finished goods.

40. Our Company has Export Obligation which are outstanding under the Advance Authorization Scheme.

Our Company has outstanding Export Obligation under the Advance Authorization Scheme availed for the import of duty-free raw materials and other inputs required for the manufacturing of cotton bales and yarn. Under this scheme, our Company has benefitted from the exemption of Customs Duty on the import of inputs used in the production of export goods, subject to a commitment to fulfil specific export obligations.

As per the terms of the Advance Authorization Scheme, our Company is required to export goods manufactured by us within a specified period and in the prescribed quantity/value as per the export obligation linked to the duty saved on imports. Failure to meet the export obligation could result in the duty being recovered with interest, along with potential penalties.

(₹ in Lakhs)

S. No.	Obligation under	FOB Value
1.	Advance Authorisation Number 0811018079 Authorisation Date 30/03/2026 Export Validity 30/09/2027	590.47
Total		**590.47**

Please find the details of export obligation against the Advance Authorisation as on date:

Export Obligation			Export fulfilled	Export pending
QTY in KG	**FOB (INR.)**	**FOB/FOR (in Foreign Currency)**	**Exported QTY in KG**	**Pending Export Qty in KG**
3,57,143	8,36,03,761	10,06,062	3,81,205	-24,063
7,20,000	17,34,43,542	20,92,202	6,59,262	60,738
9,00,000	21,95,23,920	26,41,684	5,87,548	3,12,452
1,00,000	2,63,46,600	3,06,000	50,032	49,968
2,50,000	5,90,46,900	6,38,000	35,245	2,14,755

The Company continuously monitors its pending export obligations through an internal tracking mechanism and undertakes periodic reviews to ensure timely fulfilment within the stipulated timelines. Further, the Company has a consistent track record of meeting its export obligations and does not anticipate any material difficulty in fulfilling the outstanding obligations. Accordingly, while non-fulfilment could result in a duty liability of ₹ 303.97 Lakhs (together with applicable interest and other charges, if any), the Company has implemented adequate monitoring and compliance processes to mitigate this risk. Any failure to comply with the export obligation would have a negative impact on the financial position of our Company, as it may require us to pay back the exempted duty along with additional costs, penalties, and loss of business opportunities.

For further details, please refer to chapter titled *"Business Overview"* on page 157 of this Red Herring Prospectus.

41. Increased competition from synthetic and alternative fibers presents a potential risk to the demand for cotton yarn, which could negatively affect our sales and profitability.

The growing popularity of Synthetic Fibers, such as polyester, viscose, and other man-made alternatives, poses a competitive challenge to the cotton yarn industry. These Synthetic Fibers offer cost advantages due to lower production costs and can be produced in larger quantities with fewer resource constraints. Additionally, they are increasingly used in a variety of textile applications, which could further diminish the demand for cotton-based products.

If textile manufacturers increasingly opt for Synthetic Fibers over cotton due to cost efficiencies, performance benefits, or sustainability concerns, the demand for our cotton yarn could decline significantly. This reduction in demand could result in lower sales volume, reduced market share, and decreased profitability.

While we are committed to maintaining competitiveness through continuous investment in quality improvements and product innovation, there is no assurance that cotton will remain the preferred fiber for textile manufacturers in the face of these growing competitive pressures. The ongoing shift towards synthetic and alternative fibers presents a substantial risk to our business model, and we must continue to adapt to ensure our continued relevance in the market.

42. The risks associated with cotton storage and inventory management could potentially impact the integrity of materials and disrupt our operations.

Cotton is highly susceptible to moisture absorption, pest infestations, and fiber deterioration if not stored under optimal conditions. If cotton is stored in humid environments for extended periods, microbial growth, mildew formation, and fiber degradation may occur, reducing the cotton's usability and overall market value. Inadequate warehousing infrastructure, improper stock rotation, or logistics delays may further exacerbate these issues, leading to a decline in the quality of stored cotton and, consequently, financial losses.

Effective inventory management is critical in ensuring a smooth production process. Mismanagement of cotton stock, whether through overstocking or understocking, can create operational challenges. Overstocking may increase carrying costs, while understocking could disrupt production schedules, leading to delays and inefficiencies. These inventory issues could ultimately affect our ability to meet customer demand and maintain profitability. Although we have not encounter such adverse occurrence in past, but we cannot assure that the same will not happen in future.

43. Our company will be required to comply with the provision of the Companies act post conversion which were not applicable on us prior to conversion.

The erstwhile M/s. Vivekanand Cotspin LLP, prior to conversion, the provisions of the Companies Act were not applicable on us, the LLP had complied with the applicable provisions of the Limited Liability Partnership Act, 2008 and the rules made thereunder, including the requirements governing its conversion into a company. The conversion of the LLP into the Company was carried out in accordance with the applicable provisions of the Companies Act, 2013, the Limited Liability Partnership Act, 2008, and other applicable laws. However upon conversion, our Company will have to comply with the provisions of the Companies Act, 2013, such as constitution of the Board of Directors, appointment of Key managerial personal, Independent Director, constitution of various management committees, preparation of financial statements as per the Schedule III, prior approval for entering into related party transactions, taking unsecured loan and giving unsecured loan, restructuring of the share capital, adoption of statutory policies, maintenance of statutory registers and records, etc. Also, our company will be required to file certain e-forms with Registrar of Companies in case of any delays in filing of the e-forms our company may be subjected to provide for additional fees levied on the company which could have an impact on the financials of our Company. Further, the company has in the past not made provisions for the benefits of the employees like Gratuity although the same have been made in the restated financial statement of the Company. Though our company is taking all the possible endeavour to comply with the provisions of the Companies Act but in case of our inability to do so or any delay, we may be subject to penal action from the related authorities which may have an adverse effect on our financial position and reputation.

44. Alterations in government regulations and trade policies could have a considerable impact on our operations and profitability.

The cotton industry is subject to a range of regulations, and any modifications in domestic or international trade policies - such as shifts in tariffs, import-export duties, labor laws, or environmental standards - may disrupt our supply chain, increase production costs, and limit market access. Stricter regulations could raise operational expenses, while more favorable policies might offer potential benefits, such as subsidies or tax breaks.

Additionally, changes in trade agreements or geopolitical situations could influence global cotton trade, affecting both supply and demand. These changes in regulations and trade policies could result in increased costs, delays, or disruptions in our ability to source raw materials, manufacture products, or reach global markets, which could negatively affect our profitability and long-term business performance.

Although we stay informed and adaptable to regulatory changes, we cannot guarantee that future shifts in policy will not adversely impact our operations.

45. The average cost of acquisition of Equity Shares by our Promoters could be lower than the Issue price.

Our Promoters average cost of acquisition of Equity Shares in our Company is ₹ 14.15/- for Nirav Bharatbhai Patel, ₹ 14.15/- for Jasmin Visnubhai Patel, ₹ 14.15/- for Bharatbhai Prahaladbhai Patel, ₹ 14.15/- for Vishnubhai Prahaladdas Patel, ₹ 14.15/- for Gautam Bharatkumar Patel, ₹ 4.74/- for B P Patel Family Trust, ₹ 4.74/- V P Patel Family Trust, ₹ 14.88/- for Ranjanben Bharatbhai Patel and respectively which is lower than the Issue Price as may be decided by the Company in consultation with the Book Running Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapters "*Risk Factors"* and *"Capital Structure"* beginning on pages 19 and 74 respectively of this Red Herring Prospectus.

46. Interruptions in the supply chain and logistics could result in delays in production and order delivery.

Our business relies on an efficient supply chain network for the timely procurement of raw materials and distribution of finished products. We do not have an in-house transportation facility and we rely on third party transportation and other logistic facilities at every stage of our business activity including for procurement of products from our suppliers and for transportation of products to our customers. Any disruptions in logistics, whether due to transportation delays, port congestion, geopolitical issues, or labor strikes, may impact our ability to meet production deadlines and fulfill customer orders.

Delays in raw material deliveries may halt or slow down manufacturing processes, leading to inefficiencies and increased costs. Similarly, disruptions in outbound logistics could impact product deliveries, affecting customer relationships and revenue generation.

We implement robust supply chain management strategies, including engaging multiple transportation partners and optimizing inventory planning. Although we have not encounter such delay or interruptions in past. However, despite these measures, there is no assurance that supply chain disruptions will not occur, and prolonged disturbances could adversely impact our operational performance and customer satisfaction.

47. Any failure in our quality control processes may have an adverse effect on our business, results of operations and financial condition.

Our product may contain quality issues or undetected errors or defects. We experience sales returns and quality compensation in our normal course of business. We have implemented quality checks & tests and regularly conduct inspections of raw materials sourced from suppliers and finished products manufactured by us on the basis of our internal quality standards. However, we cannot assure you that our quality control processes will not fail or the quality tests and inspections conducted by us will be accurate at all times. Any shortcoming in the raw materials procured by us or in the production of our product due to failure of our quality assurance procedures, negligence, human error or otherwise, may damage our product and result in deficient product. 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 brand image, as well as entail significant costs in defending such claims.

48. 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.

Our operations involve extending credit for extended periods of time to our customers in respect of our products, and consequently, we face the risk of non-receipt of these outstanding amounts in a timely manner or at all, particularly in the absence of long-term arrangements with our customers. Our credit terms vary from 6 days to 12 days for our customers. Our inability to collect receivables from our customers in a timely manner or at all in future, could adversely affect our working capital cycle and cash flows. If we are unable to collect receivables or if the provisions for doubtful receivables are inadequate, it could have a material adverse effect on our business, financial condition and results of operations. Macroeconomic conditions could also result in financial difficulties, including insolvency or bankruptcy, for our customers, and as a result could cause dealers to delay payments to us, request modifications to their payment arrangements, that could increase our receivables or affect our working capital requirements, or default on their payment obligations to us. An increase in bad debts or in defaults by our customers may compel us to utilize greater amounts of our operating working capital and result in increased interest costs, thereby adversely affecting our results of operations and cash flows. Although we have not encounter such default in payment from our customers in past, but we cannot assure that such instance will not repeat in future.

49. There are significant risks to our operations, if industrial accidents or workplace safety issues occur, as they could disrupt production and impact employee well-being.

Our manufacturing processes involve various mechanical operations, which, by nature, carry certain risks such as industrial accidents, equipment malfunctions, and workplace injuries. These risks can occur due to the complexity of machinery, the intensity of the processes, or human error. Ensuring compliance with workplace safety regulations is crucial for safeguarding our workforce and avoiding potential penalties, legal liabilities, and reputational damage. A major accident or failure to adhere to safety standards could result in temporary factory shutdowns, causing significant operational disruptions. Such disruptions could, in turn, delay production timelines, impact order fulfillment, and increase costs related to worker compensation, equipment repairs, or addressing legal compliance issues.

A severe incident, whether due to unforeseen circumstances or failure in safety procedures, could negatively affect production capabilities, financial performance, and the long-term sustainability of the business. This could lead to a loss of customer trust, higher operational costs, and potential legal consequences. Thus, while we remain committed to minimizing these risks, and also not encounter such accidents or any safety issues occur in past, but we cannot assure that such occurrence will not happen in future. We must acknowledge that the possibility of accidents cannot be entirely eliminated, and their impact could be far-reaching.

50. ***Industry Overview section of this 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 Issue is subject to inherent risks.***

Industry Overview section of this Red Herring Prospectus contain information sourced from the Dun & Bradstreet Report, which was commissioned and purchased by the Company. While the Company has made efforts to ensure the accuracy and reliability of the information contained in such third-party reports, there are inherent risks associated with relying on this data.

The information provided by Dun & Bradstreet is based on their analysis, methodologies, and assumptions, which may not fully reflect the current or future financial performance or market conditions of the Company. The accuracy, completeness, and timeliness of the data cannot be guaranteed, and there is a possibility that the report may contain errors or outdated information.

As such, investors should not place undue reliance on the information sourced from the Dun & Bradstreet Report and should consider this as one of many factors in their investment decision-making process. The Company does not assume any responsibility for the accuracy or completeness of the third-party report and recommends that investors conduct their own independent due diligence.

51. ***If there is a change in policies related to tax, duties or other such levies applicable to us, it may affect our results of operations.***

We benefit from certain general tax regulations and incentives that accord favorable treatment to certain of our operations as well as for our activities. These tax benefits include income tax deductions and other taxes. For details regarding income tax deductions, please refer to the chapter "*Statement of Possible Tax Benefits*" on page 119 of this Red Herring Prospectus.

New or revised accounting policies or policies related to tax, duties or other such levies promulgated from time to time by the relevant authorities may significantly affect our results of operations. We cannot assure you that we would continue to be eligible for such lower tax rates or any other benefits. The reduction or termination of our tax incentives, or non-compliance with the conditions under which such tax incentives are made available, will increase our tax liability and affect our business, prospects, results of operations and financial condition.

52. ***Our Promoters and Directors hold Equity Shares in our Company and are therefore interested in the Company's performance in addition to their remuneration and reimbursement of expenses.***

Our Promoters and Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters may take or block actions with respect to our business which may conflict with the best interests of the Company or that of minority shareholders. For further information on the interest of our Promoters and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see "*Our Management*" and "*Our Promoter and Promoter Group*" on pages 194 and 194 respectively of this Red Herring Prospectus.

53. ***We are subject to the risk of failure of, or a material weakness in, our internal control systems.***

We are exposed to risks arising from the inadequacy or failure of internal systems or processes, and any actions we may take to mitigate these risks may not be sufficient to ensure an effective internal control environment. Given our high volume of transactions, errors may be repeated or compounded before they are discovered and rectified. Our management information systems and internal control procedures may not be able to identify non-compliance or suspicious transactions in a timely manner, or at all. Where internal control weaknesses are identified, our actions may not be sufficient to fully correct such weaknesses. In addition, several of our collection related processes are yet to be fully automated, which may increase the risk that human error, tampering or manipulation will result in losses that may be difficult to detect. As a result, we may incur expenses or suffer monetary losses, which may not be covered by our insurance policies and may result in a material effect on our business, financial condition and results of operations.

54. Major fraud, lapses of internal control or system failures could adversely impact the company's business.

Our Company is vulnerable to risk arising from the failure of employees to adhere to approved procedures, system controls, fraud, system failures, information system disruptions, communication systems failure and interception during transmission through external communication channels or networks. Failure to protect fraud or breach in security may adversely affect our Company's operations and financial performance. Our reputation could also be adversely affected by significant fraud committed by our employees, agents, customers or third parties. Although we have not encounter any such occurrence in past, but we can not assure that such instance will not happen in future.

55. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.

Our Company is incorporated in India, and our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets; and
- Other significant regulatory or economic developments in or affecting India or its textile industry.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operations and financial condition and the price of the Equity Shares.

56. The future operating results are difficult to predict and may fluctuate or adversely vary from the past performance.

The company's operating results may fluctuate or adversely vary from past performances in the future due to a number of factors, many of which are beyond the company's control. The results of operations during any financial year or from period to period may differ from one another or from the expected results operation. Its business, results of operations and financial condition may be adversely affected by, inter alia, a decrease in the growth and demand for the products and services offered by us or any strategic alliances which may subsequently become a liability or non-profitable. Due to various reasons including the above, the future performance may fluctuate or adversely vary from our past performances and may not be predictable. For further details of our operating results, section titled *"Restated Financial Statements"* beginning on page 221 of this Red Herring Prospectus.

57. We are susceptible to risks relating to unionization of our workers employed by us.

None of our workers are currently represented by a recognized collective bargaining agreement. We cannot assure you that our workers will not unionize, or attempt to unionize in the future, that they will not otherwise seek higher wages and enhanced employee benefits. We also cannot assure you that we will not experience disruptions in our work due to disputes or other problems with our workforce. If not resolved in a timely manner, these risks could limit our ability to provide our products to our clients, cause clients to limit their use of our products or result in an increase in our cost of employee benefits and other expenses. If any of these risks materialize, our business, results of operations and financial condition could be affected. Although we have not encounter such occurrence in past, but we cannot assure that such instance will not appear in future.

58. We have not identified any alternate source of raising the capital expenditure and working capital mentioned as our 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.

Our Company has not identified any alternate source of funding for capital expenditure for installation of additional plant and machinery and funding our working capital requirement and for general corporate purposes and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of working capital or may require our Company to borrow funds on unfavorable terms, both of which scenarios may affect the business operation and financial performance of the Company.

For further details of our Object for the Issue, please refer chapter titled "*Object for the Issue*" beginning on page 97 of this Red Herring Prospectus.

59. Our Company's management will have flexibility in utilizing the Net Proceeds from the Issue. The deployment of the Net Proceeds from the Issue is not subject to any monitoring by any independent agency.

Our Company intends to primarily use the Net Proceeds towards capital expenditure for installation of additional plant and machinery, working capital requirement and for general corporate purposes as described in "*Objects of the Issue*" on page 97 of this Red Herring Prospectus. In terms of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Issue size is not in excess of ₹ 5,000 Lakhs. The management of our Company will have discretion to use the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company's management regarding the application of the Net Proceeds from the Issue. Our Company may have to revise its management estimates from time to time and consequently its requirements may change.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the Shareholders and our Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders of our Company who do not agree to such proposal to vary the objects, in such manner as may be prescribed in future by the SEBI.

Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of Net Proceeds. If we are unable to enter into arrangements for utilization of Net proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the Issue and our business and financial results may suffer.

60. Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute [●]% of the Issue Proceed. As on date we have not identified the use of such funds.

Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute [●]% of the Issue Proceed. We have not identified the general corporate purposes for which these funds may be utilized. The deployment of such funds is entirely at the discretion of our management in accordance with policies established by our Board of Directors from time to time and subject to compliance with the necessary provisions of the Companies Act. For details, please refer the chapter titled *"Objects of the Issue"* beginning on page 97 of this Red Herring Prospectus.

61. We will continue to be controlled by our Promoters and Promoter Group after the completion of the Issue, which will allow them to influence the outcome of matters submitted for approval of our shareholders.

As on the date of this Red Herring Prospectus, our Promoters and Promoter Group hold 100% of the issued and outstanding paid-up share capital of our Company. Following the completion of the Issue, our Promoters and Promoter Group will continue to hold together [●]% of our post-Issue Equity Share capital. As a result, they will have the ability to influence matters requiring shareholders' approval, including the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association, and any other business decisions. We cannot assure you that our Promoters and Promoter Group will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

For further details regarding our shareholding, please refer to chapter titled "*Capital Structure*" beginning on page 84 of this Red Herring Prospectus.

62. Our Equity Shares have never been publicly traded and may experience price and volume fluctuations following the completion of the Issue, an active trading market for the Equity Shares may not develop, the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Issue Price or at all.

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Issue. Listing and quotation do not guarantee that a market for our Equity Shares will develop or, if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is determined considering various financials factors of the Company and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. 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 Red Herring Prospectus. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

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

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities may differ from those that would apply to a company in another jurisdiction. Investors may have more difficulty in asserting their rights as shareholders in an Indian company than as shareholder of a corporation in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other jurisdictions. Under the Companies Act, prior to issuance of any new equity shares, a public limited company incorporated under Indian law must offer its equity shareholders pre-emptive rights to subscribe to a proportionate number of equity shares to maintain existing ownership, unless such pre-emptive rights are waived by a special resolution by a three-fourths majority of the equity shareholders voting on such resolution. If you are a foreign investor and the law of the foreign jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such foreign jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file an offering document or a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interest in our Company would decline.

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

The Issue Price of our Equity Shares has been determined through the Book building process. This price is based on numerous factors. For further information, see "*Basis for Issue Price*" beginning on page 110 of this Red Herring Prospectus and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price are:

- Half-Yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

65. A third party could be prevented from acquiring control of our Company 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, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of us. Under the takeover regulations in India, 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 its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the Indian takeover regulations.

66. The requirements of being a listed company may strain our resources and distract management.

We have no experience as a listed company and have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public that is associated with being a listed company. As a listed company, we will incur additional legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing agreements with the Stock Exchanges and compliances of SEBI Listing Regulation, 2015 which would require us to file audited annual and unaudited semi-annual and limited review reports with respect to our business and financial condition. If we delay making such filings, 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 timely as other listed companies.

As a 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 to support the existence of effective disclosure controls and procedures, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

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

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

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares. Additionally, the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

68. Any failure to comply with financial and other restrictive covenants imposed on us under our financing agreements may affect our operational flexibility, business, results of operations and prospects.

As on March 31, 2026 our total secured borrowings amounted to ₹ 3,837.81 Lakhs from Banks. Our leverage has several important consequences, including the following:

- A portion of our cash flow will be used towards repayment of debt, which will reduce the availability of cash to fund working capital requirements, capital expenditures and other general corporate purposes;
- Fluctuations in interest rates may affect our cost of borrowing, as all or a substantial part of our borrowings is at floating rates of interest; and
- Our financing agreements require us to obtain the consent of, or to intimate, our lenders for certain actions including change in corporate structure.

Our failure to comply with financial or restrictive covenants or periodic reporting requirements or to obtain our lenders' consent to take certain actions in a timely manner or at all may result in declaration of an event of default by any current or future lenders, which may accelerate repayment or increase applicable interest rates or trigger cross-default or cross-acceleration under other financing agreements.

The termination of, or declaration or enforcement of default under, any current or future financing agreement (if not waived or cured) may affect our ability to raise additional funds or renew maturing borrowings to finance our existing operations and pursue our growth initiatives and, therefore, have an effect on our business, results of operations and prospects.

For further details of our loans, please refer chapter titled "*Statement of Financial Indebtedness*" beginning on page 224 of this Red Herring Prospectus.

69. Activities involving our manufacturing process can be dangerous and any industrial accident can cause injury to people or property in certain circumstances which could have an adverse effect on our production schedules, costs, revenue and ability to meet customer demand.

Our business involves manufacturing processes that can be potentially dangerous to our employees. An accident may result in loss of life, destruction of property or equipment, manufacturing or delivery delays, or may lead to suspension of our operations. The manufacturing process is also hazardous for the health of the employees. While we believe we maintain adequate insurance, interruptions in production as a result of an accident may also increase our costs and reduce our revenue, and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we or our senior management may become involved in as a result, which may negatively affect our profitability, business, financial condition, results of operations and prospects. Any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations and prospects. Although we have not encounter such instances in past, but we cannot assure that such instances will not occur in future.

70. The raw material and the finished product stored at our factory premises may be subject to distortion and color fading due to lapse of time.

The raw materials and finished products of our Company are stored in the godown located at our factory. Cotton, by its natural aging process, is prone to color changes over time. If raw materials or finished goods remain unsold for an extended period, they may experience color fading, potentially reducing their usability or market value. In such cases, we may need to either discard the affected products or sell them at a lower price, which could negatively impact our profitability and production schedule. Although we have not encounter such instances in past, but we cannot assure that such instances will not occur in future.

71. Changes in technology may render our current technologies obsolete or require us to make substantial capital investments. Modernization and technology up gradation is essential to reduce costs and increase the output.

Our manufacturing technology may become obsolete or may not be upgraded timely, hampering our operations and financial conditions. Although we believe that we have installed plant and machineries with the latest upgraded technology suitable for cotton yarn production, we shall further continue to strive to keep our technology updated. In case of a new found technology in the industry we may be required to implement new technology employed by us which will render our current technology obsolete. Further, the cost in upgrading our technology may be significant which could substantially affect our finances and operations. For further details, please refer to section titled "*Business Overview*" beginning on page 157 of this Red Herring Prospectus.

72. Our raw material and finished products both are highly flammable commodity. Any adverse situation at our factory or godown can have an adverse effect on our operations and profitability.

Cotton being a highly flammable commodity, every stage from procurement, processing, storage and transportation to trading is fraught with an imminent danger of an instant fire. The risk of fire hazard is increased due to increased automation and use of large volume of machinery for material handling. Any spark generated at these places can not only generate fire but also the same could propagate to other machines through cotton conveying. We maintain standard fires and perils policies in respect of the buildings, plant and machinery, stocks of goods, raw material and office equipment in our manufacturing facilities. Further, apart from the above risk our products are also vulnerable to water and moisture. High content of moisture in the cotton or the cotton getting wet due to water then the same cannot be used for production. Also, in case if the moisture content is more in the finished product the same cannot be sold to the customer or the customer may reject the order. Any such incident at our factory, godown or at any other place could adversely affect our business, financial condition, cash flows and results of operations. Although we have not encounter such instances in past, but we cannot assure that such instances will not occur in future.

73. Obsolescence, destruction, theft, breakdowns of our major plants or machineries or failures to repair or maintain the same may affect our business, cash flows, financial condition and results of operations

Obsolescence, destruction, theft or breakdowns of our major plants or machineries may significantly increase our machineries purchase cost and the depreciation of our plants and machineries, as well as change the way our management estimates the useful life of our plants and machineries. In such cases, we may not be able to acquire new plants or machineries or repair the damaged plants or machineries in time or at all, particularly where our plants or machineries are not readily available from the market or require services from original machinery manufacturers. Some of our major machineries or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may have an effect our business, cash flows, financial condition and results of operations for further details of our Plant and Machineries, Although we have not encounter such instances in past, but we cannot assure that such instances will not occur in future. Please refer to chapter titled "*Business Overview*" beginning on page 157 of the Prospectus.

74. Our business is dependent on the adequate and uninterrupted supply of electrical power at a reasonable cost. Failure on account of unavailability of electrical power may restrict us in utilizing our full capacity and, hence, may impact our business and results of operation.

Adequate and cost effective supply of electrical power is critical to our operations, which entails significant consumption of electrical power. Currently, we source of our power requirements from the State Electricity Board. There can be no assurance that electricity supplied by them will be sufficient to meet our requirements or that we will be able to procure adequate and interrupted power supply in the future at a reasonable cost. Further, if the per unit cost of electricity is increased by the state electricity boards, our power costs will increase and it may not be possible to pass on any increase in our power costs to our customers, which may adversely affect our profit margins.

75. Our inability to effectively implement our business and growth strategy may have an adverse effect on our operation and growth.

The success of our business will largely depend on our ability to effectively implement our business and growth strategy. In the past we have generally been successful in execution of our business but there can be no assurance that we will be able to execute our strategy on time and within the estimated budget in the future. If we are unable to implement our business and growth strategy, this may have an adverse effect on our business, financial condition and results of operations.

76. Our ability to pay any dividends will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our Dividend history refer to the Section "*Dividend Policy*" on page 220 of the Red Herring Prospectus.

77. There is no monitoring agency appointed by Our Company to monitor the utilization of the Issue proceeds.

As per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the appointment of a monitoring agency is mandatory for issue sizes exceeding ₹ 5,000 Lakhs. Since our issue size is below this threshold, we have not appointed a monitoring agency to oversee the utilization of the issue proceeds. However, in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Audit Committee will monitor the utilization of the issue proceeds. Furthermore, our Company will report any material deviations in the utilization of issue proceeds to the stock exchange and will simultaneously make public any material deviations or adverse comments from the Audit Committee.

78. Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Amount) at any stage after submitting an application.

Pursuant to the SEBI ICDR Regulations, Non-Institutional Investors are not permitted to withdraw or lower their application (in terms of quantity of Equity Shares or the Amount) at any stage after submitting an application. While our Company is required to complete Allotment pursuant to the Offer within six Working Days from the Issue Closing Date, events affecting the Applicants decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition, may arise between the date of submission of the Application and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the applicant's ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

79. Certain key performance indicators for certain listed industry peers included in this Red Herring Prospectus have been sourced from public sources and there is no assurance that such financial and other industry information is complete.

Pursuant to the requirements of the SEBI ICDR Regulations 2018, we have included certain key performance indicators, comprising financial and operational information, for certain listed industry peers, in the *"Basis for Issue Price"* beginning on page 110 of this Red Herring Prospectus. Although this information is sourced from and relied upon on the audited financial statements of the relevant listed industry peers as available on the websites of the Stock Exchanges, including the annual reports of the respective companies submitted to Stock Exchanges, there is no assurance that this information with respect to industry peers is either complete. There may be different methodologies and formulas used to compute the various ratios.

80. Certain data mentioned in this Prospectus has not been independently verified.

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

EXTERNAL RISK FACTORS

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

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war in India or globally may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

82. Our business and activities may be further regulated by the Competition Act and any adverse application or interpretation of the Competition Act could materially and adversely affect our business, financial condition and results of operations.

The Competition Act seeks to prevent business practices that have or are likely to have an appreciable adverse effect on competition in India and has established the Competition Commission of India (the "**CCI**"). Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which has or is likely to have an appreciable adverse effect on competition is void and attracts substantial penalties. Any agreement among competitors which, directly or indirectly, determines purchase or sale prices, results in bid rigging or collusive bidding, limits or controls the production, supply or distribution of goods and services, or shares the market or source of production or providing of services by way of allocation of geographical area or type of goods or services or number of customers in the relevant market or in any other similar way, is presumed to have an appreciable adverse effect on competition and shall be void.

Further, the Competition Act prohibits the abuse of a dominant position by any enterprise. If it is proven that a breach of the Competition Act committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the breach themselves and may be punished as an individual. If we, or any of our employees are penalized under the Competition Act, our business may be adversely affected. Further, the Competition Act also regulates combinations and requires approval of the CCI for effecting any acquisition of shares, voting rights, assets or control or mergers or amalgamations above the prescribed asset and turnover based thresholds.

On March 4, 2011, the Government of India notified and brought into force new provisions under the Competition Act in relation to combined entities (the "Combination Regulation Provisions"), which came into effect from June 1, 2011. The Combination Regulation Provisions require that any acquisition of shares, voting rights, assets or control or mergers or amalgamations, which cross the prescribed asset and turnover based thresholds, must be notified to and preapproved by the CCI. In addition, on May 11, 2011, the CCI issued the final Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 (as amended). These regulations, as amended, set out the mechanism for the implementation of the Combination Regulation Provisions under the Competition Act.

83. The Indian tax regime is currently undergoing substantial changes which could adversely affect our business.

The goods and service tax ("GST") that has been implemented with effect from July 1, 2017 combines taxes and levies by the GoI and state governments into a unified rate structure, and replaces indirect taxes on goods and services such as central excise duty, service tax, customs duty, central sales tax, state VAT, cess and surcharge and excise that were being collected by the GoI and state governments.

As regards the General Anti-Avoidance Rules ("GAAR"). The general anti avoidance rules ("GAAR") provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18. The GAAR provisions intend to declare an arrangement as an "impermissible avoidance arrangement", if the main purpose or one of the main purposes of such arrangement is to obtain a tax benefit, and satisfies at least one of the following tests (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, that is not ordinarily engaged for bona fide purposes. If GAAR provisions are invoked, the tax authorities will have wider powers, including denial of tax benefit or a benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain. As the taxation regime in India is undergoing a significant overhaul, its consequent effects on economy cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, future financial performance and the trading price of the Equity Shares.

84. ***You may be restricted in your ability to exercise pre-emptive rights under Indian law and may be adversely affected by future dilution of your ownership position.***

Under the Companies Act, a company incorporated in India must offer its shareholders 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 shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the shares who have voted on the resolution, or unless the company has obtained approval from the Government of India to issue without such special resolution, subject to votes being cast in favour of the proposal exceeding the votes cast against such proposal. However, if the law of the jurisdiction you are in does not permit you to exercise your pre-emptive rights without our Company filing an offering document or a registration statement with the applicable authority in the jurisdiction you are in, you will be unable to exercise your pre-emptive rights unless our Company makes such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interest in our Company would be reduced.

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

We currently operate only in India and are dependent on domestic, regional and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent on the Textile & Apparel industry of the Indian economy. There have been periods of slowdown in the economic growth of India. For instance, the present situation of lock-down is prevailing in India due to pandemic Covid-19 spread in India and all other parts of world. If such condition prevail for longer time the Demand for our products & services may be adversely affected by an economic downturn in domestic, regional and global economies. India's economic growth is also affected by various other factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, cash flows and financial condition. Also, a change in the Government or a change in the economic and deregulation policies could affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

86. ***Companies in India are required to prepare financial statements under the new Indian Accounting Standards. In addition, all income-tax assessee in India will be required to follow the Income Computation and Disclosure Standards.***

The Ministry of Corporate Affairs ("MCA"), Government of India, has through notification dated February 16, 2015 issued the Indian Accounting Standards Rules, 2015 ("Ind AS") which have come into effect from April 1, 2015 and are applicable to companies which fulfill certain conditions. Further, there can be no assurance that the adoption of Ind AS will not affect our reported results of operations or financial condition. Any of these factors relating to the use of Ind AS may adversely affect our financial condition and results of operations.

Further, the Ministry of Finance, Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards ("ICDS"), thereby creating a new framework for computation of taxable income. The ICDS shall apply from the assessment year 2017-2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

87. ***There is no guarantee that our Equity Shares will be listed on the BSE in a timely manner or at all.***

There is no guarantee that our Equity Shares will be listed on the BSE in a timely manner or at all. In accordance with Indian law, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Issue and until Allotment of Equity Shares pursuant to this Issue. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on BSE within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

88. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.

Our Company is incorporated in India, and the majority of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. 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 impact on economic conditions in India and scarcity of financing for our expansions;
- Prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, 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;
- 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 ER&D 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;

89. Financial instability, economic developments and volatility in securities markets in other countries may also cause the price of the Equity Shares to decline.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging Asian market countries. Financial turmoil in Europe and elsewhere in the world in recent years has affected the Indian economy. In recent times, the Indian financial markets had been negatively affected by the volatility in global financial market, including on account of certain European nations' debt troubles and move to break away by the United Kingdom from the European Union. Although, economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. Currencies of a few Asian countries have in the past suffered depreciation against the U.S. Dollar owing to, amongst other, the announcements by the U.S. government that it may consider reducing its quantitative easing measures. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur and could harm our business, future financial performance and the prices of the Equity Shares.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. Liquidity and credit concerns and volatility in the global credit and financial markets have increased significantly with the bankruptcy or acquisition of, and government assistance extended to, several major U.S. and European financial institutions. These and other related events, such as the European sovereign debt crisis, have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in global credit and financial markets. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets.

However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current difficult conditions in the global credit markets continue or if there is any significant financial disruption, such conditions could have an adverse effect on our business, future financial performance and the trading price of the Equity Shares.

90. A significant change in the Government of India's economic liberalization and deregulation policies could adversely affect our business and the price of our Equity Shares.

The Government of India has traditionally exercised, and continues to exercise, a dominant influence over many aspects of the economy. Unfavorable government policies including those relating to the internet and e-commerce, consumer protection and data-privacy, could adversely affect business and economic conditions in India, and could also affect our ability to implement our strategy and our future financial performance. Since 1991, successive governments, including coalition governments, have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector and encouraging the development of the Indian financial sector. However, the members of the Government of India and the composition of the coalition in power are subject to change. As a result, it is difficult to predict the economic policies that will be pursued by the Government of India. For example, there may be an increasing number of laws and regulations pertaining to the internet and ecommerce, which may relate to liability for information retrieved from or transmitted over the internet or mobile networks, user privacy, content restrictions and the quality of services and products sold or provided through the internet. The rate of economic liberalization could change and specific laws and policies affecting the financial services industry, foreign investment, currency exchange and other matters affecting investment in our securities could change as well.

Any significant change in India's economic liberalization and deregulation policies could adversely affect business and economic conditions in India generally and our business in particular.

SECTION III – INTRODUCTION

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS	
Equity Shares Issued through Public Issue(1)(2)*	Upto 60,00,000 Equity Shares of face value ₹ 10/- each, for cash at a price of ₹[●]/- per share aggregating to ₹ [●] Lakhs
Of which	
Issue Reserved for the Market Makers	Upto 3,00,000 Equity Shares of face value ₹ 10/- each, for cash at a price of ₹[●]/- per share aggregating to ₹ [●] Lakhs
Net Issue to the Public	Upto 57,00,000 Equity Shares of face value ₹ 10/- each, for cash at a price of ₹[●]/- per share aggregating to ₹ [●] Lakhs
Of which	
A. QIB Portion(3)(4)(5)(6)	Not more than 28,50,000 Equity Shares of face value ₹ 10/- each, for cash at a price of ₹[●]/- per share aggregating to ₹ [●] Lakhs
Of which:	
(a) Anchor Investor Portion	Upto 17,10,000 Equity Shares of face value ₹ 10/- each, for cash at a price of ₹[●]/- per share aggregating to ₹ [●] Lakhs
(b) Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	Upto 11,40,000 Equity Shares of face value ₹ 10/- each, for cash at a price of ₹[●]/- per share aggregating to ₹ [●] Lakhs
Of which:	
(i) Available for allocation to Mutual Funds only (5% of the Net QIB Portion	Upto 57,000 Equity Shares of face value ₹ 10/- each, for cash at a price of ₹[●]/- per share aggregating to ₹ [●] Lakhs
(ii) Balance of QIB Portion for all QIBs including Mutual Funds	Upto 10,83,000 Equity Shares of face value ₹ 10/- each, for cash at a price of ₹[●]/- per share aggregating to ₹ [●] Lakhs
B. Non-Institutional Category	Not Less than 8,55,000 Equity Shares of face value ₹ 10/- each, for cash at a price of ₹[●]/- per share aggregating to ₹ [●] Lakhs
Of which:	
One third of the portion available to NIBs shall be reserved for applicants with an application size of more than two lots and upto such lots equivalent to not more than ₹ 10 lakhs	2,85,000 Equity Shares of face value ₹ 10/- each, for cash at a price of ₹[●]/- per share aggregating to ₹ [●] Lakhs
Two Third of the portion available to NIBs shall be reserved for applicants with an application size of more than ₹ 10 lakhs	5,70,000 Equity Shares of face value ₹ 10/- each, for cash at a price of ₹[●]/- per share aggregating to ₹ [●] Lakhs
C. Individual Investor Portion	Not Less than 19,95,000 Equity Shares of face value ₹ 10/- each, for cash at a price of ₹[●]/- per share aggregating to ₹ [●] Lakhs
Pre and Post – Issue Equity Shares:	
Equity Shares outstanding prior to the Issue	1,62,50,000 Equity Shares of face value of ₹10 each
Equity Shares outstanding after the Issue	Upto 2,22,50,000 Equity Shares of face value of ₹10/- each
Use of Net Proceeds by the Company	Please see the chapter titled *"Objects of the Issue"* on page 97 of this Red Herring Prospectus

** Subject to finalisation of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of issue price*

Notes:

(1) This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229(2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being issued to the public for subscription. For further details, please see the section titled *"Issue Related Information"* beginning on page 269 of this Red Herring Prospectus.

(2) The present Issue in terms ofRed Herring Prospectus has been authorized pursuant to a resolution passed by our Board of Directors dated April 20, 2026 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of the members held on April 20, 2026.

(3) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Individual Bidders and

not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Individual Bidders and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders. Further, (a) 1/3rd of the portion available to NIBs shall be reserved for Bidders with application size of more than two lots and up to such lots equivalent to not more than ₹10.00 lakhs and (b) 2/3rd of the portion available to NIBs shall be reserved for Bidders with application size of more than ₹10.00 lakhs. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), could be allocated to Bidders in the other sub-category of NIBs. The allocation to each NIB shall not be less than the minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, was available for allocation on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. Not more than 50% of the Net Issue shall be allotted to QIBs, subject to valid Bids being received at or above the Issue Price. All Bidders, other than the Anchor Investors, are mandatorily required to participate in this Issue only through an Application Supported by Blocked Amount (**"ASBA"**) process, providing details of their respective bank accounts (including UPI ID for UPI Bidders using UPI Mechanism) in which the Bid amount will be blocked by the Self Certified Syndicate Banks or the Sponsor Bank. The Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For further details, please see *"Issue Procedure"* on page 283.

(4) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Individual Investor Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Individual Investor Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

(5) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

(6) Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. 40% of the Anchor Investor portion shall be reserved as: (i) 33.33 per cent for domestic mutual funds; and (ii) 6.67 per cent for life insurance companies and pension fund subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received within the Issue price band. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled *"Issue Procedure"* on page 283.

For details, including grounds for rejection of Bids, refer to *"Issue Structure"* and *"Issue Procedure"* on pages 278 and 283, respectively. For details of the terms of the Issue, see *"Terms of the Issue"* on page 269 of this Red Herring Prospectus.

SUMMARY OF FINANCIAL INFORMATION

RESTATED STATEMENT OF ASSETS & LIABILITIES

(₹ in Lakhs)

	Particulars	Note	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
I	**EQUITY AND LIABILITIES**					
	1. Shareholders' funds					
	(a) Share Capital/ Partners Capital	1	1,625.00	1,500.00	1,500.00	1,500.00
	(b) Reserves and surplus	2	1,268.57	226.46	845.16	562.49
	2. Non-current liabilities					
	(a) Long-term borrowings	3	1,258.69	2,948.94	1,812.14	1,786.79
	(b) Other Non-current liabilities		-	-	-	-
	(c) Deferred Tax Liability (Net)	4	470.48	464.76	620.07	605.90
	(d) Long term provisions	5	48.35	39.60	32.89	29.24
	3. Current liabilities					
	(a) Short-term borrowings	6	3,240.83	2,526.97	1,443.97	2,214.78
	(b) Trade payables	7				
	i) Total outstanding dues of micro enterprises and small enterprises;		39.97	63.24	260.77	247.14
	ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		147.23	552.38	856.26	1,219.71
	(c) Other current liabilities	8	236.16	294.66	164.62	224.30
	(d) Short-term provisions	9	149.77	136.14	87.17	92.80
	TOTAL		**8,485.05**	**8,753.15**	**7,623.05**	**8,483.14**
II.	**ASSETS**					
	1. Non-current assets					
	(a) Property Plant & Equipment and Intangible Assets					
	(i) Property Plant & Equipment	10	4,253.95	4,555.83	4,898.11	5,140.82
	(ii) Intangible Assets		5.33	5.93	-	-
	(b) Non Current Investment	11	-	-	0.00	0.00
	(c) Deferred tax asstes(Net)	12	-	-	-	-
	(d) Long-term loans and advances	13	-	-	-	-
	(e) Other Non Current Assets	14	80.76	198.73	193.85	186.17
	2. Current assets					
	(a) Inventories	15	2,440.57	1,789.47	1,991.76	2,494.56
	(b) Trade receivables	16	1,176.73	1,522.16	40.25	230.83
	(c) Cash and cash equivalents	17	29.75	23.16	11.99	10.40
	(d) Short-term loans and advances	18	136.84	388.99	28.72	24.79
	(e) Other Current Assets	19	361.12	268.88	458.37	395.57
	TOTAL		**8,485.05**	**8,753.15**	**7,623.05**	**8,483.14**

Note: *The Company was formerly constituted as a Limited Liability Partnership ("LLP") and was converted into a private limited company with effect from August 5, 2024, Accordingly, for the period from April 1, 2024, to August 5, 2024, the business was carried on in the form of an LLP, and the financial information pertaining to such period relates to the erstwhile LLP.*

RESTATED STATEMENT OF PROFIT & LOSS

(₹ in Lakhs)

	Particulars	**Note**	**For the year ended March 31, 2026**	**For the period ended March 31, 2025**	**For the period ended August 04, 2024**	**For the year ended March 31, 2024**
I	Revenue from operations	20	40,801.01	29,046.69	7,546.69	35,738.81
II	Other Income	21	131.14	47.06	10.80	62.81
III	**Total Income (I+II)**		**40,932.15**	**29,093.76**	**7,557.49**	**35,801.62**
	Expenses:					
	(a) Cost of materials consumed	22	23,732.07	15,288.98	5,258.54	20,506.34
	(b) Purchases of stock-in-trade	23	13,341.37	12,059.62	380.65	12,754.25
	(c) Changes in inventories of finished goods and work-in- progress	24	666.46	(430.73)	888.63	(1,213.88)
	(d) Employee benefits expense	25	415.45	277.90	110.93	418.12
	(e) Finance costs	26	556.81	260.91	182.92	440.04
	(f) Depreciation and amortisation expense	10	570.77	387.90	211.41	557.99
	(g) Other expenses	27	1,136.35	910.37	389.57	1,814.51
IV	**Total expenses**		**40,419.27**	**28,754.95**	**7,422.65**	**35,277.38**
V	**Profit /(Loss) before tax and Exceptional Items (III-IV)**		**512.87**	**338.81**	**134.84**	**524.24**
VI	**Exceptional Items**	28	-	15.91	-	-
VII	**Profit /(Loss) before tax (V-VI)**		**512.87**	**322.90**	**134.84**	**524.24**
VIII	**Tax expense:**					
	(a) Current tax expense		138.37	70.83	33.76	89.03
	(b) Deferred tax charge/(credit)		5.72	(155.31)	14.17	99.88
	(c) Prior Period Taxes		-	-	-	-
			144.09	**(84.48)**	**47.93**	**188.91**
IX	**Profit after tax for the year (VII-VIII)**		**368.78**	**407.38**	**86.90**	**335.33**
XII	**Earnings per share (face value of ₹ 10/- each): (Considering Bonus impact with retrospective effect)**	29				
	(a) Basic (in ₹)		2.45	2.72	0.58	2.24
	(b) Diluted (in ₹)		2.45	2.72	0.58	2.24

RESTATED STATEMENT OF CASH FLOWS

(₹ in Lakhs)

Particulars	**For the period ended March 31, 2026**	**For the period ended March 31, 2025**	**For the period ended August 04, 2024**	**For the period ended March 31, 2024**
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Exceptional Items	512.87	338.81	134.84	524.24
Adjustment For:				
(a) Depreciation and Amortization	570.77	387.90	211.41	557.99
(b) Prior period adjustment in Reserves and surplus	(1.67)	(180.92)	-	-
(c) Interest Income	(23.48)	(32.63)	(3.77)	(9.98)
(d) Finance Cost	556.81	260.91	182.92	440.04
Operating Profit before Working Capital Changes	**1,615.30**	**774.07**	**525.40**	**1,512.30**
Adjustment For :				
(a) (Increase)/Decrease in Trade Receivables	345.43	(1,481.91)	190.58	745.78
(b) (Increase)/Decrease in Loans & Advances & Other Assets	159.91	(170.78)	(66.73)	(184.95)
(c) Increase /(Decrease) in Trade Payables & Other Liabilities	(486.93)	(371.36)	(409.50)	1,378.90
(d) (Increase)/Decrease in Inventories	(651.10)	202.29	502.80	(923.68)
(e)Increase /(Decrease) in Short Term Provisions	13.63	48.97	(5.63)	10.65
(f)Increase /(Decrease) in Long Term Provisions	8.75	6.71	3.65	(9.93)
Cash generated from operations	1,005.01	(992.02)	740.56	2,529.07
Less : Direct Taxes paid	(138.37)	(70.83)	(33.76)	(89.03)
Cash flow before extraordinary items	**866.64**	**(1,062.85)**	**706.80**	**2,440.04**
Exceptional Items	-	(15.91)	-	-
NET CASH FROM OPERATING ACTIVITIES (A)	**866.64**	**(1,078.76)**	**706.80**	**2,440.04**
B. CASH FLOW FROM INVESTING ACTIVITIES				
(a) Sales / (Addition) in Fixed Assets & WIP	(268.29)	(51.55)	31.29	(1,531.63)
(b) (Increase) / Decrease in Investment	-	0.00	-	-
(c) (Increase)/Decrease in Other Non Current Assets	117.97	(4.88)	(7.68)	(22.24)
(d) Interest received	23.48	32.63	3.77	9.98
NET CASH FROM INVESTING ACTIVITIES (B)	**(126.84)**	**(23.80)**	**27.39**	**(1,543.89)**
C. **CASH FLOW FROM FINANCING ACTIVITIES**				
(a) Proceeds from Issue of Share Capital	800.00	-	-	-
(b) Proceeds/(Repayment) from Long Term Borrowings	(1,690.25)	291.63	25.35	779.39
(c) Proceeds/(Repayment) from Short Term Borrowings	713.86	1,083.01	(770.81)	38.70
(d) Interest Paid	(556.81)	(260.91)	(182.92)	(440.04)
(e) Increase/(Decrease) in Partner's Capital	-	-	195.77	(1,366.85)
NET CASH FLOW IN FINANCING ACTIVITIES (C)	**(733.20)**	**1,113.73**	**(732.61)**	**(988.79)**

Particulars	For the period ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the period ended March 31, 2024
NET INCREASE IN CASH & CASH EQUIVALENTS (A)+(B)+(C)	6.59	11.17	1.58	(92.64)
OPENING BALANCE – CASH & CASH EQUIVALENT	**23.16**	**11.99**	**10.40**	**103.04**
CLOSING BALANCE - CASH & CASH EQUIVALENT	**29.75**	**23.16**	**11.99**	**10.40**

SUMMARY OF CONTINGENT LIABILITIES

As per the Restated Financials Statement as at and for the Financial Years ended on March 31, 2026, March 31, 2025 and March 31, 2024 and period ended August 04, 2024 there are contingent liabilities of our Company which have been recognized in the Restated Financials Statement:

(₹ In Lakhs)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at August 04, 2024**	**As at March 31, 2024**
Contingent Liabilities	54.37	424.78	259.01	259.01
Total	**54.37**	**424.78**	**259.01**	**259.01**

For further details in relation to our contingent liabilities, see *"Restated Financials Statement"* starting on page 221 of this Red Herring Prospectus.

SUMMARY OF RELATED PARTY TRANSACTIONS

A summary of related party transactions as per the Related Party Disclosures read with the SEBI Regulations entered into by our Company with related parties, derived from our Restated Financial Statements are as follows:

List of Related Parties and Nature of Relationship:

S. No.	Name of the party	Nature of relationship
1	Bharatbhai Patel	Director
2	Gautam Bharatbhai Patel	Promoter
3	Jasmin Vishnubhai Patel	Whole-time director
4	Nirav Patel	Chairman and Managing Director
5	Vishnubhai Patel	Director
6	Rohit Khandelwal	Independent Director
7	Bhavika Sanghani	Independent Director
8	Neha Agarwal	Independent Director
9	Sandeep Kumar Likhamania	Independent Director
10	Irfan Abdulbhai Mansuri	Chief Financial Officer
11	Komal Vijaybhai Chauhan	Company Secretary
12	Truepay Finance Private Limited (Formerly known as Jain Finscap Private Limited)	Entity over which promoter/director exercise significant influence
13	Ambica Cotseeds Limited	
14	Ambica Cotseeds PTE Limited	
15	Avadh Cotton Industries	
16	Vivekanand Industries	
17	Giocert Ventures and Innovations Private Limited	
18	Ranjan Patel	Relative of Director
19	Preet Vishnubhai Patel	
20	Kapilaben Vishnubhai Patel	
21	Kantaben Prahladbhai Patel	
22	Prahladbhai Patel	

Transactions carried out with related parties referred to in above, in ordinary course of business:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	% of revenue	For the period ended March 31, 2025	% of revenue	For the period ended August 04, 2024	% of revenue	For the year ended March 31, 2024	% of revenue
Director Remuneration								
Nirav Patel	-	0.00%	4.00	0.01%	-	0.00%	-	0.00%
Salary								
Irfan Abdulbhai Mansuri	9.60	0.02%	4.00	0.01%	-	0.00%	-	0.00%
Komal Vijaybhai Chauhan	5.42	0.01%	1.08	0.00%	-	0.00%	-	0.00%
Sitting fees								
Neha Agarwal	1.10	0.00%	-	0.00%	-	0.00%	-	0.00%
Sandeep Kumar Likhamania	1.10	0.00%	-	0.00%	-	0.00%	-	0.00%
Transfer of Company Loan to Director**								
Jasmin Vishnubhai Patel	-	0.00%	8.62	0.03%	-	0.00%	-	0.00%

Particulars	For the year ended March 31, 2026	% of revenue	For the period ended March 31, 2025	% of revenue	For the period ended August 04, 2024	% of revenue	For the year ended March 31, 2024	% of revenue
Unsecured Loan								
Truepay Finance Private Limited (Formerly known as Jain Finscap Private Limited)	-	0.00%	42.00	0.14%	-	0.00%	-	0.00%
Jasmin Vishnubhai Patel	-	0.00%	397.93	1.37%	9.01	0.12%	-	0.00%
Nirav Patel	-	0.00%	719.43	2.48%	-	0.00%	-	0.00%
Gautam Bharatbhai Patel	-	0.00%	264.81	0.91%	20.07	0.27%	-	0.00%
Vishnubhai Patel	-	0.00%	154.47	0.53%	-	0.00%	-	0.00%
Bharatbhai Patel	-	0.00%	326.53	1.12%	-	0.00%	-	0.00%
Repayment of Unsecured Loan								
Truepay Finance Private Limited (Formerly known as Jain Finscap Private Limited)	-	0.00%	42.00	0.14%	-	0.00%	-	0.00%
Vishnubhai Patel	160.50	0.39%	-	0.00%	-	0.00%	-	0.00%
Nirav Patel	607.90	1.49%	-	0.00%	-	0.00%	-	0.00%
Jasmin Vishnubhai Patel	198.54	0.49%	0.54	0.00%	-	0.00%	-	0.00%
Gautam Bharatbhai Patel	171.70	0.42%	0.92	0.00%	-	0.00%	-	0.00%
Bharatbhai Patel	212.42	0.52%	-	0.00%	-	0.00%	-	0.00%
Preet Vishnubhai Patel	-	0.00%	2.00	0.01%	-	0.00%	-	0.00%
Interest on Loan								
Vishnubhai Patel	17.72	0.04%	-	0.00%	-	0.00%	-	0.00%
Nirav Patel	36.78	0.09%	-	0.00%	-	0.00%	-	0.00%
Jasmin Vishnubhai Patel	45.60	0.11%	-	0.00%	-	0.00%	-	0.00%
Gautam Bharatbhai Patel	30.28	0.07%	-	0.00%	-	0.00%	-	0.00%
Bharatbhai Patel	37.47	0.09%	-	0.00%	-	0.00%	-	0.00%
Commission Expenses								
Ambica Cotseeds PTE Limited	-	0.00%	6.23	0.02%	-	0.00%	-	0.00%
Lease Expense								
Vishnubhai Patel	1.20	0.00%	1.00	0.00%	-	0.00%	-	0.00%
Bharatbhai Patel	1.20	0.00%	1.00	0.00%	-	0.00%	-	0.00%
Ranjan Patel	1.20	0.00%	1.20	0.00%	-	0.00%	0.35	0.00%
Kapilaben Vishnubhai Patel	1.20	0.00%	1.20	0.00%	-	0.00%	0.35	0.00%
Kantaben Prahladbhai Patel	-	0.00%	-	0.00%	-	0.00%	1.20	0.00%
Avadh Cotton Industries	2.40	0.01%	4.97	0.02%	-	0.00%	4.80	0.01%
Purchase								
Ambica Cotseeds Limited	-	0.00%	531.56	1.83%	13.22	0.18%	3,663.11	10.25%
Vivekanand Industries	-	0.00%	519.15	1.79%	759.28	10.06%	1,886.44	5.28%
Ambica Cotseeds PTE Limited	-	0.00%	1,847.64	6.36%	-	0.00%	-	0.00%
Avadh Cotton Industries	-	0.00%	-	0.00%	-	0.00%	139.90	0.39%

Particulars	For the year ended March 31, 2026	% of revenue	For the period ended March 31, 2025	% of revenue	For the period ended August 04, 2024	% of revenue	For the year ended March 31, 2024	% of revenue
Kapilaben Vishnubhai Patel	-	0.00%	-	0.00%	-	0.00%	3.65	0.01%
Kantaben Prahladbhai Patel	-	0.00%	-	0.00%	-	0.00%	3.62	0.01%
Bharatbhai Patel	-	0.00%	-	0.00%	-	0.00%	3.36	0.01%
Sales								
Ambica Cotseeds Limited	1,310.63	3.21%	7,096.25	24.43%	3,564.34	47.23%	13,743.42	38.46%
Vivekanand Industries	1,339.17	3.28%	3,354.08	11.55%	1,745.21	23.13%	9,870.98	27.62%
Capital Contribution								
Bharatbhai Patel	-	0.00%	-	0.00%	25.38	0.34%	218.25	0.61%
Gautam Bharatbhai Patel	-	0.00%	-	0.00%	100.15	1.33%	3.75	0.01%
Jasmin Vishnubhai Patel	-	0.00%	-	0.00%	188.74	2.50%	53.00	0.15%
Nirav Patel	-	0.00%	-	0.00%	194.14	2.57%	171.00	0.48%
Vishnubhai Patel	-	0.00%	-	0.00%	18.08	0.24%	60.96	0.17%
Capital Withdrawl								
Bharatbhai Patel	-	0.00%	-	0.00%	31.24	0.41%	287.01	0.80%
Gautam Bharatbhai Patel	-	0.00%	-	0.00%	30.64	0.41%	464.37	1.30%
Jasmin Vishnubhai Patel	-	0.00%	-	0.00%	43.99	0.58%	359.82	1.01%
Nirav Patel	-	0.00%	-	0.00%	158.64	2.10%	774.99	2.17%
Vishnubhai Patel	-	0.00%	-	0.00%	49.49	0.66%	136.81	0.38%
Interest on Capital								
Bharatbhai Patel	-	0.00%	-	0.00%	9.39	0.12%	18.56	0.05%
Gautam Bharatbhai Patel	-	0.00%	-	0.00%	11.57	0.15%	49.07	0.14%
Jasmin Vishnubhai Patel	-	0.00%	-	0.00%	13.31	0.18%	39.82	0.11%
Nirav Patel	-	0.00%	-	0.00%	10.68	0.14%	47.74	0.13%
Vishnubhai Patel	-	0.00%	-	0.00%	9.33	0.12%	24.40	0.07%

** % of total revenue from operations of that period/year;*

***The transfer of the vehicle loan to the Director/Partner was undertaken as part of the rationalization of the books of account of the erstwhile LLP. The vehicle financed under the said loan was reflected as an asset in the books of the erstwhile LLP. However, the vehicle was in the name of the individual Partner and not in the name of the LLP. Accordingly, in order to align the legal ownership of the vehicle with the accounting records, the LLP transferred the motor car at its carrying/book value to the respective Partner's Capital Account. Simultaneously, the outstanding vehicle loan pertaining to the said motor car was also transferred to the respective Partner's Capital Account. Accordingly, both the asset and the corresponding liability were transferred together, ensuring that the accounting treatment was consistent with the legal ownership of the vehicle. The transaction was merely an accounting and legal rationalization exercise and did not involve any cash outflow, loan waiver, write-off or financial benefit being extended by the Company to the Director/Partner.*

Closing Balance

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	% of revenue	For the period ended March 31, 2025	% of revenue	For the period ended August 04, 2024	% of revenue	For the year ended March 31, 2024	% of revenue
Unsecured Loan								

Particulars	For the year ended March 31, 2026	% of revenue	For the period ended March 31, 2025	% of revenue	For the period ended August 04, 2024	% of revenue	For the year ended March 31, 2024	% of revenue
Bharatbhai Patel	147.83	0.36%	326.53	1.12%	-	0.00%	-	0.00%
Gautam Bharatbhai Patel	119.44	0.29%	263.89	0.91%	20.07	0.27%	-	0.00%
Jasmin Vishnubhai Patel	239.89	0.59%	397.39	1.37%	9.01	0.12%	-	0.00%
Nirav Patel	144.63	0.35%	719.43	2.48%	-	0.00%	-	0.00%
Vishnubhai Patel	9.92	0.02%	154.47	0.53%	-	0.00%	-	0.00%
Sundry Debtors								
Ambica Cotseeds PTE Limited	-	0.00%	153.07	0.53%	-	0.00%	-	0.00%
Sundry Creditors								
Vivekanand Industries	-	0.00%	153.07	0.53%	272.34	3.61%	-	0.00%
Advance From Customer								
Vivekanand Industries	-	0.00%	-	0.00%	27.66	0.37%	-	0.00%
Ambica Cotseeds Limited	-	0.00%	-	0.00%	33.89	0.45%	-	0.00%
Partner's Current Account								
Bharatbhai Patel	-	0.00%	-	0.00%	166.78	2.21%	238.28	0.67%
Gautam Bharatbhai Patel	-	0.00%	-	0.00%	245.33	3.25%	238.28	0.67%
Jasmin Vishnubhai Patel	-	0.00%	-	0.00%	322.31	4.27%	238.28	0.67%
Nirav Patel	-	0.00%	-	0.00%	149.43	1.98%	248.28	0.69%
Vishnubhai Patel	-	0.00%	-	0.00%	142.17	1.88%	238.28	0.67%

1. The figures disclosed above are based on the restated statement of assets and liabilities of the Company;
2. The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexure respectively;
3. List Company/entity owned or significantly influenced by directors, Key Management Personnels and Relative of Key Management Personnels have been determined by the Management and relied upon by the Peer Review Auditor. The Peer Review Auditor have not performed any procedure to determine whether the list is accurate and complete.

For details of Restated Related Party transaction, please refer chapter titled *"Restated Financial Statements"* beginning on page no. 221 of this Red Herring Prospectus.

The related party entities perform distinct functions within the cotton value chain and possess specialized capabilities, infrastructure, customer relationships and market access that facilitate efficient business operations. The transactions are not routed through related parties merely due to common ownership or control but are supported by clear business rationale and are undertaken at arm's length prices.

THE COMMERCIAL RATIONALE FOR UNDERTAKING TRANSACTIONS WITH RELATED PARTIES IS EXPLAINED BELOW

1. Transactions with Ambica Cotseeds Limited

Ambica Cotseeds Limited is engaged in the business of domestic trading and export of cotton yarn and cotton bales and has established a strong presence in international markets over the years. The company has developed:

- Established relationships with overseas customers;
- Export marketing and distribution network;
- Expertise in export documentation and regulatory compliances;
- Strong banking arrangements and trade finance facilities;
- Experience in handling international logistics and shipment management; and

- Access to diversified export markets.

Given the comparatively limited presence of downstream textile industries such as weaving, knitting and garment manufacturing in India, a significant portion of cotton yarn and cotton bales produced by the Issuer Company is ultimately sold in export markets. Ambica Cotseeds Limited acts as a channel partner for servicing such export demand through its established customer network and export infrastructure.

Accordingly, transactions with Ambica Cotseeds Limited enable:

- Access to international markets and export customers;
- Efficient execution of export orders;
- Wider customer reach and market penetration;
- Better utilization of production capacity; and
- Reduced operational and administrative burden associated with export management.

The Issuer Company could undertake exports directly or through third-party export houses; however, Ambica Cotseeds Limited already possesses the required export ecosystem, customer relationships and banking infrastructure, thereby providing operational efficiencies and facilitating timely execution of export orders.

2. Transactions with Vivekanand Industries

Vivekanand Industries is engaged in cotton ginning and processing of cotton seed into value-added products such as:

- Cotton Seed Oil;
- Wash Oil; and
- Cotton Seed Oil Cake.

During the ginning process carried out by the Issuer Company, cotton seed is generated as a by-product. Vivekanand Industries possesses dedicated processing facilities and technical expertise for converting such cotton seed into commercially marketable products.

Accordingly, transactions with Vivekanand Industries facilitate:

- Value addition of cotton seed generated by the Issuer Company;
- Efficient utilization of by-products;
- Stable off-take of cotton seed production;
- Improved realization from the cotton value chain; and
- Reduction in inventory holding and storage requirements.

Further, Vivekanand Industries occasionally receives customer orders for cotton bales that exceed its own production capacity. In such cases, it procures products from the Issuer Company for onward sale to customers. This enables the Issuer Company to access additional customer relationships and increase utilization of its manufacturing capacity.

3. Transactions with Ambica Cotseeds Pte. Ltd., Singapore

Ambica Cotseeds Pte. Ltd. is engaged in international merchant trading and sourcing of cotton products. The company facilitates international procurement opportunities and assists in establishing sourcing relationships in overseas markets.

Transactions with Ambica Cotseeds Pte. Ltd. are undertaken where its international sourcing capabilities, market knowledge, overseas business network and business location provide commercial advantages to the Company.

For risk associated with the Related Party Transaction please refer chapter title *"Risk Factor"* in this DRHP from page 19.

SECTION IV - GENERAL INFORMATION

Our Company was originally formed and registered as Limited Liability Partnership Firm under the name and style of "*Vivekanand Cotspin LLP*" pursuant to provisions of Limited Liability Partnership Act, 2008 ("LLP Act"), bearing registration no. AAE-4147 pursuant to Certificate of Incorporation dated July 21, 2015 issued by Registrar, Gujarat, Dadra and Nagar Havelli. Thereafter, it was converted in to a Private Limited company in the name and style of *"Vivekanand Cotspin Private Limited"* pursuant to the provisions of Companies Act, 2013 and fresh a certificate of Incorporation dated August 5, 2024 was issued by Registrar of Companies, Central Registration Centre bearing CIN No. U13111GJ2024PTC154066. Subsequently our Company was converted into Public Limited Company pursuant to a resolution passed by our Shareholders at an Extra Ordinary General Meeting held on December 2, 2024 and consequently the name of our company was changed from "*Vivekanand Cotspin Private Limited*" to "*Vivekanand Cotspin Limited*" vide fresh certificate of incorporation dated December 16, 2024 issued by the Registrar of Companies, Central Registration Centre. The Corporate Identity Number of our Company is U13111GJ2024PLC154066.

For further details, please refer to chapter titled *"History and Corporate Structure"* beginning on page 190 of this Red Herring Prospectus.

BRIEF INFORMATION ON THE COMPANY AND THE ISSUE

<table>
<tr><th>Particulars</th><th colspan="4">Details</th></tr>
<tr><td>Name of Issuer</td><td colspan="4">Vivekanand Cotspin Limited</td></tr>
<tr><td>Registered Office</td><td colspan="4">S/No 181/1, 182/1,At Rangpurda, Kadi, Mahesana- 382715 Gujarat, India</td></tr>
<tr><td>Telephone No.</td><td colspan="4">+91 9227825102</td></tr>
<tr><td>Website</td><td colspan="4">www.vcottonexport.com</td></tr>
<tr><td>Date of Incorporation</td><td colspan="4">August 5, 2024</td></tr>
<tr><td>Company Identity Number</td><td colspan="4">U13111GJ2024PLC154066</td></tr>
<tr><td>Company Registration Number</td><td colspan="4">154066</td></tr>
<tr><td>Company Category</td><td colspan="4">Company Limited by Shares</td></tr>
<tr><td>Registrar of Company</td><td colspan="4">ROC, Ahmedabad</td></tr>
<tr><td>Address of the RoC</td><td colspan="4">ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India</td></tr>
<tr><td>Company Secretary / Compliance Officer</td><td colspan="4">Mr. Ankit Sanchiher;
S/No 181/1, 182/1, At Rangpurda, Kadi, Mahesana- 382715 , Gujarat, India;
Tel. No.: +91 9227825102;
E-mail: cs@vcottonexport.com;
Website: www.vcottonexport.com</td></tr>
<tr><td>Chief Financial Officer</td><td colspan="4">Mr. Irfan Abdulbhai Mansuri;
S/No 181/1, 182/1, At Rangpurda, Kadi, Mahesana- 382715 , Gujarat, India;
Tel. No.: +91 9227825102;
E-mail: finance@vcottonexport.com;
Website: www.vcottonexport.com</td></tr>
<tr><td>Designated Stock Exchange</td><td colspan="4">SME Platform of BSE Limited (SME BSE)</td></tr>
<tr><td rowspan="2">Issue Programme</td><td>Issue Opens on:</td><td>September 21, 2026</td><td>Issue Closes on:</td><td>September 23, 2026</td></tr>
<tr><td colspan="2">Anchor Bid opened on</td><td colspan="2">September 18, 2026*</td></tr>
</table>

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

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

Investor Grievances

Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Issue in case of any Pre-Issue or Post-Issue related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. for all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Applicant, number of Equity Shares applied for, the Application amount paid on submission of the Application Form and the bank branch or collection center where the Application was submitted.

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

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

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

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

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within 3 months of the date of listing of the Equity Shares. In terms of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SCSBs are required to compensate the investor immediately on the receipt of complaint. Further, the BRLM are required to compensate the investor for delays in grievance redressal from the date on which the grievance was received until the actual date of unblock.

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

BOARD OF DIRECTORS

As on date of the Red Herring Prospectus the Board of Directors of our Company consists of:

S. No.	Name	Designation	Address	DIN
1.	Nirav Bharatbhai Patel	Chairman and Managing Director	12, Mahalaxmi Society, Karannagar Road, Kadi, Mahesana, Gujarat- 382715, India	02055489
2.	Jasmin Vishnubhai Patel	Whole Time Director	12, Mahalaxmi Society, Karannagar Road, Kadi, Mahesana, Gujarat- 382715, India	06923150
3.	Vishnubhai Prahladdas Patel	Non-Executive Director	12, Mahalaxmi Society, Karannagar Road, Kadi, Mahesana, Gujarat- 382715, India	00375791
4.	Bharatbhai Prahaladbhai Patel	Non-Executive Director	12, Mahalaxmi Society, Karannagar Road, Kadi, Mahesana, Gujarat- 5382715, India	00377202
5.	Rohit Khandelwal	Non-Executive Independent Director	202, Morya Daisy, Morya Garden, Indore Kanada Road, Indore -452016,	07038360

S. No.	Name	Designation	Address	DIN
			Madhya Pradesh, India	
6.	Bhavika Sanghani	Non- Executive Independent Director	Flat No. 1803, Bldg No. 1, Paraiso, Near Arihant Bldg Padle Gaon, Kalyan Shil Main Road, Kalyan, Thane -421204, Maharashtra	10492381

For further details of the Directors of our Company, please refer to the chapter titled *"Our Management"* on page 194 of this Red Herring Prospectus.

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

BOOK RUNNING LEAD MANAGER OF THE ISSUE

SWASTIKA INVESTMART LIMITED;
Address: Office No. 104, 1st Floor, KESHAVA Commercial Building, Plot No. C-5, "E" Block, Bandra Kurla Complex, Opp GST Bhavan, Bandra (East), Mumbai – 400051, Maharashtra, India;
Merchant Banking Division: 48 Jaora Compound, M.Y.H Road, Indore (MP) – 452001;
Tel. No.: +91 0731 664 4244;
Email: mb@swastika.co.in;
Website: www.swastika.co.in;
Investor Grievance Email: mb.investorgrievance@swastika.co.in;
Contact Person: Mohit R. Goyal;
SEBI Registration No.: NM000012102;
CIN: L65910MH1992PLC067052.

REGISTRAR TO THE ISSUE

MUFG INTIME INDIA PRIVATE LIMITED;
(Formerly known as Link Intime India Private Limited);
Address: C 101, 247 Park, 1st Floor, L.B.S. Marg, Vikhroli (West), Mumbai, - 400083, Maharashtra, India;
Tel. No.: +91 8108114949;
Email: www.linkintime.co.in;
Website: vivekanand.smeipo@linkintime.co.in;
Investor Grievance Email: vivekanand.smeipo@linkintime.co.in;
Contact Person: Shanti Gopalkrishnan;
SEBI Registration No.: INR000004058;
CIN: U67190MH1999PTC118368.

LEGAL ADVISOR TO THE ISSUE

ANA ADVISORS;
Address: 118 Shila Vihar, Gokulpura, Kalwar Road Jhotwara, Jaipur-302012;
Email Id: anaadvisors22@gmail.com;
Tel No.: +91-9887906529;
Contact Person: Kamlesh Kumar Goyal.

STATUTORY AUDITOR OF OUR COMPANY

MISTRY AND SHAH LLP, CHARTERED ACCOUNTANTS;
Address: C 1008, Stratum@Venus Grounds, West wing, 10th Floor, Near Jhansi Ki Rani BRTS, Nehrunagar, Ahmedabad, Gujarat-GJ, 380015, India;
Tel No +91 7940050150, +91 7940060150;
Email: info@mistryandshah.com;
Website: www.mistryandshah.com;
Contact Person: CA Kunal Soni;
Membership No.: W100683;
Firm Registration No.: W100683;

Peer Review No.: 022451.

***Mistry and Shah LLP**, Chartered Accountants hold a peer review certificate dated October 30, 2025 issued by the Institute of Chartered Accountants of India which will be valid till October 31, 2028.*

PEER REVIEW AUDITOR OF OUR COMPANY

S V J K AND ASSOCIATES, CHARTERED ACCOUNTANTS;
Address: 807, Pheonix Opp. New Girish Cold Drinks
Near Vijay Cross Road, NavrangPura, Ahmedabad, Gujarat-380009;
Tel No.: 079-45940050;
Email: info@svjkadvisors.com;
Website: www.svjkadvisors.com;
Contact Person: Reeturaj Verma;
Membership No.: 193591;
Firm Registration No.: 135182W;
Peer Review No.: 014698.

***S V J K and Associates,** Chartered Accountants hold a peer review certificate dated November 28, 2022 issued by the Institute of Chartered Accountants of India which will be valid till November 30, 2026.*

BANKERS TO THE COMPANY

BANK OF BARODA;
Address: Nanikadi Branch, Detroj Road, Kadi Dist. Mehsana, Gujarat-382715, India;
Tel. No.: 9152940427;
Email: nanika@bankofbaroda.com;
Website: www.bankofbaroda.in;
Contact Person: Mr. Rajesh Kumar Sah;
Designation: Chief Manager;

STATE BANK OF INDIA;
Address: Nine Square Building, Kadi-Chhatral Road, Kadi, Gujarat, India;
Tel. No.: 7600038819;
Email: mukesh.kakkar@sbi.co.in, sbi.60436@sbi.co.in;
Website: www.sbi.co.in;
Contact Person: Mr. Mukesh Kakkar;
Designation: Chief Manager.

BANKERS TO THE ISSUE AND REFUND BANKER/SPONSOR BANK

AXIS BANK LIMITED;
Address: Ground Floor, Sixth Sense Mall, At Gokhale Road, Elphiston Road & Sayani Road, Parel, Mumbai – 400025, Maharashtra, India
Ph.No: +91-9833558630;
Email: Gokhaleroad.Branchhead@axis.bank.in;
Website: www.axisbank.com;
Contact Person: Dilip Ramji Kanaujiya;
SEBI Registration No: INBI00000017;
CIN: L65110GJ1993PLC020769

SYNDICATE MEMBER

SWASTIKA INVESTMART LIMITED;
CIN: L65910MH1992PLC067052;
Address: Office No. 104, 1st Floor, KESHAVA Commercial Building, Plot No. C-5, "E" Block, Bandra Kurla Complex, Opp GST Bhavan, Bandra (East), Mumbai – 400051, Maharashtra, India;
Tel: +91 0731 664 4244;
Contact Person: Mr. Sunil Nyati;
Email Id: merchantbanking@swastika.co.in;
Website: www.swastika.co.in;
SEBI Registration No.: INZ000192732.

DESIGNATED INTERMEDIARIES

SELF CERTIFIED SYNDICATE BANKS ("SCSBS") AND SYNDICATE SCSB BRANCHES

The list of Designated Branches that have been notified by SEBI to act as SCSB for the ASBA process is provided on www.sebi.gov.in/pmd/scsb.pdf. For more information on the Designated Branches collecting ASBA Forms, see the above mentioned SEBI link.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

The list of SCSBs notified by SEBI for the ASBA process is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which an ASBA Applicant (other than an UPI Applicants using the UPI mechanism), not applying through Syndicate/Sub Syndicate or through a Registered Broker, may submit the ASBA Forms is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 on the SEBI website, 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 Applicants (other than UPI Applicants) 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.

In relation to Applicants (other than Applications by Anchor Investors and Individual Investors) submitted under the 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 Application Forms from the Members of the Syndicate is available on the website of the SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35, which may be updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35 or any such other website as may be prescribed by SEBI from time to time.

SELF-CERTIFIED SYNDICATE BANKS ELIGIBLE SPONSOR BANKS FOR UPI MECHANISM

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022 and SEBI circular No SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, UPI Applicants using the UPI mechanism may only apply through the SCSBs and mobile applications (apps) using the UPI handles whose name appears on the SEBI website, which may be updated from time to time. 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. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. A list of SCSBs and mobile applications, which are live for applying public issues using UPI mechanism is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, respectively and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

INVESTORS BANKS OR ISSUER BANKS FOR UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yesandintmId=40. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above-mentioned SEBI link.

REGISTERED BROKERS

Bidders can submit ASBA Forms in the Issue using the stock broker network of the stock exchange, i.e., through the Registered Brokers at the Broker Centers. 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/Markets/PublicIssues/brokercentres_new.aspx? and www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time.

REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS ("RTA")

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI (www.sebi.gov.in) , and updated from time to time. For details on RTA, please refer http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.

COLLECTING DEPOSITORY PARTICIPANTS ("CDP")

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 , or such other websites as updated from time to time. https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=4.

BROKERS TO THE ISSUE

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

STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since Swastika Investmart Limited is the sole Book Running Lead Manager to this Issue, and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter se allocation of responsibilities among Lead Managers is not required.

CREDIT RATING

This being an Issue of Equity Shares, credit rating is not required.

IPO GRADING

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

DEBENTURE TRUSTEES

As the Issue is of Equity Shares, the appointment of Debenture trustees is not required.

TRUSTEES

As the Issue is of Equity Shares, the appointment of Trustees is not mandatory.

APPRAISAL AND MONITORING AGENCY

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 5,000.00 Lakhs.

Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Red Herring Prospectus.

FILING OF THE OFFER DOCUMENT

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus /Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in.

The Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus are being filed with Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Fort, Mumbai - 400001, Maharashtra, India.

A copy of the Red Herring Prospectus/Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be filed online for registration to the Registrar of Companies, Ahmedabad.

APPRAISING ENTITY

No appraising entity has been appointed in respect of any objects of this Issue.

GREEN SHOE OPTION

No green shoe option is contemplated under the Issue.

EXPERTS OPINION

Except for the reports in the section *"Restated Financial Statements"* from the Peer Review Auditor and *"Statement of Possible Tax Benefits"* from the Peer Review Auditor on page 221 and page 119 of this Red Herring Prospectus, our Company has not obtained any expert opinions. We have received written consent from the Mistry and Shah LLP, Chartered Accountnat Statutory Auditor and Parikh Dave and Associates, Practicing Company Secreatary for inclusion of their name as a expert. However, the term "expert" shall not be construed to mean an "expert"" as defined under the U.S. Securities Act 1933.

BOOK BUILDING PROCESS

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and advertised in all editions of the English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and in Regional newspaper Financial Express (Gujarati) where our registered office is situated at least two working days prior to the Bid/Issue Opening date. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/Issue Closing Date.

Principal parties involved in the Book Building Process are:

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

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

The Issue is being made through the Book Building Process wherein 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the **"Anchor Investor Portion"**), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. At least 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price.

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

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

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled *"Issue Procedure"* beginning on page 283 of the Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled *"Issue Procedure"* on page 283 of this Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20/- to ₹ 24/- per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22/- in the above example. The Company in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22/-. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled "*Issue Procedure*" on page 283 of this Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories;
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure

that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depositary Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims;

- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraw the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-issue advertisements have appeared and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraw the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

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

UNDERWRITING

The Company and the Book Running Lead Manager to the issue hereby confirm that the issue is 100% Underwritten by Swastika Investmart Limited and Jevin Stock Broker Private Limited in the capacity of Underwriter to the issue. Pursuant to the terms of the Underwriting Agreement dated August 13, 2026 entered into by Company and Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriters	No. of shares Underwritten	Amount Underwritten (₹ in Lakh)	% of Total Issue Size Underwritten
SWASTIKA INVESTMART LIMITED; Office No. 104, 1st Floor, KESHAVA Commercial Building, Plot No.C-5, "E" Block, Bandra Kurla Complex, Opp GST Bhavan, Bandra (East), Mumbai – 400051; **Merchant Banking Division:** 48 Jaora Compound, M.Y.H Road, Indore (MP) – 452001; **Tel. No.:** 0731 664 4244; **Email:** mb@swastika.co.in; **Website**: www.swastika.co.in; **Investor Grievance Email:** mb.investorgrievance@swastika.co.in; **Contact Person**: Mr. Mohit R. Goyal; **SEBI Registration No.:** INM000012102.	Upto 9,00,000	[●]	15.00%
JEVIN STOCK BROKER PRIVATE LIMITED; 1503-1504, X-Change Plaza, Block-53, Zone 5, Road 5e Gift City, Gandhinagar, Gujarat, India, 380006; **Tel No.:** 079-69530000; **Email:** jevinstockbroking@gmail.com; **Website:** www.jevin.in; **Contact Person:** Tirth Ketanbhai Thakkar; **SEBI Registration No.:** INZ000317139.	Upto 51,00,000*	[●]	85.00%
Total	**Upto 60,00,000**	**[●]**	**100.00%**

**Includes Upto 3,00,000 Equity shares of ₹ 10/- each for cash of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.*

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

In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriters are sufficient to enable them to discharge their respective obligations in full.

CHANGES IN AUDITORS DURING LAST THREE YEARS

Since our company was incorporated, the first auditor M/s. Mistry and Shah LLP is appointed on August 06, 2024. Further there is no change in the auditors during the last three years immediately preceding the date of this Red Herring Prospectus.

M/s. B. Shah & Associates, Chartered Accountants, were the auditors of our erstwhile Limited Liability Partnership firm for the financial ended on March 31, 2024, March 31, 2023 and March 31, 2022.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Book Running Lead Manager has entered into Market Making Agreement dated August 13, 2026 with the following Market Maker, to fulfill the obligations of Market Making for this Issue:

Name	Sunflower Broking Private Limited
Correspondence Address	6th Floor, Princess Crown Building, Kalawad Road, Near KKV Chowk, Opp. HDFC Bank, Rajkot, Gujarat, 360001
Tel No.	+91-9825222227
E-mail	compliance@sunflowerbroking.com
CIN	U65923GJ1988PTC011203
Contact Person	Bhavik Vora
Website	www.sunflowerbroking.com
BSE Registration Number	3288
SEBI Registration No.	INZ000195131

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s);

2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of SME Platform of BSE (BSE SME) and SEBI from time to time;

3. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he/she sells his/her entire holding in that scrip in one lot along with a declaration to the effect to the selling broker;

4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the SME Platform of BSE (BSE SME) from time to time);

5. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes;

6. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform BSE i.e. BSE SME from time to time;

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

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

9. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors;

10. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction;

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

12. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

13. The Market Maker(s) shall have the right to terminate said arrangement by giving a three months' notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.

14. In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of the SEBI ICDR Regulations. Further our Company and the Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.**Risk containment measures and monitoring for Market Makers:** BSE SME Exchange will have all margins, which are applicable on BSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time;

15. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by exchange from time to time.

16. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:

    (i) In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price;
    (ii) In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the SME Platform.

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

17. **Punitive Action in case of default by Market Makers:** BSE SME will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange

on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.

18. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the issue size and as follows:

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

All the above mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI /BSE from time to time.

SECTION V – CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of the Red Herring Prospectus and after giving effect to this Issue, is set forth below:

(₹ in Lakhs, except share amount)

S. No.	Particulars	Aggregate nominal Value	Aggregate Value at Issue Price(1)
A	**Authorized Share Capital** 2,50,00,000 Equity Shares having Face Value of ₹ 10/- each	2,500.00	-
B	**Issued, Subscribed & Paid-up Share Capital before the Issue** 1,62,50,000 Equity Shares having Face Value of ₹ 10/- each issued fully paid up before the Issue.	1,625.00	-
C	**Present Issue in terms of the Draft Red Herring Prospectus(2)** Fresh Issue of upto 60,00,000 Equity Shares having Face Value of ₹ 10/- each aggregating up to ₹ [●] Lakhs.	[●]	[●]
Which Consisting of:			
I.	**Reservation for Market Maker portion** Upto 3,00,000 Equity Shares of ₹ 10/- each at a price of ₹ [●]/- per Equity Share reserved as Market Maker Portion.	[●]	[●]
II.	**Net Issue to the Public** Net Issue to Public of Upto 57,00,000 Equity Shares of ₹ 10/- each at a price of ₹ [●]/- per Equity Share to the Public	[●]	[●]
Of the Net Issue to the Public(3)			
	Not more than 28,50,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Qualified Institutional Buyers	[●]	[●]
	Not Less than 8,55,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Non-Institutional Investors	[●]	[●]
	Not less than 19,95,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Individual Investors	[●]	[●]
D	**Issued, Subscribed and Paid-up Equity Share capital after the Issue** Upto 2,22,50,000 Equity Shares of Face Value of ₹ 10/- each	[●]	-
E	***Securities Premium Account***		
	Before the Issue	675.00	
	After the Issue	[●]	

(1) To be finalized upon determination of Issue Pric;
(2) The Present Issue of Equity Shares has been authorized pursuant to a resolution of our Board of Directors dated April 20, 2026 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of the members held on April 20, 2026;
(3) The allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

For detailed information on the Net Issue and its allocation various categories, please refer chapter titled *"The Issue"* on page 60 of this Red Herring Prospectus.

CLASS OF SHARES

As on the date of Red Herring Prospectus. Our Company has only one class of share capital i.e. Equity Shares of ₹ 10/- each only. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments and does not have any partly paid-up equity shares as on the date of the Red Herring Prospectus.

NOTES TO THE CAPITAL STRUCTURE

1. Details of changes in Authorized Share Capital of our Company:

Since the incorporation of our Company, the authorized share capital of our Company has been altered in the manner set forth below:

a) The Initial Authorised share capital of our Company was ₹ 15,00,00,000 (Rupees Fifteen Crore Only) divided into 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of ₹ 10/- each;

b) The Authorised share capital of our Company was increased from ₹ 15,00,00,000 (Rupees Fifteen Crore Only) divided into 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of ₹ 10/- each to ₹ 25,00,00,000 (Rupees Twenty Five Crore Only) divided into 2,50,00,000 (Two Crore Fifty Lakh) Equity Shares of ₹ 10/- each pursuant to a resolution passed by our Shareholders in Extra-Ordinary General Meeting held on January 17, 2025.

2. History of Paid-up Share Capital:

2.1. Equity Share Capital History of our Company:

(a) The history of the equity share capital and the securities premium account of our company are set out in the following table:

Date of Allotment / Date of Fully Paid Up	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity	Cumulative Paid-Up Share Capital (₹ in Lakhs)	Cumulative Securities Premium (₹ in Lakhs)
On Incorporation	1,50,00,000	10	10	Cash	Subscription to MOA(i)	1,50,00,000	1,500.00	Nil
March 25, 2026	12,50,000	10	64	Cash	Right Issue (1:12)(ii)	1,62,50,000	1,625.00	675.00
Total	**1,62,50,000**	**10**	**64**			**1,62,50,000**	**1,625**	**675.00**

i. Initial Subscribers to the Memorandum of Association subscribed 1,50,00,000 Equity Shares of Face Value of ₹ 10/- each, fully paid at par pursuant to conversion of Limited Liability Partnership 'Vivekanand Cotspin LLP' into Company under Section 366 of Part I , Chapter XXI of the Companies Act, 2013 details of which are given below:

S. No.	Names of Person	Number of Shares Allotted	Face Value (in ₹)	Issue Price (in ₹)
1.	Nirav Bharatbhai Patel	30,00,000	10	10
2.	Jasmin Vishnubhai Patel	30,00,000	10	10
3.	Bharatbhai Prahaladbhai Patel	30,00,000	10	10
4.	Vishnubhai Prahaladdas Patel	30,00,000	10	10
5.	Gautam Bharatkumar Patel	30,00,000	10	10
	Total	**1,50,00,000**		

ii. Rights issue of 12,50,000 Equity Shares of face value of ₹10/- each fully paid in the ratio of 1 Equity Shares for every 12 Equity Shares held at an Issue Price of ₹64/- each. The details of which are given below:

S. No.	Names of Person	Face Value (in ₹)	Issue Price (in ₹)	Equity Shares Offered	Equity Shares Renounced	Net Balance of Equity Shares	Equity Shares Subscribed/ Received by Renunciation	Lapse of Equity Shares
1.	V P Patel Family Trust	10	64	8	-	8	8	-
2.	B P Patel Family Trust	10	64	8	-	8	8	-
3.	Preet Vishnubhai Patel	10	64	8	-	8	8	-
4.	Ranjanben Bharatbhai Patel	10	64	8	-	8	8	-
5.	Nirav Bharatbhai Patel	10	64	2,50,000	-	2,50,000	2,50,000	-
6.	Gautam Bharatkumar Patel	10	64	2,50,000	-	2,50,000	2,50,000	-
7.	Jasmin Vishnubhai Patel	10	64	2,50,000	-	2,50,000	2,50,000	-

S. No.	Names of Person	Face Value (in ₹)	Issue Price (in ₹)	Equity Shares Offered	Equity Shares Renounced	Net Balance of Equity Shares	Equity Shares Subscribed/ Received by Renunciation	Lapse of Equity Shares
8.	Bharatbhai Prahaladbhai Patel	10	64	2,49,984	-	2,49,984	2,49,984	-
9.	Vishnubhai Prahaladdas Patel	10	64	2,49,984	-	2,49,984	2,49,984	-
	Total			**12,50,000**		**12,50,000**	**12,50,000**	

(b) As on the date of the Red Herring Prospectus, our Company does not have any preference share capital.

3. Except as mentioned above, the Company has not issued any Equity Share in the last two years preceding this Red Herring Prospectus.
4. Our Company have not issued any Equity Shares for consideration other than cash.
5. Our Company have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
6. Our Company has not allotted Equity Shares pursuant to any scheme approved under sections 230-232 of the Companies Act, 2013.
7. Our Company has not made any public issue (including any rights issue to the public) since its incorporation.
8. Our Company has not issued any equity shares under any employee stock option Scheme / Employees Stock Purchase Scheme as on the date of the Red Herring Prospectus,
9. Our Company have not issued any Equity Shares at price below issue price within last one year from the date of this Red Herring Prospectus.

10. Shareholding Pattern of our Company

The shareholding pattern of our Company before the Issue as per Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given here below:

Declaration:

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

**All Pre-IPO Equity Shares of our Company, as on the date of this Red Herring Prospectus, will be locked in as mentioned above prior to listing of shares on SME Platform of BSE. Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the Listing of the Equity Shares. The Shareholding Pattern will be uploaded on the Website of the BSE before commencement of trading of such Equity Shares.*

I – Summary of Shareholding Pattern:

Category	Category of shareholder	Nos. of share holders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares Held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights		Total as a % of (A+B+ C)			No. (a)	As a Share% of total res held (b)	No. (a)	As a % of total Shares held (b)	
								Class Equity Shares of	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX			X	XI=VII+X	XII		XIII		XIV
(A)	Promoter & Promoter Group	9	1,62,50,000	-	-	1,62,50,000	100.00	1,62,50,000	1,62,50,000	100.00	-	100.00	1,62,50,000	100.00	-		1,62,50,000
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
(C2)	Shares held by Emp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
	Total	**9**	**1,62,50,000**	**-**	**-**	**1,62,50,000**	**100.00**	**1,62,50,000**	**1,62,50,000**	**100.00**	**-**	**100.00**	**1,62,50,000**	**100.00**	**-**		**1,62,50,000**

**As on date of this Red Herring Prospectus 1 Equity share holds 1 vote;*

^ We have only one class of Equity Shares of face value of ₹ 10/- each;

PAN of the Shareholders will be provided by our Company prior to Listing of Equity Shares on the Stock Exchange.

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

S. No.	Pre-Issue Shareholding as at the Date of Draft Red Herring Prospectus			Post-Issue Shareholding as at Allotment(3)			
	Shareholders	Number of Equity Shares(2)	Shareholding (in%)(2)*	At the lower end of the price band (₹ [●]/-)		At the upper end of the price band (₹ [●]/-)	
				Number of Equity Shares(2)	Share Holding (in%)(2)	Number of Equity Shares(2)	Share Holding (in %)(2)
A. Promoter and Promoter Group(1)							
1.	Nirav Bharatbhai Patel	32,50,000	20.00	[●]	[●]	[●]	[●]
2.	Jasmin Vishnubhai Patel	32,50,000	20.00	[●]	[●]	[●]	[●]
3.	Gautam Bharatkumar Patel	32,50,000	20.00	[●]	[●]	[●]	[●]
4.	Bharatbhai Prahaladbhai Patel	32,49,784	20.00	[●]	[●]	[●]	[●]
5.	Vishnubhai Prahaladdas Patel	32,49,784	20.00	[●]	[●]	[●]	[●]
6.	B P Patel Family Trust	108	Negligible	[●]	[●]	[●]	[●]
7.	V P Patel Family Trust	108	Negligible	[●]	[●]	[●]	[●]
8.	Ranjanben Bharatbhai Patel	108	Negligible	[●]	[●]	[●]	[●]
9.	Preet Vishnubhai Patel	108	Negligible	[●]	[●]	[●]	[●]
Total – A		**1,62,50,000**	**100.00**	**[●]**	**[●]**	**[●]**	**[●]**
B. Additional Top 10 Public Shareholders**							
Total - B		**-**	**-**	-	-	-	-
Total (A+B)		**1,62,50,000**	**100.00**	**[●]**	**[●]**	**[●]**	**[●]**

** Rounded off;*
***There are no additional public shareholders other than promoters;*
(1) There is one (1) Promoter Group Shareholders, i.e., Preet Vishnubhai Patel;
(2) Includes all options that have been exercised until date of Red Herring Prospectus and any transfers of equity shares by existing shareholders after the date of the pre-issue and price band advertisement until date of Red Herring Prospectus;
(3) Based on the Issue price of ₹ [●]/- and subject to finalization of the basis of allotment.

12. Statement showing details of significant beneficial owners:

S. No.	Details of the significant beneficial owner (I)			Details of the registered owner (II)			Particulars of the shares in which significant beneficial interest is held by the beneficial owner (III)		Date of creation/acquisition of significant beneficial interest (IV)
	Name	PAN	Nationality	Name	PAN	Nationality	Number of Shares	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	
1.	Bharatbhai Prahaladbhai Patel	ABRPP7924N	Indian	B P Patel Family Trust	AAFTB7131E	Indian	108	0.00	February 06, 2025
2.	Vishnubhai Prahaladdas Patel	ABRPP8467G	Indian	V P Patel Family Trust	AAETV4536E	Indian	108	0.00	February 06, 2025

13. **Details of Major Shareholders:**

A. **The 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 are:**

S. No.	Name	No. of Equity Shares held*	% shares held (% Pre Issue paid up Capital)**#
1.	Nirav Bharatbhai Patel	32,50,000	20.00
2.	Jasmin Vishnubhai Patel	32,50,000	20.00
3.	Bharatbhai Prahaladbhai Patel	32,49,784	20.00
4.	Vishnubhai Prahaladdas Patel	32,49,784	20.00
5.	Gautam Bharatkumar Patel	32,50,000	20.00
	Total	**1,62,49,568**	**100.00**

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

B. **The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company two year prior as on the date of this Red Herring Prospectus are:**

Our Company was incorporated on August 5, 2024 pursuant to conversion of the Limited Liability Partnership Firm "*Vivekanand Cotspin LLP*." which is less than two years prior to the date of filing of the Red Herring Prospectus. Hence, requirement of disclosing the list of shareholders prior to two years from the date of filing of the Red Herring Prospectus is not applicable on us.

C. **The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company one year prior as on the date of this Red Herring Prospectus are:**

S. No.	Name	No. of Equity Shares held*	% shares held (% Pre Issue paid up Capital)**#
1.	Nirav Bharatbhai Patel	30,00,000	20.00
2.	Jasmin Vishnubhai Patel	30,00,000	20.00
3.	Bharatbhai Prahaladbhai Patel	29,99,800	20.00
4.	Vishnubhai Prahaladdas Patel	29,99,800	20.00
5.	Gautam Bharatkumar Patel	30,00,000	20.00
	Total	**1,49,99,600**	**100.00**

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

D. **The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company ten days prior as on the date of this Red Herring Prospectus are:**

S. No.	Name	No. of Equity Shares held*	% shares held (% Pre Issue paid up Capital)**#
1.	Nirav Bharatbhai Patel	32,50,000	20.00
2.	Jasmin Vishnubhai Patel	32,50,000	20.00
3.	Bharatbhai Prahaladbhai Patel	32,49,784	20.00
4.	Vishnubhai Prahaladdas Patel	32,49,784	20.00
5.	Gautam Bharatkumar Patel	32,50,000	20.00
	Total	**1,62,49,568**	**100.00**

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

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

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

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

16. None of our Directors or Key Managerial Personnel hold any Equity Shares other than as set out below:

Name	Designation	No. of Equity Shares held
Nirav Bharatbhai Patel	Promoter, Chairman and Managing Director	32,50,000
Jasmin Vishnubhai Patel	Promoter and Whole Time Director	32,50,000
Bharatbhai Prahaladbhai Patel	Promoter and Non-Executive Director	32,49,784
Vishnubhai Prahaladdas Patel	Promoter and Non-Executive Director	32,49,784

17. Capital Build up in respect of shareholding of our Promoters:

As on date of the Red Herring Prospectus, our promoters are Nirav Bharatbhai Patel, Jasmin Vishnubhai Patel, Bharatbhai Prahaladbhai Patel, Vishnubhai Prahaladdas Patel, Gautam Bharatkumar Patel, B P Patel Family Trust, V P Patel Family Trust, Ranjanben Bharatbhai Patel and Kapilaben Vishnubhai Patel and are holding 1,62,49,892 Equity Shares which constitute 100% of the issued and paid-up Equity Share capital of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

Date of Allotment and made fully paid up /transfer	Nature of Issue	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value Per Share (₹)	Issue /Acquisition/ Transfer Price per Equity Share (₹)	Nature of Consideration	Total Consideration Paid/Received (₹ in Lakhs)	Pre-Issue Shareholding %	Post-Issue Shareholding %
Nirav Bharatbhai Patel									
On Incorporation	Subscriber to MOA	30,00,000	30,00,000	10	10	Cash	300.00	18.46	[●]
March 25, 2026	Right Issue	2,50,000	32,50,000	10	64	Cash	160.00	1.54	[●]
Total A		**32,50,000**					**460.00**	**20.00**	[●]
Jasmin Vishnubhai Patel									
On Incorporation	Subscriber to MOA	30,00,000	30,00,000	10	10	Cash	300.00	18.46	[●]
March 25, 2026	Right Issue	2,50,000	32,50,000	10	64	Cash	160.00	1.54	[●]
Total B		**32,50,000**					**460.00**	**20.00**	[●]
Bharatbhai Prahaladbhai Patel									
On Incorporation	Subscriber to MOA	30,00,000	30,00,000	10	10	Cash	300.00	18.46	[●]
September 30, 2024	Transfer(i)	(100)	29,99,990	10	10.95	Cash	(0.01)	(Negligible)	[●]
February 06, 2025	Transfer(iii)	(100)	29,99,890	10	-	Other than	-	(Negligible)	[●]

						Cash			
March 25, 2026	Right Issue	2,49,984	32,49,784	10	64	Cash	159.99	1.54	[●]
Total C		**32,49,784**					**459.98**	**20.00**	[●]
Vishnubhai Prahaladdas Patel									
On Incorporation	Subscriber to MOA	30,00,000	30,00,000	10	10	Cash	300.00	18.46	[●]
September 30, 2024	Transfer(ii)	(100)	29,99,900	10	10.95	Cash	(0.01)	(Negligible)	[●]
February 06, 2025	Transfer(iv)	(100)	29,99,800	10	-	Other than Cash	-	(Negligible)	[●]
March 25, 2026	Right Issue	2,49,984	32,49,784	10	64	Cash	159.99	1.54	[●]
Total D		**32,49,784**					**459.98**	**20.00**	[●]
Gautam Bharatkumar Patel									
On Incorporation	Subscriber to MOA	30,00,000	30,00,000	10	10	Cash	300.00	18.46	[●]
March 25, 2026	Right Issue	2,50,000	32,50,000	10	64	Cash	160.00	1.54	[●]
Total E		**32,50,000**					**460.00**	**20.00**	[●]
B P Patel Family Trust									
February 06, 2025	Acquisition of Shares by way of gift(v)	100	100	10	-	Other than Cash	-	Negligible	[●]
March 25, 2026	Right Issue	8	108	10	64	Cash	Negligible	Negligible	[●]
Total F		**108**					**Negligible**	**Negligible**	[●]
V P Patel Family Trust									
February 06, 2025	Acquisition of Shares by way of gift(vi)	100	100	10	-	Other than Cash	-	Negligible	[●]
March 25, 2026	Right Issue	8	108	10	64	Cash	Negligible	Negligible	[●]
Total G		**108**					**Negligible**	**Negligible**	[●]
Ranjanben Bharatbhai Patel									
September 30, 2024	Transfer (vii)	100	100	10	10.95	Cash	0.01	Negligible	[●]
March 25, 2026	Right Issue	8	108	10	64.00	Cash	Negligible	Negligible	[●]
Total H		**108**					**Negligible**	**Negligible**	[●]
Grand Total (A+B+C+D+E+F+G+H)		**1,62,49,892**					**Negligible**	**Negligible**	[●]

Note: All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

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

Name of the Promoter	No. of Shares held	Average Cost of Acquisition per Share (In ₹)*#
Nirav Bharatbhai Patel	32,50,000	14.15
Jasmin Vishnubhai Patel	32,50,000	14.15
Bharatbhai Prahaladbhai Patel	32,49,784	14.15
Vishnubhai Prahaladdas Patel	32,49,784	14.15
Gautam Bharatkumar Patel	32,50,000	14.15
B P Patel Family Trust	108	4.74

V P Patel Family Trust	108	4.74
Ranjanben Bharatbhai Patel	108	14.88

**The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire and Shares allotted to them as reduced by amount received on sell of shares i.e. net of sale consideration is divided by net quantity of shares acquired;*
** As certified by M/s. Mistry & Shah LLP, Chartered Accountants, the Statutory Auditor of our Company by their certificate dated August 14, 2026.*
#Rounded Off.

19. Except as provided below there are no Equity Shares purchased/acquired or sold by our Promoters, Promoter Group and/or by our Directors and their immediate relatives within six months immediately preceding the date of filing of the Draft Red Herring Prospectus.

Date of Transaction	Number of Equity Shares Allotted/ Acquired/ (Sold)	Face Value (Rs.)	Issue Price/ Acquired Price (Rs.)*	Nature	Nature of Consideration	Name of the Allottees/ Transferor/transferee	Category
March 25, 2026	2,50,000	10.00	64.00	Right Issue	Cash	Nirav Bharatbhai Patel	Promoter, Chairman and Managing Director
	2,50,000	10.00	64.00	Right Issue	Cash	Jasmin Vishnubhai Patel	Promoter and Whole Time Director
	2,49,984	10.00	64.00	Right Issue	Cash	Bharatbhai Prahaladbhai Patel	Promoter and Non-Executive Director
	2,49,984	10.00	64.00	Right Issue	Cash	Vishnubhai Prahaladdas Patel	Promoter and Non-Executive Director
	2,50,000	10.00	64.00	Right Issue	Cash	Gautam Bharatkumar Patel	Promoter
	8	10.00	64.00	Right Issue	Cash	B P Patel Family Trust	Promoter
	8	10.00	64.00	Right Issue	Cash	V P Patel Family Trust	Promoter
	8	10.00	64.00	Right Issue	Cash	Preet Vishnubhai Patel	Promoter Group
	8	10.00	64.00	Right Issue	Cash	Ranjanben Bharatbhai Patel	Promoter

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

21. Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post issue capital held by our Promoters shall be considered as Promoter's Contribution **("Promoters Contribution")** and shall be locked-in for a period of three years from the date of allotment of Equity Shares issued pursuant to this Issue. The Lock-in of Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

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

Date of Allotment / transfer of fully paid up Shares	Date when made Fully paid up	Nature of Allotment/ Acquired/Transfer	No. of Equity Shares	Face Value (Rs.)	Issue Price/ Transfer Price (Rs.)	% of Pre Issue Shareholding	% of Post Issue Shareholding	Lock in Period
Nirav Bharatbhai Patel								
05-08-2024	05-08-2024	Subscription to Memorandum of Association	7,29,104	10	10	18.46	13.48	3 Years
25-03-2026	25-03-2026	Right Issue	2,50,000	10	64	1.54	1.12	3 Years

Date of Allotment / transfer of fully paid up Shares	Date when made Fully paid up	Nature of Allotment/ Acquired/Transfer	No. of Equity Shares	Face Value (Rs.)	Issue Price/ Transfer Price (Rs.)	% of Pre Issue Shareholding	% of Post Issue Shareholding	Lock in Period
Jasmin Vishnubhai Patel								
05-08-2024	05-08-2024	Subscription to Memorandum of Association	7,29,104	10	10	18.46	13.48	3 Years
25-03-2026	25-03-2026	Right Issue	2,50,000	10	64	1.54	1.12	3 Years
Bharatbhai Prahaladbhai Patel								
05-08-2024	05-08-2024	Subscription to Memorandum of Association	7,28,957	10	10	18.46	13.48	3 Years
25-03-2026	25-03-2026	Right Issue	2,49,984	10	64	1.54	1.12	3 Years
Vishnubhai Prahaladdas Patel								
05-08-2024	05-08-2024	Subscription to Memorandum of Association	7,28,957	10	10	18.46	13.48	3 Years
25-03-2026	25-03-2026	Right Issue	2,49,984	10	64	1.54	1.12	3 Years
Gautam Bharatbhai Patel								
05-08-2024	05-08-2024	Subscription to Memorandum of Association	7,29,007	10	10	18.46	13.48	3 Years
25-03-2026	25-03-2026	Right Issue	2,50,000	10	64	1.54	1.12	3 Years
Total			**48,95,000**					

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

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

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

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

No Equity Shares proposed to be locked-in as Minimum Promoter Contribution have been issued out of revaluation reserve or for consideration other than cash and revaluation of assets or capitalization of intangible assets, involved in such transactions.

Our Promoters, Nirav Bharatbhai Patel, Jasmin Vishnubhai Patel, Bharatbhai Prahaladbhai Patel, Vishnubhai Prahaladdas Patel, and Gautam Bharatkumar Patel have by a written undertaking, consented to have 48,95,000 Equity Shares held by him to be locked in as Minimum Promoter Contribution for a period of three years from the date of allotment in this Issue and will not be disposed /sold/transferred by the promoters during the period starting from the date of filing this Red Herring Prospectus with SME Platform of BSE (BSE SME) till the date of commencement of lock-in period as stated in this Red Herring Prospectus. The Equity Shares under the Promoters contribution will constitute 22.00% of our post-Issue paid up share capital.

Our Promoter has also consented that the Promoters contribution under Regulation 236 of the SEBI ICDR Regulations will not be less than 20% of the post Issue paid up capital of our Company.

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

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

23. Details of Promoters' Contribution Locked-in for One Year and Two Years:

In terms of Regulation 238(b) of the SEBI (ICDR) Regulations, 2018 and SEBI (ICDR) (Amendment) Regulations, 2025, in addition to the Minimum Promoters contribution which is locked in for three years held by the promoters, as specified above, the 50% of pre-issue Equity Shares constituting 56,77,448 Equity Shares shall be locked in for a period of two years and remaining 50% of pre-issue Equity Shares constituting 56,77,444 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this issue.

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

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoters contribution as per regulation 238(a) and 238(b) of the SEBI (ICDR) Regulations, 2018, the entire pre-issue equity shares held by persons other than the promoters constituting 108 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this issue. The equity shares shall include any equity shares allotted pursuant to a bonus issue against equity shares allotted pursuant to an employee stock option or employee stock purchase scheme or a stock appreciation right scheme.

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

24. Pledge of Locked in Equity Shares:

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

25. Locked in Equity Shares of Anchor Investors:

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

26. Transferability of Locked in Equity Shares:

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

Further in terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters and locked in as per regulation 238 may be transferred to and amongst the Promoter Group or to new promoters or persons in control of the company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

27. Neither, we nor our Promoters, Directors and the Book Running Lead Manager to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.

28. As on the date of filing of the Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person, any option to acquire our Equity Shares after this Initial Public Issue.

29. As on the date of the Red Herring Prospectus, the entire Issued Share Capital, Subscribed and Paid up Share Capital of our Company is fully paid up.

30. Our Company has not raised any bridge loan against the proceeds of the Issue.

31. Since the entire Issue price per share is being called up on application, all the successful applicants will be allotted fully paid-up shares.

32. As on the date of the Red Herring Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.

33. The Book Running Lead Manager i.e. Swastika Investmart Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of the Red Herring Prospectus.

34. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.

35. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Net Issue. In such an event, the Equity Shares held by the Promoter is used for allotment and lock-in for three years shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

36. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange i.e. BSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines. Under-subscription, if any, in the QIB Category will not be allowed to be met with spill over from any category or combination thereof.

37. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.

38. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

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

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

41. As on the date of the Red Herring Prospectus, Our Company has not issued any equity shares under any employee stock option scheme/ / Employees Stock Purchase Scheme.

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

43. Other than the Equity Shares, there is no other class of securities issued by our Company as on date of filing of the Red Herring Prospectus.

44. We have 9 (Nine) Shareholders as on the date of filing of the Red Herring Prospectus.

45. There are no safety net arrangements for this Public Issue.

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

47. Our Promoter and Promoter Group will not participate in this Issue.

48. This Issue is being made through Book Building Method.

49. Except as disclosed in the Red Herring Prospectus, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation to the date of the Red Herring Prospectus.

50. No person connected with the Issue shall issue any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.

51. We shall ensure that transactions in Equity Shares by the Promoters, members of the Promoter Group and other pre-IPO transactions, if any, between the date of filling the Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

52. As on the date of this Red Herring Prospectus, we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme/ Stock Appreciation Right Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan/Stock Appreciation Right from the proposed Issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

SECTION VI – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of 60,00,000 Equity Shares of our Company at an Issue Price of ₹ [●]/- per Equity Share, aggregating up to ₹ [●] Lakh by our Company. The proceeds from the Issue after deducting Issue related expenses are estimated to be ₹ [●] Lakh **("Net Proceeds")**. We intend to utilize the proceeds of the Issue to meet the following objects:

1. Funding Capital Expenditure requirements towards Plant & Machinery;
2. To meet Working Capital requirements; and
3. General Corporate Purpose.

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

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

Net Proceeds

The details of the Net Proceeds are set forth below:

(₹ in Lakhs)

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

**Subject to finalisation of basic of allotment;*

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

Requirement of Funds and Utilization of Net Proceeds

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

(₹ in Lakhs)

S. No.	Particulars	Amount
1.	Funding Capital Expenditure requirements towards Plant & Machinery	526.89
2.	To meet Working Capital requirements	1,100.00
3.	General Corporate Purpose#^	[●]
	Total	**[●]**

 # To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC;

^ The amount to be utilised for general corporate purposes shall maximum be 15% of the total issue size or ₹ 10 crore whichever is less;

** Our Company is not considering any pre-IPO placement of equity shares of the Company.*

Proposed schedule of implementation and deployment of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

(₹ in Lakhs)

Particulars	Total Estimated Cost	Amount which will be financed from Net Proceeds	Estimated Utilisation of Proceeds in Fiscal, 2027	Estimated Utilisation of Proceeds in Fiscal 2028
Capital Expenditure requirements towards funding new Plant & Machinery	526.89	526.89	526.89	-
To meet Working Capital requirements.	6,974.87	1,100.00	500.00	600.00
General Corporate Purpose#^	[●]	[●]	[●]	[●]

#To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC;

^The amount to be utilised for general corporate purposes shall maximum be 15% of the total issue size or ₹ 1,000.00 Lakhs whichever is less.

Our fund requirements, the proposed scheduled of implementation and proposed deployment of the Net Proceeds are based on our current business plan, internal management estimates of future growth projections, vendor quotations and prevailing market conditions, which are subject to change. Further, such fund requirements and proposed deployment of funds have not been appraised by any bank or financial institution. 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 (excluding the Net Proceed to be utilized for general corporate purposes) 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 (excluding the Net Proceed to be utilized for general corporate purposes) in the proposed 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. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management, subject to compliance with applicable law. For further details on the risks involved in our business plans and executing our business strategies, please see the Chapter titled *"Risk Factors"* beginning on page 19.

Means of Finance

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

Accordingly, we confirm and undertake that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and through existing identifiable internal accruals as required under Regulation 230(1)(e) of the SEBI (ICDR) Regulations, 2018 and paragraph 9(C)(1) of Part A of Schedule VI of the SEBI (ICDR) Regulations, 2018. In case of shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilising our internal accruals and/ or availing further borrowings. Further, if the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for funding other objects as mentioned above or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 15% of the Gross Proceeds from the Fresh Issue or ₹1,000.00 Lakhs, whichever is lower, in accordance with the SEBI (ICDR) Regulations, 2018.

Details of Utilization of Net Proceeds

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

1. Capital Expenditure requirements towards funding new Plant & Machinery

Our company is engaged in the business of cotton processing and yarn manufacturing, comprising ginning of raw cotton (kapas) into cotton bales and cotton seed, and spinning of cotton bales into cotton yarn. In addition to its manufacturing activities, the Company also undertakes trading of cotton bales and cotton yarn in the ordinary course of business to meet customer requirements and optimize business opportunities. The products manufactured at our Company include Cotton bales, Cotton Seeds and Cotton Yarn. The company operates in two primary areas: cotton ginning and spinning. In the ginning process, it separates cotton fibers from seeds, which is the first step in preparing raw cotton for textile production. Following this, the company focuses on spinning, where the clean cotton fibers are turned into yarn. This yarn, produced in various counts and quality grades, is used by textile mills for weaving and knitting fabrics.

In order to support its existing manufacturing operations and improve production processes, the Company proposes to utilize a portion of the Net Proceeds towards capital expenditure for upgradation of plant and machinery at its existing manufacturing facilities. The proposed upgradation is intended to improve operational efficiencies, enhance process integration, reduce manual intervention in certain stages of production and support the manufacture of value-added yarn products in accordance with customer and industry requirements.

The proposed investment primarily comprises procurement and installation of technologically upgraded spinning machinery and related systems within the existing Spinning setup. The proposed machinery is expected to assist the Company in improving process reliability, maintaining product quality standards and optimising production efficiency across various stages of the spinning process.

The proposed machinery includes the following:

1. **Comber Machine:** The Company proposes to install a Comber machine for the manufacture of combed yarn. The combing process is undertaken after carding and before spinning, wherein short fibres, neps and impurities are removed from cotton fibres. The process results in improved fibre alignment and enables the production of finer and relatively uniform yarn. Combed yarn is generally used in the manufacture of higher-count and value-added textile products.

2. **Compact Spinning System:** The Company also proposes to install a Compact Spinning System in its existing spinning setup. The compact spinning attachment facilitates improved fibre control and alignment during the spinning process by condensing fibres prior to twisting. This process may assist in reducing yarn hairiness, improving yarn strength and enhancing yarn uniformity. The installation of the compact spinning system is intended to support the production of compact yarn used in value-added textile applications.

3. **Link Corner System/ Autoconer Winding System:** The Company proposes to install a Link Corner System comprising 44 drums in the spinning section. The system is intended to facilitate automatic joining of yarn during the bobbin winding process and reduce manual handling during operations. The proposed installation may assist in reducing yarn breakage, minimizing wastage and improving operational continuity during the winding process.

The Company proposes to utilize an amount aggregating up to ₹ 526.89 Lakhs from the Net Proceeds towards funding the capital expenditure for procurement, installation and commissioning of the aforesaid plant and machinery at its existing manufacturing facilities.

The Board of Directors of the Company, pursuant to its resolution dated April 20, 2026, approved the proposed objects of the Issue and the estimated utilization of the Net Proceeds towards such object.

The details of the proposed machinery, along with estimated costs set out below:

S. No.	Name Of Machineries/Equipment	Qty.	Per Unit Cost (In ₹ Lakhs)	Total Cost (In ₹ Lakhs)	Date Of Quotation	Validity upto
1.	Comber System	3	49.63	148.89	August 12, 2026	Sepetember 26,

S. No.	Name Of Machineries/Equipment	Qty.	Per Unit Cost (In ₹ Lakhs)	Total Cost (In ₹ Lakhs)	Date Of Quotation	Validity upto
						2026
2.	New Compact Spinning System	6	29.36	176.20	August 12, 2026	Sepetember 26, 2026
3.	Automatic Cone Winding Machine /link Corner with 1 cop Robo**	1	184.04	184.04	June 30, 2026	September 15, 2026
	Add: Custom Duty			15.18		
	Total			199.22		
	Total Cost (In ₹ Lakhs)		-	524.31		

As certified by M/s. Mistry & Shah LLP, Chartered Accountants, the Statutory Auditor of our Company by their certificate dated August 13, 2026;

None of the vendors from whom quotations have been obtained or from whom the Company proposes to purchase equipment and machinery are related to or connected in any manner to our Promoters, members of the Promoter Group, Directors, or the Merchant Banker(s) associated with the Issue. This has been certified by the Company by a declaration dated May 20, 2026;

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

Foreign Exchange Rate of the Euro is considered as €1 = ₹ 110.0708 for conversion as on August 12, 2026 from Reserve Bank of India - Reference Rate Archive.

***Notes**: The purchase price mentioned is exclusive of GST and other applicable taxes (except Custom Duty on Automatic Cone Winding Machine /link Corner with 1 cop Robo). Above mentioned cost is exclusive of installation and other miscellaneous cost. We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. No orders have been placed with any of the aforementioned vendors. The actual cost of procurement and actual supplier/dealer may varys. Further, our Promoters, Directors, Key Managerial Personnel and the Group Companies do not have any interest in the proposed acquisition of the equipment or in the entity from whom we have placed or may place purchase orders in relation to such proposed acquisition of the equipment. Further, we hereby confirm that the above plant and machineries are not second hand and it is first time purchase.*

Technical Specifications and Required Output:

S. No	Item Description	Technical Specifications	Key Components	Required Output
1	Comber Machine	Comber Machine, single delivery, linear auto can changer, T.S. display system, Excel top comb	Comber machine equipped with auto can changer, display system, lap trolley and lap spools for processing cotton fibres during combing stage	Production of combed yarn with improved fibre alignment and removal of short fibres and impurities
2	Compact Spinning System	Suction compact spinning system for ring spinning machine model with 1824 spindles for single yarn compact process	Compact spinning attachment /system comprising suction compact arrangement for fibre condensing and compact yarn formation	Production of compact yarn with reduced hairiness, improved yarn strength and enhanced yarn uniformity
3	Link Corner / Automatic Cone Winding Machine	Automatic cone winding machine with 44 drums on 44 frames, individual air splicer, auto doffer, package conveyor, yarn clearer, waxing device and winding tension control system	Automatic winding and linking system equipped with yarn joining, package handling, yarn clearer and conveyor systems for winding operations	Automatic winding and yarn joining process with reduced yarn breakage and improved winding efficiency

Methodology for selection of vendor quotation

The management has selected the quotations for purchase of the proposed machinery from amongst various quotations received from vendors on the basis of the following criteria:

- **Technical Compatibility and Integration Capability:** The quotation was selected after evaluating the compatibility of the proposed machinery with the Company’s existing manufacturing setup, including operational synchronization, automation integration and continuity of production processes, thereby reducing integration-related risks and operational disruptions.

- **Operational Efficiency and Maintenance Standardization:** Consideration was given to the ability of the proposed machinery to support uniform operational standards, ease of maintenance, availability of common spare parts and reduction in downtime, resulting in improved operational efficiency and streamlined maintenance practices.

- **Existing Business Relationship and Proven Performance:** The Company has an established track record of procurement and successful operation of similar machinery from the selected vendor across its manufacturing facilities, which provided comfort regarding machine performance, technical support, service continuity and reliability.

- **Commercial Competitiveness:** The selected quotation was evaluated to be commercially competitive considering the technical specifications, quality standards, operational suitability and overall lifecycle cost of the machinery proposed to be procured.

- **Execution Capability and Timely Delivery:** The selected vendor demonstrated adequate technical expertise, execution capability, infrastructure and delivery timelines for supply and implementation of the proposed machinery, which was considered important for timely completion of the proposed capital expenditure project.

Cost and Benefit Analysis of Proposed Machinery Installation

The Company presently manufactures conventional carded yarn and combed yarn through its existing spinning infrastructure. In order to improve product mix, operational efficiency and realization levels, the Company proposes to install Comber Machines, Compact Spinning Systems and Link Coner / Automatic Cone Winding Machines at its existing manufacturing facilities.
The proposed machinery is expected to facilitate conversion of a portion of the existing production from carded yarn to combed yarn and further upgrade a portion of combed yarn production into compact yarn, which generally commands relatively higher realizations in the market, subject to prevailing demand and market conditions.

Based on internal estimates and prevailing market trends, the proposed machinery installation is expected to result in the following operational and financial impact at optimal utilization levels:

Particulars	Existing Operations	Proposed Operations Post Installation	Estimated Incremental Realization
Carded Yarn to Combed Yarn Conversion	Production of conventional carded yarn	Up to approximately 2.5 – 3.0 MT per day proposed to be shifted towards combed yarn production	~₹ 10/- per kg over carded yarn
Combed Yarn to Compact Yarn Conversion	Production of conventional combed yarn	Up to approximately 4.0 – 5.0 MT per day proposed to be upgraded to compact yarn production	~₹ 5/- per kg over conventional combed yarn

Based on the above assumptions, the estimated annual incremental revenue generation at optimal utilization is as follows:

Particulars	Estimated Quantity	Incremental Realization	Estimated Annual Incremental Revenue (In ₹ Lakhs per annum)*
Combed Yarn	2,500 kg per day	₹10 per kg	~91.25
Compact Yarn	4,000 kg per day	₹5 per kg	~73.00
Total Estimated Incremental Revenue			**164.25**

**The estimated annual incremental revenue has been calculated considering 365 operating days in a year and based on the estimated incremental realization per kilogram under the proposed product mix;*
**The above estimates are based on current market conditions, internal assessments and expected production capacities. Actual realizations and revenues may vary depending upon product mix, yarn count, customer specifications, market demand, raw material prices and other commercial factors.*

As certified by Multi Engineers Private Limited, Chartered Engineer vide certificate dated August 18, 2026.

Total Area required for Proposed Machinery Installation

The Company operates on a total factory land admeasuring 40,408 sq. metres, on which both its Cotton Ginning Facility and Cotton Spinning Facility are situated, together with warehouses, raw material and finished goods storage areas, utility installations, administrative buildings, internal roads and other ancillary infrastructure required for manufacturing operations.

The existing spinning production building admeasures approximately 12,546 sq. metres and houses the blow room, preparatory section, ring frames, winding section, packing area, humidification plant, electrical installations, quality control laboratory, maintenance facilities and other related infrastructure required for the Company's installed spinning capacity of 25,536 spindles.

Particulars	Area
Total Factory Land	40,408 sq. metres
Existing Spinning Production Building along with Finished Goods Godown	Approximately 12,546 sq. metres
Raw Material Godown	2,881 sq. metres
Ginning Unit	2,231 sq. metres
Additional Area Required for Proposed Machinery	Nil

The proposed capital expenditure relates to the installation of Comber Machines, Compact Spinning Systems and an Automatic Cone Winding Machine (Link Coner), which are intended to be integrated with the existing spinning production line. The proposed machinery will be installed within the existing spinning production building by utilizing the available production space and existing infrastructure. Accordingly, no additional land acquisition or construction of a new production building is required.

The balance area of the factory premises is occupied by the utility installations, administrative buildings, internal roads, open operational areas and other supporting infrastructure. Accordingly, the proposed project will be implemented entirely within the existing factory premises without requiring any additional land or civil construction.

Area required for additional Plant & Machinery:

Proposed Machinery	Qty.	Additional Area Required (Sq. Mt.)	Remarks
Comber Machine (LMW LK69 S/M)	3 Nos.	49.56	Standalone machinery proposed to be installed in the existing preparatory section.
Automatic Cone Winding Machine (Murata AIcone – 44 Drums)	1 Set	21.99	Standalone machinery proposed to be installed in the existing winding section.
Compact Spinning System (Spinpact)	6 Nos.	Nil	Installed as an attachment to the existing Ring Frames; no additional floor area is required.
Total Additional Area Required		**71.55 Sq. Mt.**	

Existing Installed Capacity and Utilisation:

(Quantity in Metric Tonnes)

Product name	Existing	FY 23-24		FY 24-25		FY 25-26	
	Total Installed Capacity	Production	% of Utilization	Production	% of Utilization	Production	% of Utilization
Cotton Yarn	4,551	3,703	81.38%	3,415	75.05%	3,051	67.05%

As certified by Multi Engineers Private Limited, Chartered Engineer vide certificate dated August 18, 2026.

The proposed capital expenditure is not intended for increasing the installed manufacturing capacity of the Company. The proposed investment relates to technological upgradation and modernization of the existing spinning facility through installation of Comber Machines, Compact Spinning Systems and Automatic Cone Winding (Link Coner) System.

The proposed machinery is expected to:

- improve process efficiency;
- reduce yarn breakage and wastage;
- improve fibre alignment and yarn quality;
- enable manufacture of value-added combed and compact yarn;
- reduce manual intervention; and
- improve operational reliability and productivity.

Accordingly, the proposed investment is not expected to increase the installed capacity of the Company and therefore the existing installed capacity shall remain unchanged.

The details of the proposed machinery, along with estimated costs set out below:

S. No.	Machinery	Purpose

1	Comber Machine	To manufacture combed yarn by removing short fibres and impurities, thereby improving yarn quality and enabling manufacture of value-added yarn.
2	Compact Spinning System	To improve fibre alignment, reduce yarn hairiness, enhance yarn strength and facilitate manufacture of compact yarn.
3	Automatic Cone Winding Machine (Link Coner with 1 Cop Robo comprising 44 Drums on 44 Frames)	To automate yarn winding, reduce manual handling, minimise yarn breakage and wastage and improve operational efficiency.

Schedule of Implementation-

Activity	Estimated Days/ Timelines
Placement of capex order	September, 2026
Estimated Delivery	November, 2026
Installation of Plant & Machinery/Tools/ Equipment's	December, 2026
Commencement of Commercial Production	January, 2027

2. To Meet Working Capital requirements

Our business is working capital intensive. In the ordinary course of our business, we meet a substantial portion of our working capital requirements through internal accruals and borrowings from banks and financial institutions, including working capital facilities and short-term loans.

As on the date of this Red Herring Prospectus, the Company has sanctioned fund-based working capital limits aggregating to ₹ 4,800.00 Lakhs from banks and financial institutions. As of April 30, 2026, the amount outstanding under the fund-based working capital facilities was ₹ 4,135.08 Lakhs.

For further details regarding the working capital facilities currently availed by us, please refer to *"Statement of Financial Indebtedness"* on page 224 of this Red Herring Prospectus. We propose to utilize ₹ 1,100.00 Lakhs from the Net Proceeds towards funding the working capital requirements of the Company to support the growth of our business during the financial years ending, March 31, 2027 and March 31, 2028.

Basis of estimation of working capital requirements

The details of the existing working capital requirements of our Company for Financial year ended March 31, 2026, 2025 and 2024 and the funding pattern for such periods, based on our restated audited financial statements, are set out in the table below:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2025	March 31, 2026
Inventories	2,494.56	1,789.47	2,440.57
Trade Receivables	230.83	1,522.16	1,176.73
Short-Term Loans and Advances	24.79	388.99	136.84
Other Current Assets	395.57	268.88	361.12
Total Current Assets	**3,145.75**	**3,969.50**	**4,115.26**
Trade Payables	1,466.85	615.62	187.19
Other Current Liabilities	224.30	294.66	236.16
Short-Term Provisions	92.80	136.14	149.77
Total Current Liabilities	**1,783.94**	**1,046.42**	**573.13**
Net Working Capital	**1,361.81**	**2,923.09**	**3,542.13**
Sources of Funds			
Borrowing	1,361.81	2,526.97	3,240.83
Internal Accruals	-	396.12	301.30
Total	**1,361.81**	**2,923.09**	**3,542.13**

As certified by M/s. Mistry & Shah, Chartered Accountants, the Statutory Auditor of our Company by their certificate dated August 14, 2026.

Future Estimates of working capital requirements

On the basis of existing and estimated working capital requirements of our Company on an Restated basis, and the assumptions for such working capital requirements, our Board pursuant to its resolution dated May 30, 2026 has approved the projected working capital requirements for Fiscal 2027 and Fiscal 2028 and the proposed funding of such working capital requirements, as set forth below:

(₹ in lakhs)

Particulars	March 31, 2027	March 31, 2028
Inventories	4,027.86	4,636.91
Trade Receivables	1,909.30	2,335.17
Short-Term Loans and Advances	441.87	544.38
Other Current Assets	479.18	503.14
Total Current Assets	6,858.21	8,019.59
Trade Payables	352.38	422.89
Other Current Liabilities	263.24	286.70
Short-Term Provisions	273.89	335.14
Total Current Liabilities	889.51	1,044.72
Net Working Capital	5,968.70	6,974.87
Sources of Funds		
Borrowing	4,166.92	4,356.92
Internal Accruals	1,301.78	2,017.95
Proceeds from IPO	500.00	600.00
Total	5,968.70	6,974.87

As certified by M/s. Mistry & Shah, Chartered Accountants, the Statutory Auditor of our Company by their certificate dated August 14, 2026.

Our Company proposes to utilize ₹ 1,100.00 Lakhs from the Net Proceeds towards funding our incremental working capital requirements in the manner set out above.

Holding Levels Table are as below on the basis of historical trend and future projections:

(Number in Days)

Particulars	For the Financial Year Ended, 31st March (Restated)			For the Financial Year Ended, 31st March (Projected)	
	2024	2025	2026	2027	2028
Trade Receivables[(1)]	6	9	12	12	14
Trade Payables[(2)]	10	14	4	2	3
Inventory Day	23	29	20	27	30
Working Capital Cycle	20	24	29	37	41

[(1)] Ageing Analysis of Receivables from Related Parties

Customer Name	Nature of Transaction	Average Collection Period / Receivable Days
Ambica Cotseeds Limited	Sale of Cotton Yarn / Cotton Bales	2 – 5 Days
Vivekanand Industries	Sale of Cotton Seed / Cotton Bales	2 – 4 Days

[(2)] Ageing Analysis of Payables to Related Parties

Supplier Name	Nature of Transaction	Average Payment Period / Payable Days
Ambica Cotseeds Limited	Purchase of Cotton Bales / Cotton Yarn	4 – 6 Days
Vivekanand Industries	Purchase of Cotton Bales	4 – 7 Days
Ambica Cotseeds Pte. Ltd.	Purchase of Cotton Bales	17 Days
Avadh Cotton Industries	Purchase of Cotton Bales	35 Days
Kapilaben Vishnubhai Patel	Purchase of Kapas (Raw Cotton)	50 Days
Kantaben Prahladbhai Patel	Purchase of Kapas (Raw Cotton)	86 Days
Bharatbhai Prahladbhai Patel	Purchase of Kapas (Raw Cotton)	86 Days

Comparison with Non-Related Parties

Particulars	Related Parties	Non-Related Parties

Average Collection Period	2 – 5 Days	10 – 13 Days
Average Payment Period	4 – 17 Days	3 – 4 Days

Peers holding levels:

Particulars	Lagnam Spintex Limited			Deepak Spinners Limited		
	2024	2025	2026	2024	2025	2026
Trade Receivables	34	36	41	22	22	24
Trade Payables	6	8	13	38	36	30
Inventory Day	97	87	101	77	66	60
Working Capital Cycle	125	115	129	62	52	54

Key Assumption and Justification for holding levels:

Particulars	Assumption & Justification
Inventories	During the fiscal years ended March 2024, March 2025, and March 2026, the Company maintained inventory holding periods of 23 days, 29 days, and 20 days, respectively. The inventory cycle remained within a manageable range during the historical period, reflecting efficient inventory management practices and effective alignment of procurement with production and sales requirements. The increase in inventory holding period during FY 2025 was primarily attributable to higher stocking of raw materials and finished goods to ensure uninterrupted manufacturing operations and timely execution of customer orders. For the projected fiscal years ending March 2027 and March 2028, the inventory holding period is estimated at approximately 27 days and 30 days, respectively. The projected increase is primarily attributable to the Company's strategy of maintaining inventory equivalent to approximately one month of operational requirements. This approach is intended to mitigate the impact of fluctuations in raw material prices, reduce procurement-related supply disruptions, and ensure continuous availability of materials for production and timely fulfilment of customer orders. Historically, the Company maintained inventory levels of approximately 20 days; however, frequent procurement from the open market exposed the business to raw material price volatility. Accordingly, the proposed inventory levels are expected to enhance supply chain stability, improve operational efficiency, and support business continuity.
Trade Receivables	The company’s average debtor holding period stood at 6 days in FY2024, 9 days in FY2025, and 12 days in FY2026. Looking forward to the fiscal years 2027 and 2028, we project maintaining debtor holding periods at approximately 12 days and 14 days, respectively. The increase in debtor days from 12 to 14 days is primarily driven by the company’s strategic decision to extend slightly higher credit support to customers. This approach enables the company to maintain stronger pricing power, improve customer retention, and strengthen its negotiation position in a competitive market environment. The additional credit period is being selectively provided to quality customers with established payment history and is aligned with industry practices. Management believes this supports revenue growth and long-term customer relationships without materially impacting recoverability or overall working capital quality. The increase in trade receivables from ₹230.83 lakh as at March 31, 2024 to ₹1,522.16 lakh as at March 31, 2025 and the subsequent reduction to ₹1,176.73 lakh as at March 31, 2026 is attributable to the timing of sales, the customer mix and the normal credit cycle of the business. The Company caters to both domestic and export customers. In the case of export sales, collections are generally backed by Letters of Credit (LCs) and the payment cycle normally ranges between 30 to 90 days, depending upon the agreed commercial terms, shipment schedules and banking procedures. Consequently, export sales made towards the end of the financial year remain outstanding as trade receivables as on the balance sheet date and are realized in the subsequent period. The movement in trade receivables is also reflected in the trade receivable days, which remained at a reasonable level throughout the review period:

<table>
<tr><th>Particulars</th><th>Assumption & Justification</th></tr>
<tr><td></td><td>
<table>
<tr><th>Particulars</th><th>FY 2024</th><th>FY 2025</th><th>FY 2026</th></tr>
<tr><td>Trade Receivable Days</td><td>6 Days</td><td>9 Days</td><td>12 Days</td></tr>
</table>
Even though the absolute value of trade receivables increased during the review period, the trade receivable days increased only from 6 days to 12 days, which continues to be well within normal industry parameters considering the Company's increasing export business and the customary credit period applicable to export transactions.
We had reviewed the ageing of trade receivables and subsequent realizations and confirms that the trade receivables are considered good and recoverable in the ordinary course of business. Accordingly, the increase in trade receivables represents a normal consequence of the Company's business growth, higher export sales and year-end sales pattern and does not indicate any deterioration in credit quality, collection efficiency or liquidity position of the Company.
</td></tr>
<tr><td>Short Term Loans & Advances</td><td>Short term loans and advances majorly comprises of advance to suppliers. Short term loans and advances amounted to ₹24.79 lakhs, ₹388.99 lakhs, and ₹136.84 lakhs for FY 2023–24, FY 2024–25, and FY 2025–26, respectively. Further, the same are estimated at ₹441.87 lakhs and ₹544.38 lakhs for FY 2026–27 and FY 2027–28, respectively</td></tr>
<tr><td>Other Current Assets</td><td>Other current assets includes export incentive receivable, GST credit, Subsidy receivable, interest accrued, prepaid expenses and balance with govt. authorities. Other current assets amounted to ₹395.57 lakhs, ₹268.88 lakhs, and ₹361.12 lakhs for FY 2023–24, FY 2024–25, and FY 2025–26, respectively. Further, the same are estimated at ₹479.18 lakhs and ₹503.14 lakhs for FY 2026–27 and FY 2027–28, respectively.</td></tr>
<tr><td>Trade Payables</td><td>
The Company's average trade payable holding period stood at 10 days in FY 2024, 14 days in FY 2025, and 4 days in FY 2026. The fluctuations during the historical period were primarily attributable to changes in procurement patterns, timing of raw material purchases, and payment schedules adopted by the Company based on operational requirements and supplier arrangements.
For the projected fiscal years ending March 2027 and March 2028, the trade payable holding period is estimated at approximately 2 days and 3 days, respectively. The projected lower payable period reflects the Company's procurement strategy of making timely payments to key suppliers in order to secure favourable commercial terms, ensure uninterrupted supply of critical raw materials, and strengthen long-term supplier relationships.
Management believes that maintaining lower payable days will support procurement efficiency and supply chain reliability while enabling the Company to negotiate competitive pricing and ensure continuity of operations.
</td></tr>
<tr><td>Other Current Liabilities</td><td>Other current liabilities majorly comprise of advance from customers, statutory dues payable and salary and wages payables. It has been maintained in line with the projected business activity. Other current liabilities amounted to ₹224.30 lakhs, ₹294.66 lakhs, and ₹236.16 lakhs for FY 2023–24, FY 2024–25, and FY 2025–26, respectively. Further, the same are estimated at ₹263.24 lakhs and ₹286.70 lakhs for FY 2026–27 and FY 2027–28, respectively.</td></tr>
<tr><td>Short-Term Provisions</td><td>Short term provision majorly comprises provision for employee benefits, expenses and Taxes. It has been maintained in line with the projected business activity. Short term provisions amounted to ₹92.80 lakhs, ₹136.14 lakhs, and ₹149.77 lakhs for FY 2023–24, FY 2024–25, and FY 2025–26, respectively. Further, the same are estimated at ₹273.89 lakhs and ₹335.14 lakhs for FY 2026–27 and FY 2027–28, respectively.</td></tr>
</table>

3. General Corporate Purpose

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] Lakhs towards general corporate purposes, subject to such utilization not exceeding 15% of the Gross Proceeds of the Issue or ₹ 1,000 Lakhs whichever is lower, in compliance with Regulation 230(2) of the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

a) strategic initiatives;
b) strengthening of marketing activities;
c) ongoing general corporate exigencies;

d) meeting fund requirements in the ordinary course of its business;
e) meeting expenses incurred in the ordinary course of business;
f) any other purposes as approved by the Board of Directors subject to compliance with the necessary regulatory provisions.

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

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual issue expenses turn to be lesser than the estimated issue expenses, such surplus amount shall be utilized towards other Objects or for General Corporate Purpose in such a manner that the amount for general corporate purposes, shall not exceed 15% or Rs. 1,000 lakhs, whichever is lower, of the amount raised by our Company through this Issue.

4. Issue Related Expenses

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

The breakup for the estimated Issue expenses is as follows:

Expense*	**Estimated expenses (₹ in Lakhs)**	**As a % total estimated Issue related expenses (2)**	**As a % of the total Issue size (2)**
Book Running Lead Manager's fees	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable for Advertising and Publishing Expense	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges	[●]	[●]	[●]
Payment for Printing & Stationery, Postage, etc.	[●]	[●]	[●]
Fees Payable to Peer Review Auditor	[●]	[●]	[●]
Fees Payable to Legal Counsel	[●]	[●]	[●]
Fees Payable to Market Maker	[●]	[●]	[●]
Fees payable to the Underwriter	[●]	[●]	[●]
Fees payable to the Escrow Bank	[●]	[●]	[●]
Total estimated Issue related expenses	**[●]**	**[●]**	**[●]**

Notes:

1. *Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for Individual Investors and NIIs, would be as follows:*

Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST);
Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST);
^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).

2. *The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP;*
3. *Registered Brokers will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from Individual Investors and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker;*
4. *SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs;*
5. *Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them;*
6. *Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed ₹ 10]/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds ₹ 10/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank;*
7. *Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed ₹ 50,000/- (plus*

applicable taxes) and in case if the total uploading / bidding charges exceeds ₹ 50000/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.

The processing fees for applications made by Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.

APPRAISING ENTITY

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

For further details on the risks involved, please see section titled *"Risk Factors"* beginning on page 19 of this Red Herring Prospectus.

BRIDGE FINANCING FACILITIES

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

INTERIM USE OF FUNDS

The Net Proceeds shall be retained in the Public Issue Account until receipt of the listing and trading approvals from the Stock Exchanges by our Company. Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in one or more Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

MONITORING UTILIZATION OF FUNDS

As the size of the fresh issue does not exceed ₹5,000.00 Lakh, in terms of Regulation 262 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds. Since, we are not required to appoint a monitoring agency, the Company shall submit a certificate of the statutory auditor for utilization of money raised through the Issue to Exchange(s) while filing our financial results, till the issue proceeds are fully utilized.

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

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

VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (**"Postal Ballot Notice"**) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the Objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with our Articles of Association, the Companies Act, 2013 and SEBI Regulations. See "*Risk Factors"* on page 19 of this Red Herring Prospectus.

SHORTFALL OF FUNDS

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

OTHER CONFIRMATIONS

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, Promoter Group, Subsidiary, our Directors, our Key Management Personnel, our Senior Management Personnel or our Group Companies, either directly or indirectly. Except in the normal course of business and in compliance with applicable law, there are no existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoters, Promoter Group, Subsidiaries, and our Directors.

BASIS FOR ISSUE PRICE

The Issue Price is determined by our Company in consultation with the Book Running Lead Manager. The financial data presented in this section are based on our Company's Restated Financial Statements. Investors should also refer to the sections titled "*Risk Factors*" and "*Restated Financial Statements*" on page no. 19 and 221 respectively of this Red Herring Prospectus to get a more informed view before making the investment decision.

QUALITATIVE FACTORS

- Forward Integration;
- Cost effective production and timely fulfillment of orders;
- Scalable Business Model;
- Quality Focus and
- Experienced Promoter.

For details of qualitative factors, please refer to the paragraph "*Our Competitive Strengths"* in the chapter titled "*Business Overview*" beginning on page no. 157 of this Red Herring Prospectus.

QUANTITATIVE FACTORS

Information presented below relating to the Company is based on the Restated Financial Statements. Some of the quantitative factors which form the basis or computing the price, are as follows:

1. Basic & Diluted Earnings Per Share (EPS):

Financials Year/Period	Basic and Diluted EPS (in ₹)#	Weighted Average
Financial Year ending March 31, 2026	2.45	3
Financial Year ending March 31, 2025	3.30	2
Financial Year ending March 31, 2024	2.24	1
Weighted Average	**2.70**	

Notes:

- *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e.sum of (EPS x Weight) for each year /Total of weights.*
- *Basic and diluted EPS are based on the Restated Financial Statement.*
- *The face value of each Equity Share is ₹ 10.*
- *Earnings per Share (₹) = Profit after tax excluding exceptional items attributable to equity shareholders for the year/period divided by the weighted average no. of equity shares during the respective year/period.*
- *Earnings per Share calculations are in accordance with the notified Accounting Standard 20 'Earnings per share'*

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

Particulars	P/E at the Floor Price (number of times)*	P/E at the Cap Price (number of times)*
P/E ratio based on Basic EPS for Fiscal 2026	[●]	[●]
P/E ratio based on Diluted EPS for Fiscal 2026	[●]	[●]

**To be updated at Prospectus stage.*
Note: Price/Earning (P/E) ratio is computed by dividing the price per share by earnings per share.

Industry Peer Group P/E Ratio

Particulars	Industry P/E (Number of times)
Industry	
Highest	22.11
Lowest	9.52
Average	**15.81**

3. Peer bench marking for working capital in the segment in which the company operates:

Particulars	FY 2023-24	FY 2024-25	FY 2025-26
Vivekanand Costspin Limited	1,362	2,923	3,542

Lagnam Spintex Limited	15,817	20,028	19,455
Deepak Spinners Limited	9,713	8,807	9,260

4. Return on Net Worth (RoNW):

Financial Year/Period	Return on Net Worth (%)	Weights
Financial Year ended March 31, 2026	15.96	3
Financial Year ended March 31, 2025	26.09	2
Financial Year ended March 31, 2024	11.72	1
Weighted Average	**18.63**	

Notes:

- *RoNW is computed as net profit after tax divided by the average net worth. Net worth has been computed as sum of share capital and reserves and surplus.*
- *Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. sum of (RONW x Weight) for each year /Total of weights*
- *The figures disclosed above are based on the Restated Financial Statements.*

5. Net Asset Value per Equity Share:

Particulars	NAV per equity share (₹)
Financial Year ended March 31, 2024	13.75
Financial Year ended March 31, 2025	11.51
Financial Year ended March 31, 2026	17.81
After the Completion of the Issue:	
- At Floor Price	[●]
- At Cap Price	[●]
Issue Price per equity share	**[●]**

Notes:

- *Net Asset Value per Equity Share is calculated as total equity divided by the number of equity shares outstanding during the respective year/period.*
- *The figures disclosed above are based on the Restated Financial Statement.*

6. Comparison with Peer Group Companies:

Following is the comparison with our peer companies in India:

Name of the Company	For the year ended March 31, 2026						
	Face value (₹)	Revenue from operations (₹ in Lakhs)	Basic EPS (₹)	Diluted EPS (₹)	P/E (based on Diluted EPS)	Return on average net worth (%)	NAV per Equity Share (₹)
Vivekanand Cotspin Limited	10	40,801.01	2.45	2.45	[●]	15.96%	17.81
Peer Group							
Deepak Spinners limited	10	53,416.00	5.06	5.06	22.11	1.60%	319.10
Lagnam Spintex Limited	10	60,498.05	8.14	8.14	9.52	11.23%	76.60

Source: All the financial information for listed industry peers mentioned above is on a Standalone basis sourced from the Annual Reports of the peer company uploaded on the BSE website for the year ended March 31, 2026.

Notes:

1. *P/E Ratio has been computed based on the closing market price of equity shares on the BSE website on May 29, 2026, divided by the Diluted EPS for the period ended March 31, 2026.*
2. *RoNW is computed as net profit after tax divided by the average net worth. Net worth has been computed as sum of share capital and reserves and surplus.*
3. *NAV is computed as the closing net worth divided by the number of equity shares outstanding.*

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 "Restated Financial Statements" on page nos. 19, 157, 228 and 221, 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 maylose all or part of your investments.*

KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS ("KPIs")

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

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated May 30, 2026 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three-year period prior to the date of filing of this RHP. Further, the KPIs herein have been certified by SVJK and Associates, Chartered Accountants, by their certificate dated June 04, 2026.

Financial KPI of our Company:

(₹ In Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue From operations (₹ in Lakhs)	40,801.01	36,593.38	35,738.81
Total revenue (₹ in Lakhs)	40,932.15	36,651.25	35,801.62
EBITDA (₹ in Lakhs)	1,509.31	1,458.92	1,459.46
EBITDA Margin (%)	3.70%	3.99%	4.08%
Profit after tax (₹ in Lakhs)	368.78	494.29	335.33
PAT Margin (%)	0.90%	1.35%	0.94%
Return on Equity (ROE) (%)	15.96%	26.09%	11.72%
Return on Capital Employed (ROCE) (%)	13.14%	12.16%	13.41%
Debt To Equity Ratio	1.56	3.17	1.94
Current Ratio	1.09	1.12	0.79
Net Capital Turnover Ratio	12.62	17.08	19.06

Notes:

a) *As certified by SVJK and Associates, Chartered Accountants, by their certificate dated June 04, 2026.The Audit committee in its resolution dated May 30, 2026 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Red Herring Prospectus other than as disclosed in this section.*

b) *Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.*

c) *EBITDA is calculated as profit before tax plus depreciation & amortization expense, Exceptional Items and interest costs minus other income.*

d) *EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.*

e) *Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes but before other comprehensive income by our revenuefrom operations.*

f) *Return on equity (RoE) is equal to profit after tax for the year divided by the average total equity during that period and is expressed as a percentage.*

g) *Debt to equity ratio is calculated by dividing the debt (excluding lease liabilities) by total equity (which includes issued capital and all other equity reserves).*

h) *RoCE (Return on Capital Employed) (%) is calculated as profit before tax plus interest expenses divided by by Capital Employed. *Capital Employed = Total Equity +Non-current borrowing + Current Borrowing +Deferred Tax liabilities - Deferred Tax Assets*

i) *Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.*

j) *Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and iscalculated by dividing our revenue from operations by our average working capital (i.e., current assets less current liabilities).*

Explanation for KPI metrics:

KPI	Explanations
Revenue from Operations (₹	Revenue from Operations is used by our management to track the revenue profile of the

KPI	Explanations
Lakhs)	business and in turn helps assess the overall financial performance of our Company and size of our business.
Total Revenue	Total Revenue is used to track the total revenue generated by the business including other income.
EBITDA (₹ Lakhs)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit After Tax (₹ Lakhs)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage.
Return on Capital employed (RoCE) (%)	It is calculated as profit before tax plus interest costs divided by total assets less current liabilities.
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Net Capital Turnover Ratio	This metric enables us to track the how effectively company is utilizing its working capital to generate revenue.

See *"Management Discussion and Analysis of Financial Position and Results of Operations"* on page 228 for the reconciliation and the manner of calculation of our key financial performance indicators

Operational KPI of our Company:

Details of Capacity Utilization

(Quantity in Metric Tonnes)

Product name	**Existing**	**FY 23-24**		**FY 24-25**		**FY 25-26**	
	Total Installed Capacity	**Production**	**% of Utilization**	**Production**	**% of Utilization**	**Production**	**% of Utilization**
Cotton Bales	8,000	6,556	81.94%	6,801	85.01%	7,425	92.82%
Cotton Yarn	4,551	3,703	81.38%	3,415	75.05%	3,051	67.05%

**As certified by SVJK and Associates, Chartered Accountants, by their certificate dated June 04, 2026. The Audit committee in its resolution dated May 30, 2026 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Red Herring Prospectus other than as disclosed in this section.*

The Details of our top Customers and Suppliers are as follows:

(₹ in Lakhs)

Particular	**For the period ended March 31, 2026**		**For the period ended March 31, 2025**		**For the period ended March 31, 2024**	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**
Top 1 customer	4,857.82	12.02	10,660.60	29.31	13,743.42	38.84
Top 3 customer	10,091.03	24.98	21,164.32	58.20	26,054.82	73.63
Top 5 customers	14,080.91	34.86	26,166.93	71.95	27,914.40	78.88
Top 10 customers	20,676.99	51.18	30,215.41	83.08	31,400.01	88.73

Note that Name of Customers are not mentioned since Company has not received written consent from its Customers till filing of Red Herring Prospectus to include their name in this Red Herring Prospectus.

(₹ in Lakhs)

Particular	**For the period ended March 31, 2026**		**For the period ended March 31, 2025**		**For the period ended March 31, 2024**	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**
Top 1 Supplier	8,122.72	21.30	13,281.82	40.95	12,865.60	39.47
Top 3 Suppliers	11,998.62	31.46	17,155.34	52.90	18,780.43	57.61
Top 5 Suppliers	14,568.38	38.20	20,139.17	62.10	21,609.71	66.29
Top 10 Suppliers	19,300.17	50.61	24,525.01	75.62	24,184.82	74.19

Note that Name of Suppliers are not mentioned since Company has not received written consent from its Suppliers till filing of

Red Herring Prospectus to include their name in this Red Herring Prospectus.

a. GAAP Financial measures:

GAAP Financial measures are numerical measures which are disclosed by the issuer company in accordance with the Generally Accepted Accounting Principles (GAAP) applicable for the issuer company i.e., measures disclosed in accordance with Accounting Standards ("AS") or Accounting Standards ("AS") notified in accordance with Section 133 of the Companies Act, 2013, as amended (the "Act"). These measures are generally disclosed in the financial statements of the issuer company. Several GAAP Financial measures are given below:

(₹ in Lakhs)

Particulars	For the year ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Revenue from operations	40,801.01	36,593.38	35,738.81
Profit after Tax	368.78	494.29	335.33
Cash Flows from Operating Activities	866.64	-371.96	2,440.04
Cash Flows from Investing Activities	-126.84	3.59	-1,543.89
Cash Flows from Financing Activities	-733.20	381.12	-988.79
Cash and Cash Equivalents	29.75	23.16	10.40

b. Non-GAAP Financial Measures:

Non-GAAP Financial measures are numerical measures of the issuer Company's historical financial performance, financial position, or cash flows that:

Exclude amounts, or are subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measures calculated and presented in accordance with GAAP in the financial statements of the issuer company; or

Include amounts or are subject to adjustments that have the effect of including amounts that are excluded from the most directly comparable measures so calculated and presented.

Such adjustment items should be based on the audited line items only, which are included in the financial statements. These Non-GAAP Financial measures are items which are not defined under AS, as applicable. Generally, if the issuer company takes a commonly understood or defined GAAP amount and removes or adds a component of that amount that is also presented in the financial statements, the resulting amount is considered a Non-GAAP Financial measure. Several Non-GAAP Financial measures are given below:

(₹ in Lakhs)

Particulars	For the year ended		
	March 31, 2026	March 31, 2025	March 31, 2024
EBITDA	1,509.31	1,458.92	1,459.46
EBITDA Margin	0.04	0.04	0.04
Profit after Tax Margin	0.90%	1.35%	0.94%
Net Worth	2,893.57	1,726.46	2,062.49

Apart from the above, Ministry of Corporate Affairs (MCA), vide its notification dated March 24, 2021 has issued certain amendments to the Schedule III to the Act. Pursuant to these amendments, the below ratios are also required to be presented in the financial statements of the companies:

Particulars	For the year ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Current Ratio	1.09	1.12	0.79
Debt-Equity Ratio	1.56	3.17	1.94
Return on Equity Ratio (in %)	15.96%	26.09%	11.72%
Net profit ratio (%)	0.90%	1.35%	0.94%
Return on Capital employed (%)	13.14%	12.16%	13.41%

c. Comparison of KPI with listed industry Peers:

Particulars	Vivekanand cotspin Limited			Deepak Spinners Limited			Lagnam Spintex limited		
	As of and for the Fiscal			As of and for the Fiscal			As of and for the Fiscal		
	2026	2025	2024	2026	2025	2024	2026	2025	2024
Revenue From operations (₹ in Lakhs)	40,801.01	36,593.38	35,738.81	53,416.0	52,406.7	47,097.8	60,498.05	60,556.46	43,750.24
Total revenue (₹ in Lakhs)	40,932.15	36,651.25	35,801.62	53,862.0	52,636.4	47,377.8	60,523.19	60,593.64	43,778.98
EBITDA (₹ in Lakhs)	1,509.31	1,458.92	1,459.46	2,010.0	504.9	2,207.4	6,683.69	6,530.44	4,507.86
EBITDA Margin (%)	3.70%	3.99%	4.08%	3.76%	0.96%	4.69%	11.05%	10.78%	10.30%
Profit after tax (₹ in Lakhs)	368.78	494.29	335.33	364.0	-1,019.0	130.3	1,438.98	1,285.47	1,457.32
PAT Margin (%)	0.90%	1.35%	0.94%	0.68%	-1.94%	0.28%	2.38%	2.12%	3.33%
Return on Equity (ROE) (%)	15.96%	26.09%	11.72%	1.60%	-4.43%	0.55%	11.23%	11.19%	13.38%
Return on Capital Employed (ROCE) (%)	13.14%	12.16%	13.41%	1.15%	-4.45%	1.83%	9.40%	9.23%	6.99%
Debt To Equity Ratio	1.56	3.17	1.94	0.13	0.16	0.18	2.64	3.21	0.05
Current Ratio	1.09	1.12	0.79	2.84	2.35	2.51	5.79	7.97	2.11
Net Capital Turnover Ratio	12.62	17.08	19.06	6.28	6.45	5.19	3.11	3.02	0.27

Notes:

a) *Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.*

b) *EBITDA is calculated as profit before tax plus depreciation & amortization expense, exceptional items and interest costs minus other income.*

c) *EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.*

d) *Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes but before other comprehensive income by our revenue from operations.*

e) *Return on equity (RoE) is equal to profit after tax for the year divided by the average total equity during that period and is expressed as a percentage.*

f) *Debt to equity ratio is calculated by dividing the debt (excluding lease liabilities) by total equity (which includes issued capital and all other equity reserves).*

g) *RoCE (Return on Capital Employed) (%) is calculated as profit before tax plus interest expenses divided by Capital Employed.* Capital Employed = Total Equity +Non-current borrowing + Current Borrowing +Deferred Tax liabilities - Deferred Tax Assets*

h) *Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.*

i) *Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our average working capital (i.e., current assets less current liabilities).*

j) *All information relating to the listed industry peers has been sourced from their respective standalone audited financial statements, which are publicly available. As the disclosure is based solely on publicly available information of listed companies, no specific approval is required for inclusion of their names or such information in the RHP.*

7. **Weighted average cost of acquisition ("WACA"), floor price and cap price**

a. **Primary Transactions:**

Price per share of Issuer Company based on primary / new issue of shares (equity/convertible securities), excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of filing of the RHP, where such issuance is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Issuer 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:

Date of allotment	Nature of allotment	Number of equity shares Allotted (A)	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Total Consideration (₹ in lakhs) (B)
March 25, 2026	Right Issue	12,50,000	10.00	64.00	Cash	800.00
Weighted average cost of acquisition (WACA) (B/A)						**64.00**

b. **Secondary Acquisition:**

There have been no secondary sale/transfers or acquisition of any Equity Shares or convertible securities, where the Promoters, members of the Promoter Group, or Shareholders having the right to nominate Directors to the Board of our Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

c. Except as disclosed below there were no such other primary issuances / secondary transactions except as provided in (a) and (b) to be informed under this section based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to irrespective of the size of transactions.

Date of allotment/Transaction	Nature of allotment	Number of equity shares Allotted/Transferred	Name of Transferor	Name of Transferee	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Total Consideration (₹ in lakhs)
August 02 2024	Subscribers to MOA	1,50,00,000	-	-	10	10.00	Cash	1,500.00
September 30, 2024	Transfer of shares	100	Vishnubhai	Preet	10	10.95	Cash	0.01
		100	Bharatbhai	Ranjanaben	10	10.95	Cash	0.01
Weighted average cost of acquisition (WACA)								**10.00**

Weighted average cost of acquisition (WACA) compared to floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price* (i.e. ₹ [●])	Cap price* (i.e. ₹ [●])
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity / convertible securities), excluding shares issued	64.00	[●]	[●]

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price* (i.e. ₹ [●])	Cap price* (i.e. ₹ [●])
under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Red Herring Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options), in a single transaction or multiple transactions combined together over a span of rolling 30 days.			
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity / convertible securities), where promoter / promoter group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	NA	[●]	[●]
Except as disclosed below there were no such other primary issuances / secondary transactions except as provided in (a) and (b) to be informed under this section based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to irrespective of the size of transactions.	10.00	[●]	[●]

1. Justification for Basis of Issue Price

Explanation for Issue Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares along with our Company's KPIs and financial ratios for the and financial year ended on March 31, 2026, 2025, and March 31, 2024.

**To be included on finalization of Price Band.*

2. The Issue Price is [●] times of the Face Value of the Equity Shares

The Issue 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 *"Restated Financial Statements"* on pages 19, 157, 228 and 221, 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 investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,
The Board of Directors,
Vivekanand Cotspin Limited,
S/No 181/1, 182/1, At Rangpurda, Kadi,
Mahesana - 382715, Gujarat, India

Dear Sir(s):

Sub: Proposed initial public offering of equity shares of ₹ 10/- each (the "Equity Shares") of Vivekanand Cotspin Limited (Formerly known as Vivekanand Cotspin Private Limited) (the "Company" and the "Issuer").

We hereby report that the enclosed Annexure- A, prepared by the management of the company and initialed by us for identification purpose ("Statement") for the initial public Issue by the company ("Issue") states the possible special tax benefits available to the Company and the shareholders and Material Subsidiary of the Company under direct tax and indirect tax laws presently in force in India, including the Income - Tax Act, 1961 read with Income Tax Rules, Circulars, Notifications ('Act') as amended by the Finance Act, 2025, i.e. applicable for the Financial Year 2026-27 relevant assessment year 2027-28, the Union territory Goods and Services Tax Act 2017, respective State Goods and Services Tax Act, 2017 read with riles, circulars and notifications (collectively, "GST Act"), Customs Act, 1962 and the Customs Tariff Act, 1975 (read with the rules, circulars and notifications issued in connection thereto) and Foreign Trade (Development and Regulation) Act, 1992 and Foreign Trade Policy 2023-2028 (FTP), each as amended and presently in force in India (collectively referred as "Indirect Tax Laws" and along with "Direct Tax Laws", the "Tax Laws"). Several of these benefits are dependent on the Company or its shareholders or Material Subsidiary fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders and/or the Material Subsidiary. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed Issue, particularly in view of ever-changing tax laws in India.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its Issue, which may have a material effect on the discussions herein.

We do not express any opinion or provide any assurance as to whether:

i) the Company or its shareholders or the Material Subsidiary will continue to obtain these benefits in future; or
ii) the conditions prescribed for availing the benefits have been/would be met with;
iii) the revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. The contents stated in the annexure are based on the information, explanations and representations obtained from the Company.

Limitations

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of the existing tax laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume *responsibility towards the investors who may or may not invest in the proposed Issue relying on the statement.*

We hereby give consent to include this statement of tax benefits in the Draft Red Herring Prospectus, Red Herring Prospectus, the Prospectus and submission of this certificate as may be necessary, to the Stock Exchange/ SEBI/ any regulatory authority and/or for the records to be maintained by the BRLM in connection with the Issue and in accordance with applicable law.

Terms capitalized and not defined herein shall have the same meaning as ascribed to them in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus.

Yours sincerely,

For S V J K and Associates,
Chartered Accountants
Firm Registration No.: 135182W

Sd/-
CA Reeturaj Verma
Partner,
Membership No.: 193591
UDIN: 26193591HGFUAD7425

Place: Ahmedabad
Date: June 04, 2026

Annexure-A

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

This Statement of possible special tax benefits available to the Company, its shareholders and the Material Subsidiary, is required as per Schedule VI (Part A)(9)(L) of the SEBI ICDR Regulations. While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, for the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Company, its shareholders and the Material Subsidiary, the same would include those benefits as enumerated in this Annexure. Any benefits under the taxation laws other than those specified in this Annexure are considered to be general tax benefits and therefore not covered within the ambit of this Statement. Further, any benefits available under any other laws within or outside India, except for those mentioned in this Annexure have not been reviewed and covered by this statement.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

A. SPECIAL TAX BENEFITS TO THE COMPANY AND MATERIAL SUBSIDIARY UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

(i) Lower corporate tax rates on income of domestic companies - Section 115BAA of the Act:

The Taxation Laws (Amendment) Act, 2019 introduced section 115BAA wherein domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess) on fulfilment of certain conditions. The option to apply this tax rate is available from FY 2019-20 relevant to AY 2020-21 and the option once exercised shall apply to subsequent assessment years. The concessional rate of 22% is subject to the company not availing any of the following specified tax exemptions/incentives under the Act:

- Deduction u/s 10AA: Tax holiday available to units in a Special Economic Zone;
- Deductions available under the Chapter VI-A except under section 80JJAA and section 80M;
- Deduction u/s 32(1)(iia): Additional Depreciation;
- Deduction u/s 32AD: Investment allowance;
- Deduction u/s 35AD: Deduction for capital expenditure incurred on specified businesses;
- Deduction under certain sub-sections/clauses of Section 35: Expenditure on scientific research.

The total income of a company availing the concessional rate of 22% is required to be computed without set-off of any carried forward loss and depreciation attributable to any of the aforesaid deductions/incentives. A company can exercise the option to apply for the concessional tax rate in its return of income filed under section 139(1) of the Act. Further, provisions of Minimum Alternate Tax ('MAT') under section 115JB of the Act shall not be applicable to companies availing this reduced tax rate, thus, any carried forward MAT credit also cannot be claimed.

The provisions do not specify any limitation/condition on account of turnover, nature of business or date of incorporation for opting for the concessional tax rate. Accordingly, all existing as well as new domestic companies are eligible to avail this concessional rate of tax.

Note: The Company has opted to apply section 115BAA of the Act.

(ii) Deductions in respect of employment of new employees - Section 80JJAA of the Act:

As per section 80JJAA, where a company is subject to tax audit under section 44AB of the Act and derives income from business, shall be allowed deduction of an amount equal to 30% of additional employee cost incurred in the course of business in a previous year, for 3 consecutive assessment years including the assessment year relevant to the previous year in which such additional employee cost is incurred.

Additional employee cost means the total emoluments paid or payable to additional employees employed in the previous year through an account payee cheque or account payee bank draft or by use of electronic clearing system through a bank account or through such other electronic mode as may be prescribed. These employees should also have total salary not more than ₹ 25,000/- per month and should also be member of a recognised provident fund.

The deduction under section 80JJAA would continue to be available to the company even where the company opts for the lower tax rate of 22% under the provisions of section 115BAA of the Act (as discussed above).

(iii) Deductions in respect of inter-corporate dividends – Deduction under Section 80M of the Act:

As per the provisions of Section 80M of the Act, dividend received by the Company from any other domestic company or a foreign company or a business trust shall be eligible for deduction while computing its total income for the relevant year. A deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the due date.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

(i) Dividend income will be subject to tax in the hands of domestic shareholders at the applicable slab rate/ corporate tax rate (plus applicable surcharge and cess). In case of Non-resident Shareholders, tax will be applicable at 20% (plus applicable surcharge and cess) or as per applicable Double Taxation Avoidance Agreement ("DTAA").

(ii) Long term capital gains exceeding ₹ 1,25,000 on transfer of listed equity shares on which Securities Transactions Tax has been paid will be subject to tax in the hands of shareholders as per the provisions of Section 112A of the Act at 12.5% (plus applicable surcharge and cess). The benefit of indexation of costs shall not be available. As per section 2(29AA) read with section 2 (42A) of the Act, a listed equity share is treated as a long-term capital asset if the same is held for more than 12 months immediately preceding the date of its transfer.

(iii) Short term capital gains arising on transfer of shares on which Securities Transactions Tax has been paid will be subject to tax in the hands of shareholders as per the provisions of section 111A of the Act at 20% (plus applicable surcharge and cess).

(iv) Non-resident shareholders including foreign portfolio investors may choose to be governed by the provisions of Double Taxation Avoidance Agreement, to the extent they are more beneficial and subject to provision of the prescribed documents.

C. BENEFITS TO THE COMPANY AND MATERIAL SUBSIDIARY UNDER THE INDIRECT TAX LAWS

I Special tax benefits available to the Company

- The Company has obtained registration under the GST law in Gujarat. The Company undertakes export of services. Under the GST regime, supplies of services which are exported outside India are treated as zero-rated supplies. Such zero-rated supplies of goods are allowed to be made under either of the following options:
    - Without payment of Integrated Goods and Services Tax ("IGST") under Bond/ Letter of Undertaking (LUT). Under this scenario, the exporter is allowed to claim refund of unutilized input tax credit.
    - With payment of IGST. Under this scenario, the exporter is allowed to claim refund of IGST paid on exports.

The Company is undertaking export of goods without payment of integrated tax under LUT. However, no refund is applied since the Company is able to utilise input tax credit for payment of domestic output tax liability.

II Special tax benefits available to the Shareholders

The shareholders of the Company are not entitled to any special tax benefits under indirect tax laws.

Notes:

1. *We have not considered the general tax benefits available to the Company, or shareholders of the Company.*
2. *The above is as per the Tax Laws as on date.*
3. *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.*
4. *This Statement does not discuss any tax consequences in any country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own*

professional advisers regarding possible income –tax consequences that apply to them.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

SECTION VII - ABOUT THE COMPANY

INDUSTRY OVERVIEW

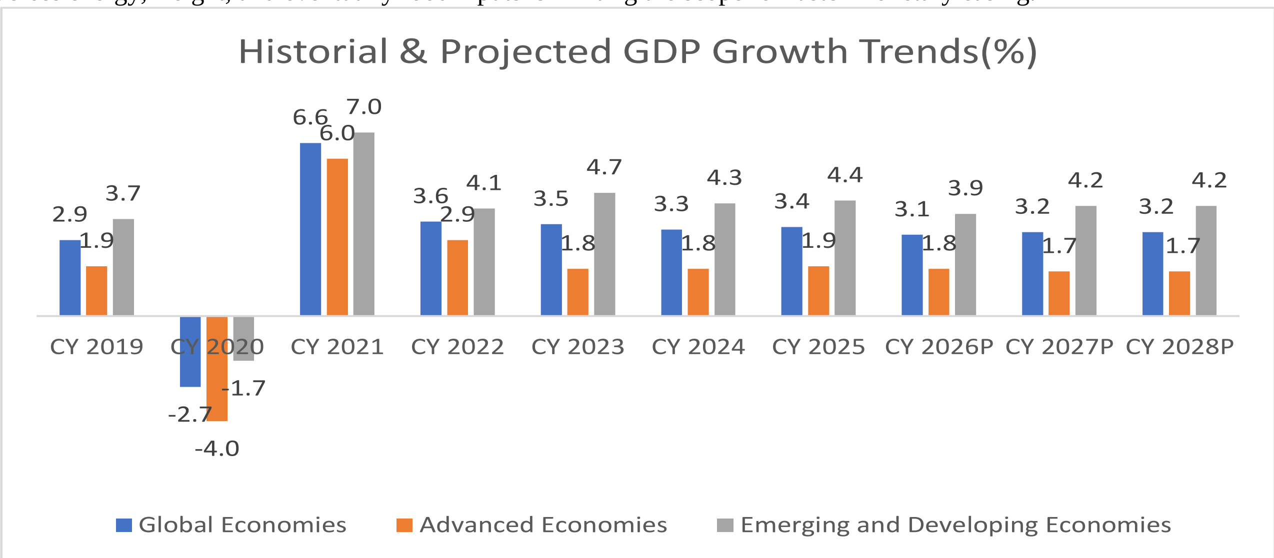
Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled *"Industry Report on Cotton Yarn"* dated August 14, 2026 (the *"Dun & Bradstreet Report"*), exclusively prepared and issued by Dun & Bradstreet, who were appointed by our Company pursuant to an engagement letter dated March 19, 2026, and the Dun & Bradstreet Report has been commissioned by and paid for by our Company in connection with the Issue. A copy of the Dun & Bradstreet Report is available on the website of our Company at www.vcottonexport.com. There are no parts, data or information (which may be relevant for the proposed Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the Dun & Bradstreet Report and included herein with respect to any particular calendar year/ Fiscal refers to such information for the relevant calendar year/ Fiscal. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents of the Dun & Bradstreet Report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. For more information, see *"Risk Factors* on page 19.

Global Macroeconomic Scenario

Global Economic Overview

According to World Economic Outlook, global growth is projected at 3.1% in 2026 and at 3.2% in 2027 and 2028, slower than the recent pace of about 3.4% in CY 2024–25 and is expected to settle at approximately that rate over the medium term, below the historical average of 3.7% during 2000–19. The forecast for 2026 has been revised downward by 0.2 percentage point, while the forecast for 2027 and 2028 remains unchanged compared with the January 2026 WEO Update. Global headline inflation is expected to rise to 4.4% in 2026 and decline to 3.7% in 2027, reflecting upward revisions for both years.

The conflict involving US, Isreal and Iran is increasingly functioning as a global supply and confidence shock. The International Energy Agency (IEA) describes the current situation as the largest oil supply disruption on record, with flows through the Strait of Hormuz reduced to a trickle and the resulting effects spreading across refined fuels and liquefied natural gas (LNG). At the same time, aviation disruptions and elevated risk premia are weakening services activity and increasing uncertainty around investment decisions. A significant share of global energy flows through the Strait of Hormuz, and shipping disruptions and insurance constraints are therefore translating directly into higher landed costs, supply chain delays, and greater output risks for energy-intensive manufacturing. As a result, the policy environment has increasingly become challenging, while growth support is required but renewed cost-push inflation across energy, freight, and eventually food inputs is limiting the scope for faster monetary easing.



Source – IMF Global GDP Forecast Release, April 2026

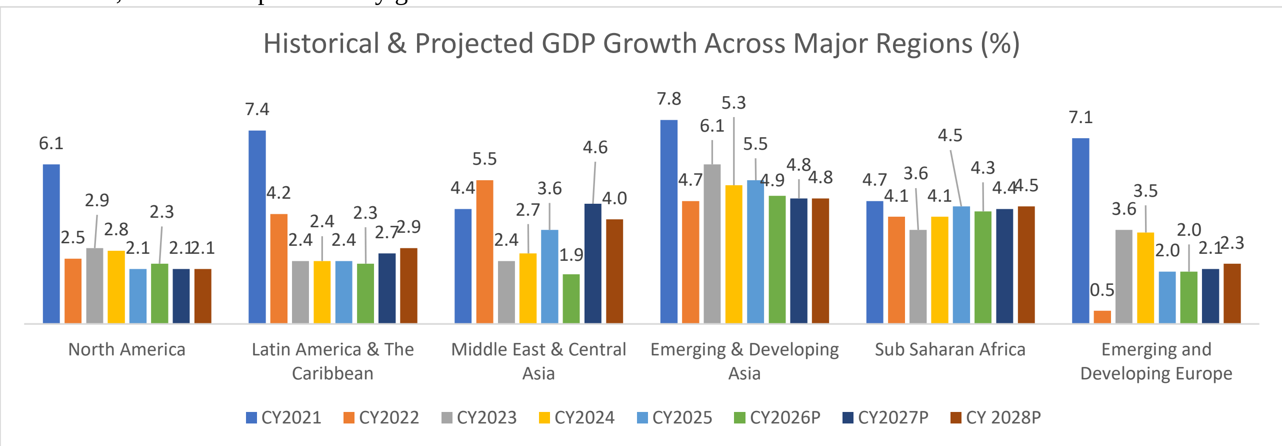
Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict economic criteria and has evolved over time. It comprises 40 countries in the Advanced Economies category, including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected Eurozone members (Germany, Italy, France, etc.). The group of emerging and developing economies (156) comprises all economies not classified as Advanced Economies (e.g., India, China, Brazil, Malaysia).

Historical and Projected GDP Growth

GDP growth across major regions showed a mixed trend during 2024–25. While growth in several regions—including Middle East & Central Asia, Emerging and Developing Asia, Sub-Saharan Africa as well as Latin America and the Caribbean—is expected to slow further in 2026, performance remains uneven across geographies.

In the Middle East and Central Asia, economic growth is projected to decline from **3.6% in 2025** to **1.9% in 2026**, before recovering to **4.6% in 2027 and 4.0% in 2028**, reflecting the region's direct exposure to the conflict and the anticipated rebound thereafter. For commodity-exporting economies directly affected by the conflict, reduced production and export activity are expected to result in a significant downward revision to 2026 GDP growth projections.

Growth in emerging and developing Asia is projected to moderate from **5.5% in 2025** to **4.9% in 2026** and is further estimated to grow at **4.8% in 2027 and 2028**. Within the region, China's 2026 growth forecast has been revised upward by **0.2 percentage point** relative to the October estimate, to **4.4%**, despite a **0.1 percentage point downward revision** from January. This upward adjustment reflects the impact of lower effective U.S. tariff rates on Chinese goods, along with stimulus measures that are expected to offset the negative effects of the shock arising from the Middle East conflict. However, China's growth is projected to slow to **4.0% in 2027**, as structural headwinds continue to weigh on the economy, including the prolonged slowdown in the housing sector, a shrinking labor force, declining returns on investment, and weaker productivity growth.



Source- IMF World Economic Outlook, April 2026

In Latin America and the Caribbean, economic growth is projected to remain broadly stable at 2.3% in 2026 before strengthening to 2.7% in 2027 and 2.9% in 2028. The effects of the Middle East conflict across the region are expected to be uneven, with smaller economies likely to experience a more pronounced negative impact due to their relatively greater vulnerability to external shocks.

Growth in sub-Saharan Africa is projected to remain relatively stable at 4.3% in 2026 and 4.4% in 2027 and 4.5% in 2028. However, this regional outlook masks significant variation across countries, with some economies expected to face more pronounced challenges than others. In particular, oil-importing and non-resource-intensive economies are likely to be adversely affected by the conflict in the Middle East, as heightened external pressures may weigh on economic activity and weaken growth prospects. In emerging and developing Europe, economic growth is expected to slow sharply to 2.0% in 2025 and recover only marginally thereafter, with the region projected to expand at an average rate of 2.0% in 2026, 2.1% in 2027 and 2.3% in 2028.

Global Economic Outlook

The conflict between Israel/the United States and Iran, which began in February, has developed into a global shock to transport, trade, and security planning. As a result, periodic airspace closures across Israel and parts of the Gulf, together with severe disruption to shipping through the Strait of Hormuz, have affected the movement of oil, oil products, and

LNG. Consequently, businesses have faced longer and less reliable supply lines, higher freight and insurance costs, and more frequent “stop-go” operating conditions.

The near-term growth outlook has softened as the conflict is affecting both demand and costs. Disruption to the oil channel is coinciding with pressure on the non-oil outlook as travel and services weaken and risk premia rise. Airspace disruption has increased operating costs and reduced travel reliability, while higher jet fuel costs have added to pressure on carriers and freight forwarders.

Investment conditions have also tightened as higher regional risk premia have increased insurance, shipping, hedging, and working capital costs. At the same time, logistics disruption and higher input costs are raising inflation risks. Fertilizer and related input disruption is also creating a lagged risk to food prices.

Asia-Pacific: In Asia-Pacific, the conflict has created sustained stress for business continuity. Even with fighting paused, energy availability, shipping disruption, and insurance costs are expected to continue weighing on operations over the next quarter. Oil prices remain well above January levels despite easing from March peaks, while war-risk insurance, tighter tanker availability, and rerouting costs remain elevated. As a result, several fuel-importing economies—including Japan, South Korea, India, and parts of Southeast Asia—have faced power-conservation measures and fuel rationing, increasing the risk of operational downtime in energy-intensive sectors.
Shipping and supply chains are also facing second-round effects. Many Asia–Europe shipments have been diverted via the Cape of Good Hope, thereby extending lead times by 10–14 days. Although some routes have reopened, schedules remain compressed and insurers remain cautious, which has increased delivery deadline risk across manufacturing, particularly in chemicals, electronics, and pharmaceuticals. Input volatility and fertilizer disruption are also adding to inflation risks and thereby complicating the policy outlook.

Latin America: In Latin America, the U.S.-Israel-Iran conflict has increased energy market pressures, with higher Brent crude prices raising input costs and inflation risks across the region. Consequently, net hydrocarbon exporters such as Brazil, Colombia, and Ecuador are benefiting from stronger external balances, while net energy importers—including Panama, Chile, and much of Central America—are facing higher import costs. Elevated fertilizer prices are also weighing on agricultural output and margins, including in Brazil and Argentina. In response, governments have introduced fuel subsidies and price controls.

Middle East & North Africa: In the Middle East and North Africa, the conflict continues to affect the region directly, with many countries facing missile and drone attacks from Iran in response to attacks by the United States and Israel on Iran. In the short term, economic growth is expected to slow sharply as exports decline, uncertainty constrains spending, and governments delay investment initiatives. The reduction in food imports is also expected to significantly affect countries with limited domestic production capacity. Bahrain, Qatar, and Kuwait remain highly dependent on imports through the Strait of Hormuz and therefore face risks of food shortages and concerns regarding social stability if disruption persists.

Sub-Saharan Africa: In Sub-Saharan Africa, the conflict continues to disrupt energy and fertilizer supply chains, thereby keeping the region under significant external pressure. Higher global oil prices are sharply rising fuel and transport costs for import-dependent economies such as Kenya, Uganda, Ethiopia, and Ghana. Policy responses have varied across the region. Ethiopia introduced emergency fuel subsidies in mid-March to contain domestic price increases, while Kenya is experiencing stronger pass-through from higher fuel costs, which is weighing on aviation, logistics, and export activity.

Global Growth Projection

Growth in advanced economies is projected at 1.8% in 2026 and 1.7% in 2027 and 2028, while the overall impact of the Middle East conflict is expected to remain modest, lowering 2026 growth by 0.2 percentage point relative to the pre-conflict forecast. This limited effect reflects positive terms-of-trade gains in the United States and stronger growth momentum, supported by government measures, in Japan, whereas more significant negative effects are expected mainly in net energy-importing economies, including the euro area and the United Kingdom. In the United States, growth is projected at 2.3% in 2026 and 2.1% in 2027 and 2028, with fiscal policy and the lagged effects of monetary easing in 2025 continuing to support activity, even as higher trade barriers since April 2025 weigh on growth. The 0.1 percentage point downward revision from the January 2026 WEO Update reflects a small negative effect from the war, but this is partly offset by a rebound following the end of the 2025 federal government shutdown, along with stronger productivity growth and positive carryover effects. Although the International Emergency Economic Powers Act (IEEPA) ruling may reduce tariff-related fiscal revenues, its impact on the fiscal balance and activity is expected to remain limited and spread over the forecast horizon. Growth in 2027 is expected to remain solid, supported by tax incentives, including those for corporate investment under the One, Big, Beautiful Bill Act (OBBBA), while technology-driven momentum is projected to moderate and productivity growth is expected to gradually converge toward historical norms.

Growth in emerging market and developing economies is projected to slow to 3.9% in 2026 before recovering to 4.2% in 2027 and 2028, while the Middle East conflict is expected to have a greater impact on this group than on advanced economies, reducing 2026 growth by 0.3 percentage point relative to the pre-conflict forecast. In emerging and developing Asia, growth is expected to moderate from 5.5% in 2025 to 4.9% in 2026 and 4.8% in 2027 and 2028. Within the region, China's 2026 growth forecast has been revised upward to 4.4%, as lower effective U.S. tariffs and stimulus measures offset the impact of the conflict, although growth is projected to slow to 4.0% in 2027 as structural headwinds intensify. India's growth outlook has also improved, with growth revised upward to 7.6% in 2025 and projected to remain at 6.5% in 2026, 2027 and 2028, supported by strong carryover effects and lower additional U.S. tariffs on Indian goods. Meanwhile, several South and Southeast Asian economies are expected to face weaker domestic demand due to lower tourism and remittance inflows, while the Philippines has seen a sharp downward revision for 2026.

In the Middle East and Central Asia, growth is projected to decline from 3.6% in 2025 to 1.9% in 2026, before rebounding to 4.6% in 2027 and 4.0% in 2028, reflecting the region's direct exposure to the conflict. The downturn is expected to be most severe among affected commodity exporters, particularly Bahrain, Iran, Iraq, Kuwait, and Qatar, while the impact is expected to be less severe in other economies. Accordingly, Iran's economy is projected to contract by (-) 6.1% in 2026, before rebounding to 3.2% in 2027 and moderating to 1.5% in 2028. By contrast, Saudi Arabia's growth is projected at 3.1% in 2026, rising to 4.5% in 2027 before easing to 3.6% in 2028. In sub-Saharan Africa, growth is expected to remain broadly stable at 4.3% in 2026, 4.4% in 2027, and 4.5% in 2028, although oil-importing economies are likely to face greater pressure, while Nigeria and South Africa are expected to record moderate but gradually improving growth profiles. In Latin America and the Caribbean, growth is projected at 2.3% in 2026, 2.7% in 2027, and 2.9% in 2028, with Brazil expected to benefit modestly in the near term from its position as a net energy exporter, while Mexico is projected to recover gradually to 1.6% in 2026, 2.2% in 2027, and 2.1% in 2028.

In emerging and developing Europe, the sharp slowdown in growth to 2.0% in 2025 is expected to reverse only marginally, with the region projected to expand at an average rate of 2.0% in 2026, 2.1% in 2027, and 2.3% in 2028. Within the region, Russia's 2026 growth forecast has been revised upward by 0.3 percentage point relative to January, to 1.1%, as higher commodity prices are expected to support activity. This momentum is projected to continue, with growth remaining at 1.1% in 2027 before moderating slightly to 1.0% in 2028. By contrast, Türkiye's 2026 growth forecast has been revised downward by 0.8 percentage point relative to the January 2026 WEO to 3.4%, as weaker-than-expected growth in 2025 and higher oil and gas prices are expected to weigh on activity.

Key factors impacting Global Macroeconomic landscape

- Geopolitics continues to constitute a major source of global macroeconomic and business risk. The Russia–Ukraine war remains a persistent driver of instability, as Russia has intensified large-scale missile and drone attacks on Ukrainian cities and infrastructure, while Ukraine has stepped up strikes on Russian ports, refineries, and export infrastructure, reportedly contributing to a reduction in Russian oil output in April. The Israel–Iran–U.S. confrontation has emerged as the most significant near-term external shock to the global economy, with the IMF warning that disruptions to the Strait of Hormuz and regional energy infrastructure could materially weaken global growth and raise inflation; under its April 2026 reference forecast, global growth has been lowered to 3.1% and inflation raised to 4.4%, with materially worse outcomes under prolonged disruption scenarios. In parallel, the Pakistan–Afghanistan border conflict remains a significant regional flashpoint, although China-mediated talks are seeking to secure a ceasefire and reopen border crossings after months of cross-border attacks and trade disruption. At the same time, U.S. strategic activism continues to influence regional risk perceptions: Washington has removed sanctions on Venezuela's interim leadership and deepened engagement with Caracas, tensions over Greenland have re-emerged amid renewed U.S. rhetoric and ongoing diplomatic discussions with Denmark and Greenland, and U.S.–Nigeria security cooperation has continued to deepen in response to regional instability and counterterrorism concerns. In addition, resource nationalism and strategic competition over rare earths and other critical minerals have become increasingly operational concerns rather than distant strategic risks. The IEA's April 2026 assessment notes that demand for magnet rare earths has doubled since 2015 and is projected to increase by more than 30% by 2030, while supply chains remain highly concentrated, with China accounting for around 60% of mined output, more than 90% of refining, and nearly 95% of permanent magnet production, thereby heightening global exposure to export controls, supply concentration, and industrial policy interventions

- The period of relatively frictionless trade supported by multilateral liberalisation and free trade agreements is increasingly giving way to regionalisation, nearshoring, friend-shoring, and diversification of production networks. Rising tariffs, policy uncertainty, and strategic realignment are creating a more fragmented trade environment and raising the premium on resilience over pure efficiency

- Technology adoption and sustainability have become core strategic priorities. Organizations are advancing digital transformation by embedding AI, automation, and cybersecurity into their operations to enhance productivity and safeguard critical assets. AI adoption is emerging as a visible driver of optimism, particularly within the information and communications sectors. Growth in cloud computing, streaming, IoT, and AI and Advancements in hardware and cooling technologies aim to reduce energy consumption and improve performance is driving the need for more powerful and scalable data centres.

India Macroeconomic Analysis

India's economic growth outlook for 2025 has been revised upward by 1.0 percentage point from the October estimate to 7.6%, supported by stronger-than-expected performance in the second and third quarters of the fiscal year and sustained momentum in the fourth quarter. For 2026, the growth projection has been moderately increased by 0.3 percentage point (including a 0.1 percentage point upward revision from January) to 6.5%, primarily driven by the carryover effect of the strong 2025 performance and the reduction in additional U.S. tariffs on Indian goods from 50% to 10%, which more than offsets the adverse impact of the Middle East conflict. Growth is expected to remain steady at 6.5% in 2027. Across several South and Southeast Asian economies, disruptions linked to the Middle East conflict are anticipated to reduce tourism activity and remittance inflows, thereby weakening domestic demand and moderating overall economic performance.

Country	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026 P	CY 2027 P	CY 2028P
India[1]	–5.8%	9.7%	7.6%	9.2%	6.5%	7.6%	6.5%	6.5%	6.5%
China	2.3%	8.6%	3.1%	5.4%	5.0%	5.0%	4.4%	4.0%	4.0%
United States	-2.2%	6.1%	2.5%	2.9%	2.8%	2.1%	2.3%	2.1%	2.1%
Japan	-4.2%	2.7%	0.9%	1.4%	-0.2%	1.2%	0.7%	0.6%	0.6%
United Kingdom	-10.3%	8.6%	4.8%	0.4%	1.1%	1.3%	0.8%	1.3%	1.6%
Russia	-2.7%	5.9%	-1.4%	4.1%	4.3%	1.0%	1.1%	1.1%	1.0%
Germany	-4.1%	3.9%	1.8%	-0.9%	-0.5%	0.2%	0.8%	1.2%	1.2%

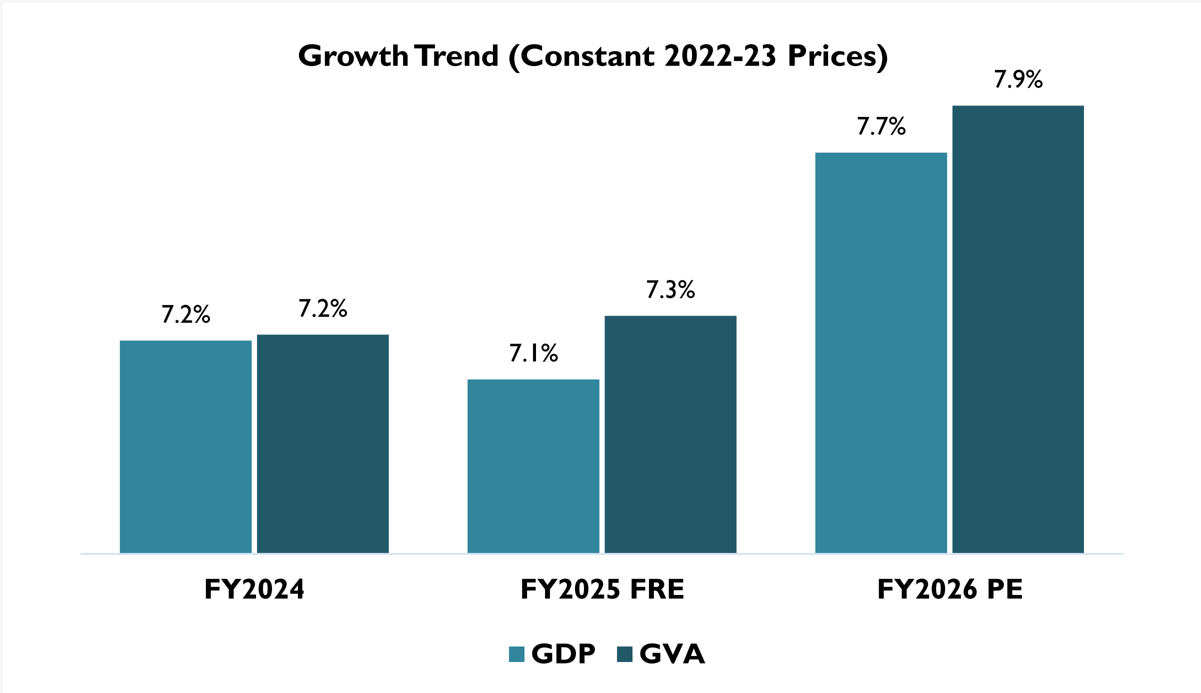
Source: World Economic Outlook, April 2026

Historical GDP and GVA Growth Trend

As per Provisional Estimates, India Real GDP (GDP at constant prices) for FY 2026 is estimated to reach INR 323.12 lakh crore, compared to the First Revised Estimate (FRE) of INR 299.89 lakh crore for FY 2025. This represents a growth rate of 7.7% in 2026, higher than the 7.1% growth recorded in 2025.

Similarly, Real GVA for FY 2026 is estimated to reach INR 294.91 lakh crore, up from INR 273.36 lakh crore in FY 2025. This indicates a growth rate of 7.9%, compared with the 7.3% growth achieved in the previous year.

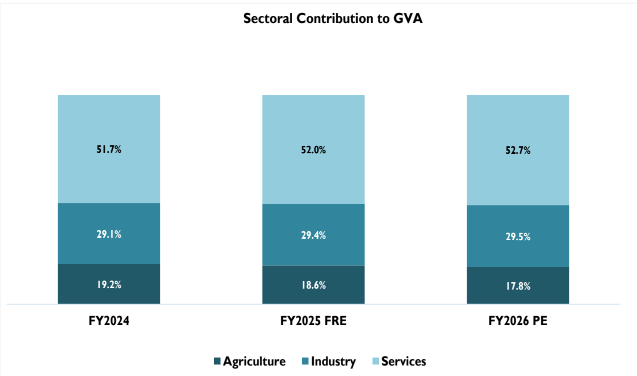
[1] For India, data and forecasts are presented on a fiscal year basis, and GDP from 2022 onward is based on GDP at market prices with FY 2022/23 as a base year

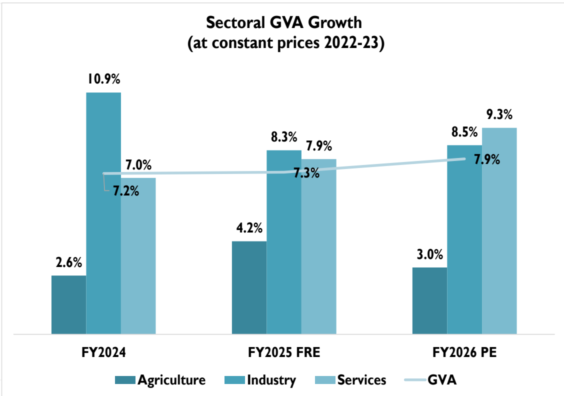


Source: Ministry of Statistics & Programme Implementation (MOSPI), National Account Statistics: FY2025,

FRE is First Revised Estimate; PE is Provisional Estimates

Sectoral Contribution to GVA and Annual Growth Trend





Source: Ministry of Statistics & Programme Implementation (MOSPI), CMIE Economics Outlook

FRE is First Revised Estimate; PE is Provisional Estimates[2]

Sectoral analysis of GVA reveals that the industrial sector experienced steady growth momentum in FY 2026, recording a 7.9% y-o-y growth against 7.3% year-on-year growth in FY 2025. Within the industrial sector, growth moderated across sub-sectors with mining, and construction activities growing by 5.15%, and 7.36%, respectively in FY 2026, compared to 11.69%, and 7.30% in FY 2025. Growth in the utilities sector too moderated to 1.74% in FY 2026 from 2.87% in the previous year. The industrial sector's contribution to GVA increased marginally from 29.4% in FY 2025 to 29.5% in FY 2026.

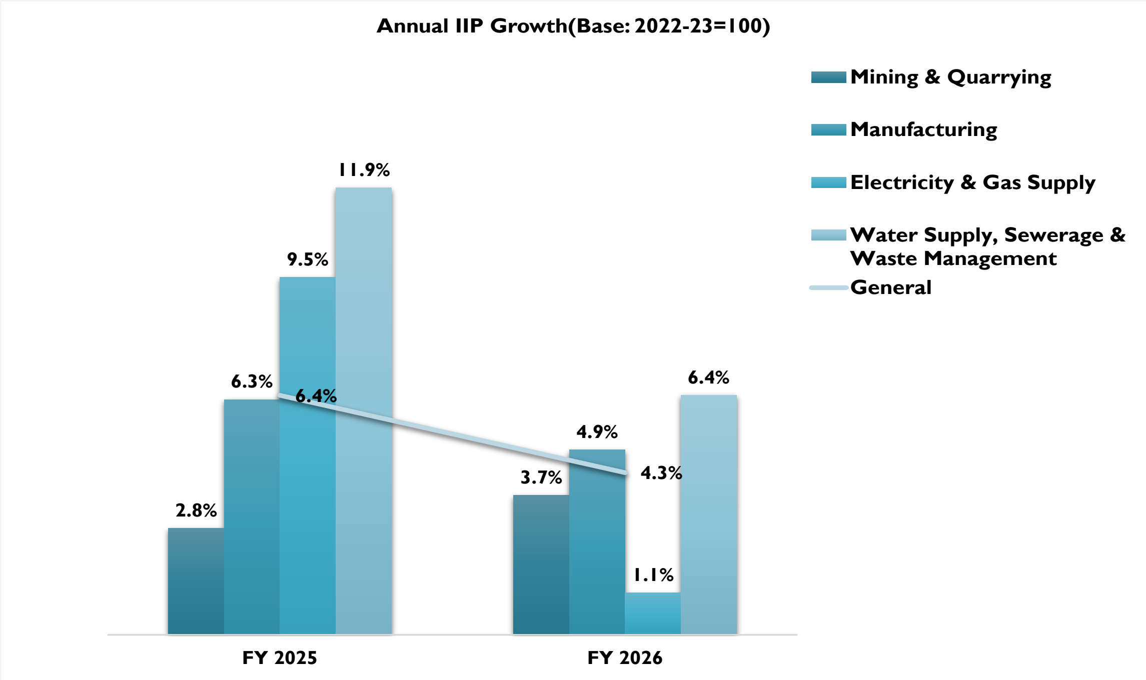
The services sector continued to be the main driver of economic growth. It expanded by 9.3% in FY 2026 from 7.9% in FY 2025. The services sector retained its position as the largest contributor to GVA, rising from 51.7% in FY 2024 to

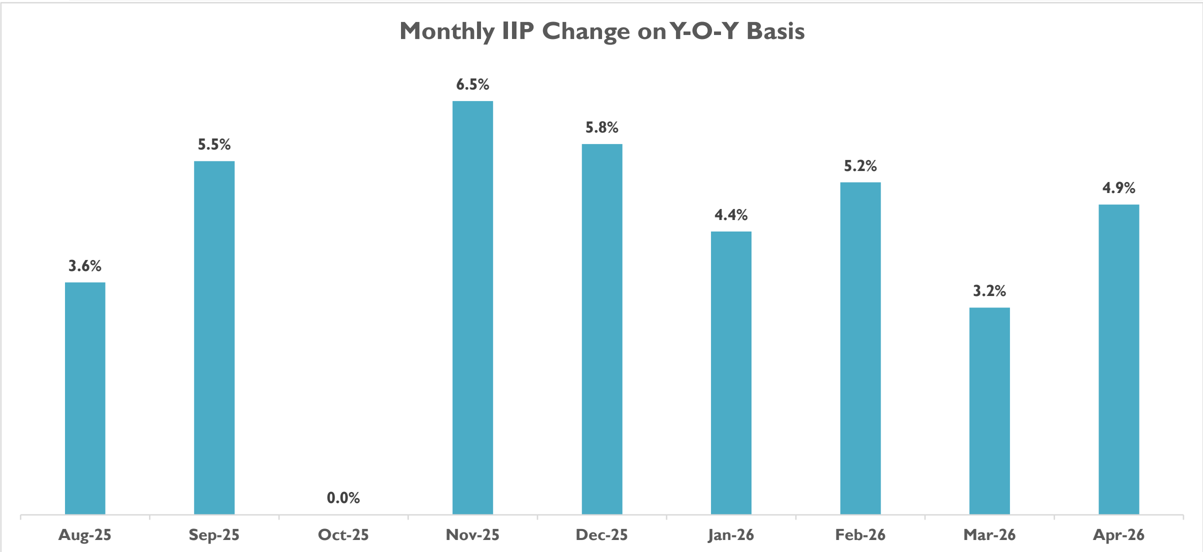
[2] https://www.mospi.gov.in/uploads/latestReleases/latest_release_1780655857536_5ac01869-ca4a-422d-b7a7-57b81da60932_Press_Note_on_GDP_Estimates_for_Q4_2025-26_and_PE_FY_2025-26_F.pdf

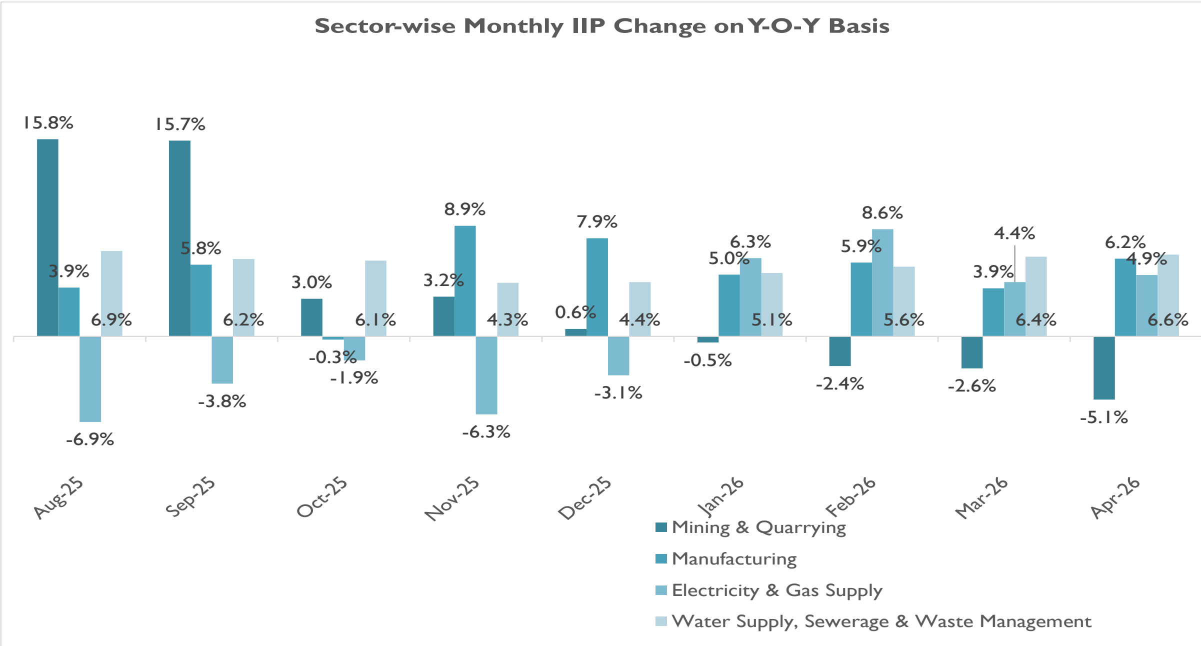
52.0% in FY 2025, with a further increase to 52.7% in FY 2026.

The agriculture sector saw an acceleration in growth, increasing from 2.66% in FY 2024 to 4.18% in FY 2025, before moderating to 3.0% in FY 2026. However, its contribution to GVA declined marginally from 19.2% in FY 2024 to 17.8% in FY 2026. Overall, Gross Value Added (GVA) growth rose to 7.9% in FY 2026 from 7.3% in FY 2025.
Annual & Monthly IIP Growth

Industrial sector performance as measured by the IIP index exhibited moderation in FY 2026, recording a 4.3% y-o-y growth against 6.4% increase in the previous year. The manufacturing index showed moderation, increasing by 4.9% in FY 2026 compared with 6.3% in FY 2025. The Electricity & Gas Supply sector index also moderated, growing 1.1% in FY 2026 compared with 9.5% in the previous year. Water Supply, Sewerage & Waste Management also moderated by 6.4% in FY 2026 compared with 11.9% in the previous year, while the mining sector index grews by 3.7% in FY 2026 compared with 2.8% in the previous year.





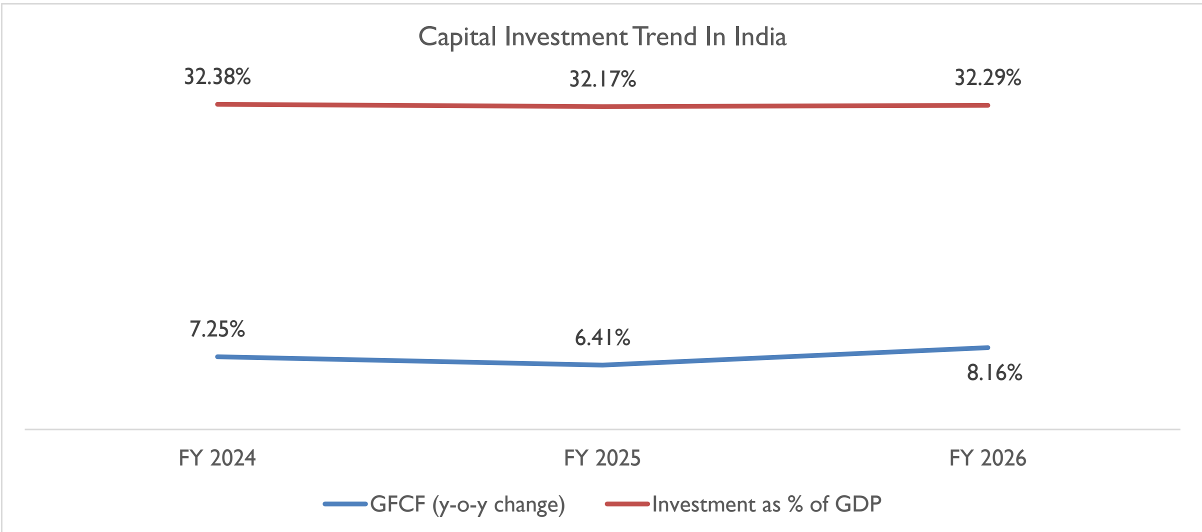


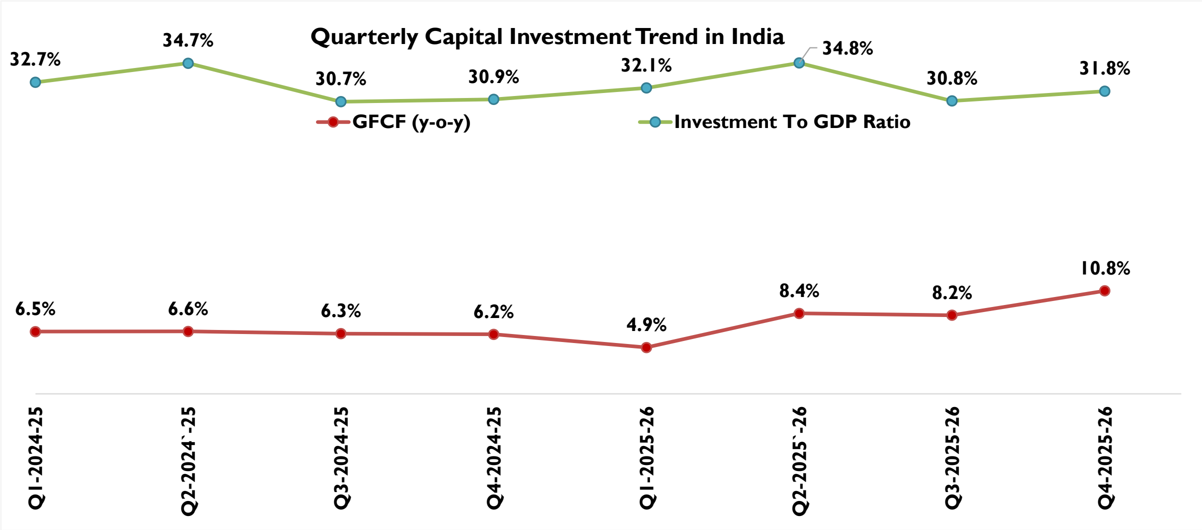
Source: Ministry of Statistics & Programme Implementation (MOSPI)

The IIP growth rate for the month of April 2026 is 4.9 percent as compared to April 2025. The growth rates of the Four sectors, Mining & Quarrying, Manufacturing, Electricity & Gas Supply and Water Supply, Sewerage & Waste Management for the month of April 2026 are (-)5.1 percent, 6.2 percent, 4.9 percent and 6.6 percent respectively

Annual and Quarterly: Investment & Consumption Scenario

Other major indicators, such as Gross Fixed Capital Formation (GFCF), a measure of investment, increased during FY 2026, registering 8.16% year-on-year growth compared with 6.41% in FY 2025, bringing the GFCF-to-GDP ratio to 32.29%.



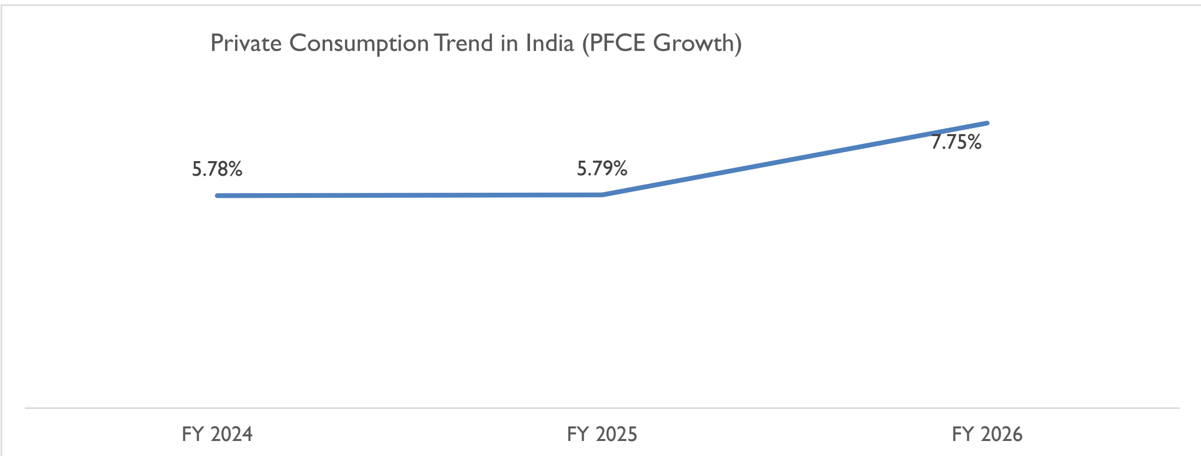


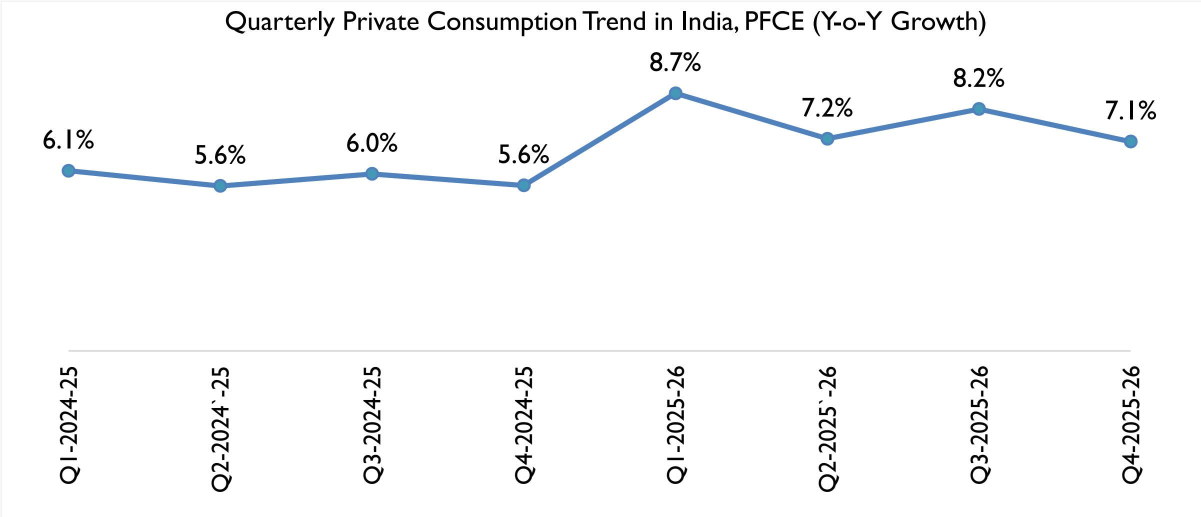
Source: Ministry of Statistics & Programme Implementation (MOSPI), CMIE Economics Outlook

On a quarterly basis, India's capital investment indicators reflect a healthy and improving investment environment, supported by sustained investment intensity and stronger capital formation in recent quarters. The Investment to GDP ratio remained consistently above 30% throughout the period, highlighting continued resilience in capital deployment. The ratio increased from 32.7% in Q1 FY 2025 to 34.7% in Q2, before moderating to 30.7% in Q3 and 30.9% in Q4. In FY 2026, the ratio improved again to 32.1% in Q1 and further strengthened to 34.8% in Q2, the highest level during the period, before remaining healthy at 30.8% in Q3 and 31.8% in Q4. This indicates that investment activity continued to remain robust despite normal quarterly variations.

GFCF (y-o-y) growth also points toward a positive investment trend, particularly in FY 2026. After remaining broadly stable during FY 2025, with growth ranging between 6.2% and 6.6%, GFCF growth accelerated meaningfully from 4.9% in Q1 FY 2026 to 8.4% in Q2 and 8.2% in Q3, before rising further to 10.8% in Q4. This strong improvement in the second half of FY 2026 suggests strengthening fixed capital formation and a revival in investment momentum. Overall, the data indicates that India's capital investment landscape remains on a positive trajectory, with sustained investment levels and improving GFCF growth reflecting stronger capital spending, better investment confidence, and continued support for economic growth.

Private Consumption Scenario





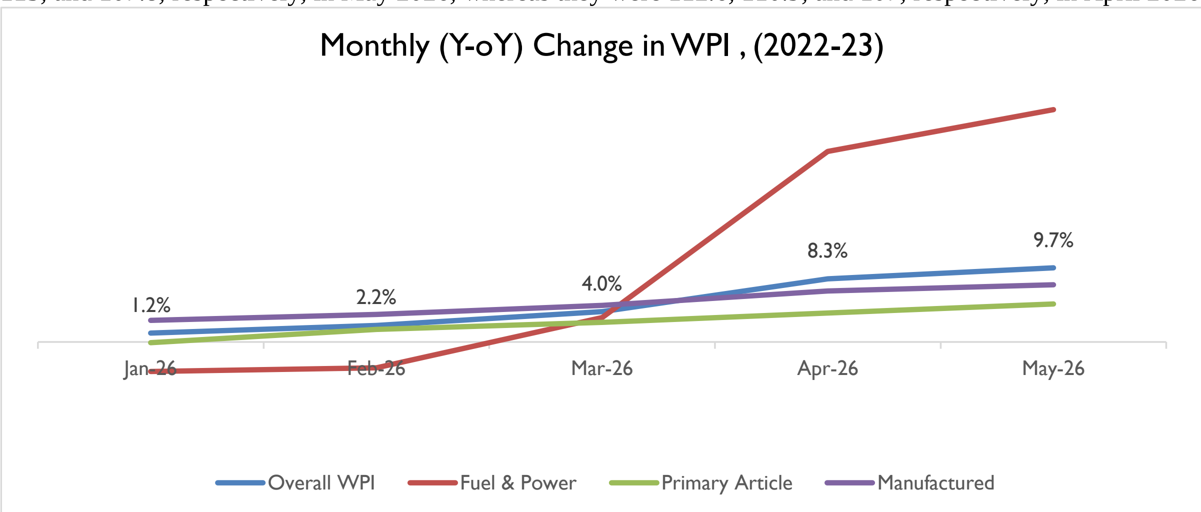
Sources: MOSPI, CMIE Economics Outlook

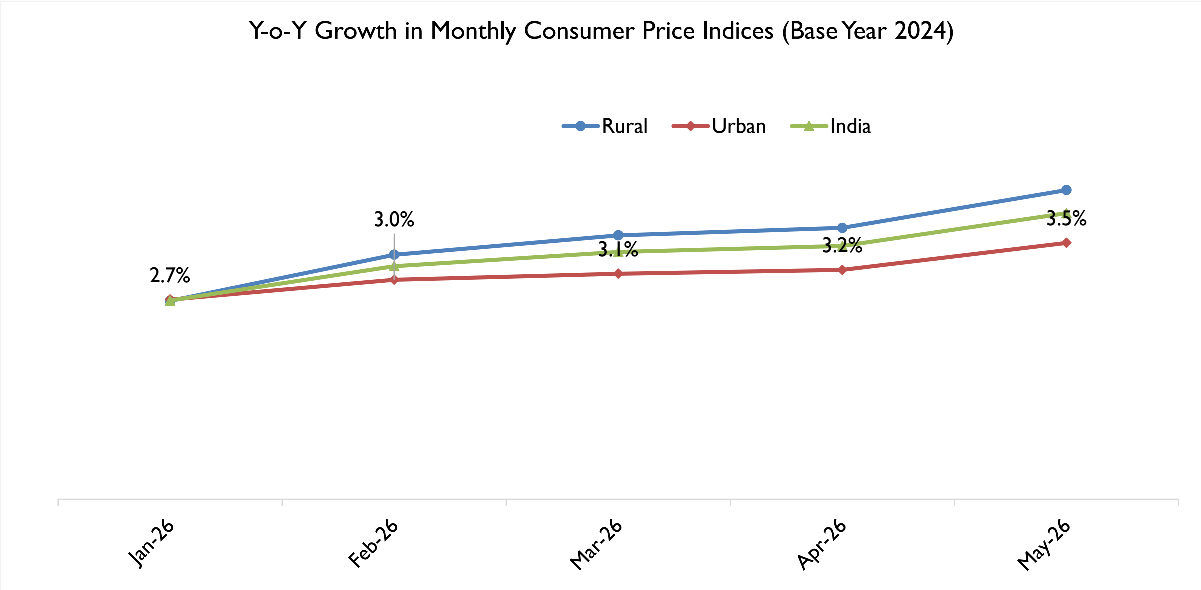
Private Final Consumption Expenditure (PFCE), a practical proxy for household spending, recorded growth in FY 2026 relative to FY 2025. PFCE recorded healthy growth in FY 2026 relative to FY 2025. However, quarterly PFCE growth moderated sequentially to 7.1% in Q4 FY 2026 from 8.2% in Q3 FY 2026

Inflation Scenario

The annual rate of inflation based on All India Wholesale Price Index (WPI) number is 3.88% (provisional) for the month of March 2026 (over March 2025). Positive rate of inflation in March 2026 is primarily due to increase in prices of crude petroleum & natural gas, other manufacturing, non-food articles, manufacture of basic metals and food articles etc.
All India Wholesale Price Index (WPI) inflation for May 2026 is 9.68 per cent on year-on-year (YoY) basis, compared to 8.26 per cent in April 2026. The index for All Commodities for May 2026 stands at 109.9, whereas it was 108.8 in April 2026. Across Groups, 'Mineral Oils (containing Petroleum Products)', 'Crude Petroleum and Natural Gas', 'Manufacture of Chemicals and Chemical Products', and 'Manufacture of Basic Metals', have been major drivers of WPI inflation in April and May 2026.

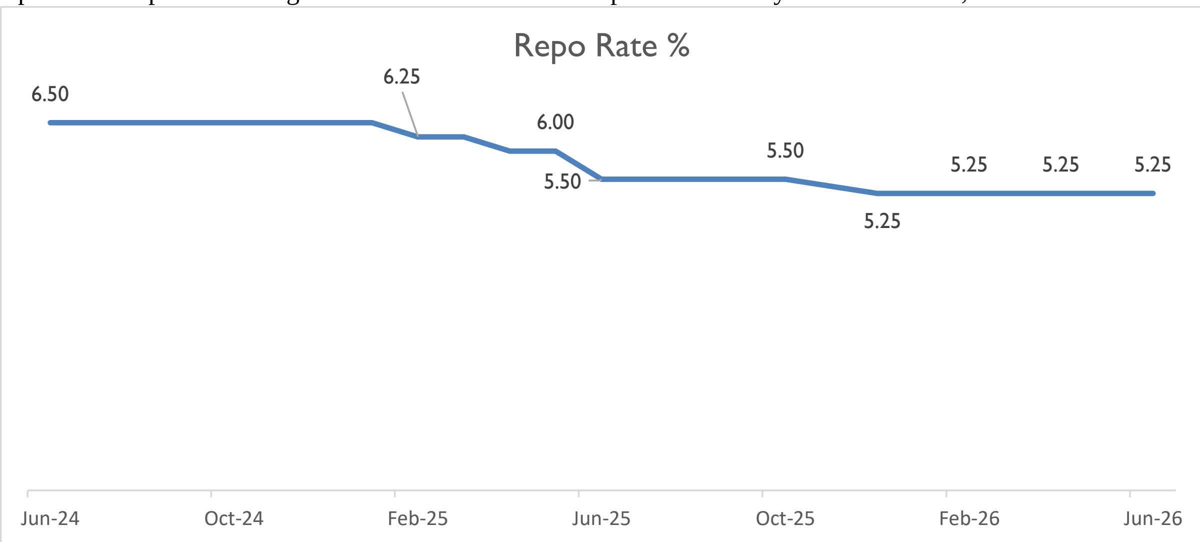
Across Major Groups, YoY inflation for Primary Articles, Fuel and Power, and Manufactured Products is 4.99 per cent, 30.33 per cent, and 7.48 per cent, respectively in May 2026, whereas it was 3.78 per cent, 24.89 per cent, and 6.68 per cent, respectively, in April 2026. The indices for Primary Articles, Fuel and Power, and Manufactured Products are 113.7, 113, and 107.8, respectively, in May 2026, whereas they were 112.6, 110.9, and 107, respectively, in April 2026.





Source: MOSPI, Office of Economic Advisor

With effect from January 2026, the National Statistics Office (NSO) introduced a revised CPI series with base year 2024=100, drawing revised item weights from the Household Consumption Expenditure Survey (HCES) 2023-24. Year-on-year inflation rate based on All India Consumer Price Index (CPI) with base year 2024 for the month of May, 2026 over May, 2025 is 3.93%(Provisional). Corresponding inflation rates for rural and urban are 4.25% and 3.53%, respectively.On the monetary policy front, the RBI had cumulatively raised the repo rate by 250 basis points between May 2022 and February 2023, bringing it to 6.50%, where it was held steady through January 2025 to anchor inflationary expectations. With inflation moderating below target and growth requiring support, the RBI's Monetary Policy Committee (MPC) commenced an easing cycle in February 2025, delivering a cumulative 125 basis points of rate cuts through four reductions — 25 bps each in February 2025, April 2025, and December 2025, and a larger 50 bps cut in June 2025 — interspersed with pauses in August and October 2025. The repo rate currently stands at 5.25%, in June 2026.



Sources: CMIE Economic Outlook

Growth Outlook

The Union Budget 2026–27 sets out a quantitatively strong push to build resilient supply chains and develop next-generation industrial capacity. The record ₹12.2 trillion capital expenditure outlay is aimed at easing logistics bottlenecks and enhancing India’s cost competitiveness. Employment measures extend across both urban and rural India in one sweep. In cities and large towns, capex is channelled into “connectors” such as the seven proposed high-speed rail corridors and upgraded Tier-2 and Tier-3 infrastructure, thereby creating construction, logistics, and service jobs while cutting commute times. In smaller towns and villages, job creation is expected to be supported by mega textile parks, the Mahatma Gandhi Gram Swaraj Initiative’s push for khadi and handloom, training for tourist guides, and new waterways and coastal shipping. Together, these steps broaden the wage base instead of providing a short-term bump.

This domestic push is complemented by targeted measures to strengthen strategic supply chains. Dedicated rare earth corridors in Odisha, Kerala, Andhra Pradesh, and Tamil Nadu; customs exemptions for capital goods used in critical mineral processing and battery cells; and the India Semiconductor Mission 2.0 aim to pull manufacturing deeper into components and materials. If executed well, these measures could reduce import dependence in magnets, batteries, and chip inputs and lift the share of higher-productivity manufacturing jobs — thereby raising household incomes durably. Alongside these domestic measures, India is also seeking to strengthen its external trade architecture through major trade agreements. The conclusion of the India–EU FTA negotiation marks a major strategic milestone, as it offers near-universal market access for 99.5% of India's exports by value and integrates India more deeply into a USD 24 trillion economic bloc. By providing duty-free entry for key labour-intensive sectors, expanding services access, and establishing a mobility framework for Indian professionals, the deal is expected to improve market access, support export competitiveness and high-value job creation. It is likely to promote a predictable, rules-based environment for long-term trade and investment flows.

In a similar vein, India–Oman Comprehensive Economic Partnership Agreement (CEPA)[3] has been framed as a comprehensive arrangement covering trade in goods and services, investment, professional mobility, and regulatory cooperation, with the objective of strengthening bilateral economic integration between India and Oman. Bilateral trade between the two countries stood at USD 10.61 billion in FY 2025, providing the economic basis for the agreement. Under the CEPA, India has secured 100% duty-free market access in Oman across 98.08% of tariff lines, covering 99.38% of India's export value, thereby improving export competitiveness across sectors such as engineering goods, pharmaceuticals, agriculture and processed food, electronics, textiles, plastics, and gems and jewellery. At the same time, India has adopted a calibrated liberalisation approach by offering tariff concessions on 77.79% of its tariff lines, covering 94.81% of imports from Oman by value, while retaining safeguards for sensitive domestic sectors. The agreement also provides gains in services, with Oman undertaking commitments across 127 services sub-sectors, alongside improved provisions for professional mobility, including an increase in the Intra-Corporate Transferee ceiling from 20% to 50% and commitments for a defined category of Indian professionals. Overall, the CEPA is presented as a framework intended to support trade expansion, improve market access, and strengthen long-term economic cooperation between India and Oman.

However, these gains remain exposed to external geopolitical risks. The escalation of the Middle East crisis represents an external shock for India, transmitted primarily through energy markets, logistics, and trade-linked business exposure. The Gulf–Levant 11[4] (GL 11) economies account for around 15% of India's merchandise exports and 21% of its imports, with trade concentrated in high-value categories such as mineral fuels, precious metals, and electronics; disruptions in this region therefore have an outsized impact despite its modest share of global GDP.

Export exposure is unevenly distributed across India, with risks concentrated in specific districts that serve as production hubs. Discretionary exporters, such as gems and jewellery firms in the districts of Surat, Jaipur, and Mumbai; apparel manufacturers in Tiruppur; automotive producers in Ahmedabad; and electronics assemblers in Kanchipuram and Kolar, are vulnerable to demand slowdown and order deferrals in Gulf markets.

At the same time, Perishable agricultural exporters, including grapes from Nashik, bananas from Solapur, and bovine meat from Ghaziabad, face acute risks from shipping delays and logistics disruptions. Dun & Bradstreet data show that over 4,500 Indian exporters and around 1,800 importers relied on the Strait of Hormuz trade route in 2025, exposing them to working capital stress, payment delays, and production interruptions, while, for import-dependent industries, delays in critical inputs raise the risk of temporary shutdowns and sustained energy price volatility amplifies margin pressure across manufacturing and services.

[3] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2213203&reg=3&lang=1
The Comprehensive Economic Partnership Agreement (CEPA) between India and Oman marks a meaningful step forward in the economic relationship between the two countries. The agreement brings together trade in goods and services, investment, professional mobility, and regulatory cooperation under a single, coherent framework aimed at deepening bilateral economic integration.

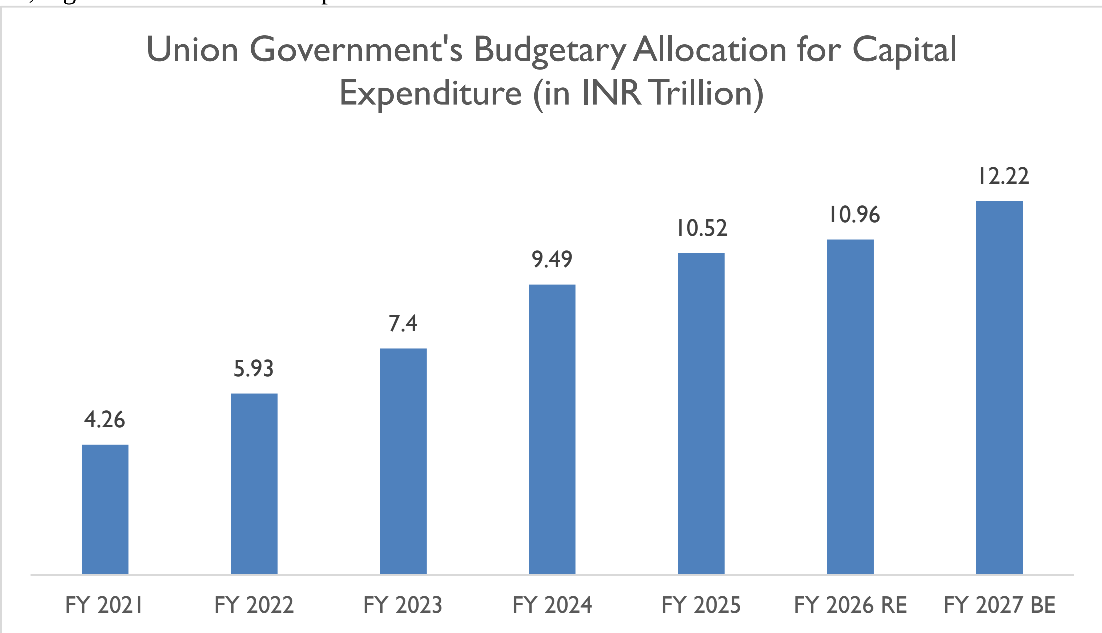
[4] For the purposes of this report, the analysis is confined to a defined group of countries referred to as the Gulf–Levant 11 (GL-11). This group comprises Bahrain, Iran, Iraq, Israel Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. These economies are treated collectively because they are either directly involved in, or immediately exposed to, the current crisis through geographic proximity, security linkages, energy production and transit, or their role as regional trade and financial hubs

Key Growth/Demographic Drivers for Economic Growth

Government focus on infrastructure development

The infrastructure sector has received a strong boost in Budget FY'27, marked by a record INR 12.2 trn[5] public capital expenditure allocation, reinforcing the government's focus on making assets more efficient and sustainable. The introduction of the landmark Infrastructure Risk Guarantee Fund aims to provide partial credit guarantees to lenders and revitalise private sector participation in large-scale projects. By lowering project risk premiums and easing borrowing costs, this mechanism is likely to help crowd in private capital and accelerate construction phase financing across the sector. The transport and logistics sector, in particular, will buoy infrastructure growth. Railways have received a substantial boost in allocation, which will help support the planned development of seven new high-speed rail corridors and a Dankuni-Surat DFC[6], which aims to cut logistics costs and improve national connectivity. Moreover, the rollout of 20 new National Waterways, new ship repair hubs and a scheme to double the share of coastal and inland water transport from 6.0% to 12.0% by 2047[7] will together build a greener, more efficient multimodal freight network. Urban transformation continues through targeted development of Tier-2 and Tier-3 cities – with populations over 0.5mn – alongside the creation of City Economic Regions, each supported by multi-year, challenge-based financing to establish new growth hubs and reduce pressure on metros. A broader ecosystem of reforms strengthens medium-term sector prospects. The government aims to scale domestic construction and infrastructure equipment manufacturing, reducing import dependence and improving execution capability in tunnelling, metro construction and road building machinery. The monetisation of CPSE assets will be accelerated through dedicated REIT[8] structures, helping unlock liquidity for redevelopment and new project pipelines. Additional support flows through region-specific initiatives, such as industrial corridor expansion, and tourism development in cultural and Buddhist heritage zones will further reinforce construction demand.

Together, these measures will strengthen India's infrastructure ecosystem through higher public investment, improved risk mitigation tools and wider multimodal connectivity – creating a constructive environment for sustained growth in construction, logistics and urban development.



Union Budget, Government of India
Note: BE (Budget Estimates) and RE (Revised Estimates)

Development of Domestic Manufacturing Capability

The Government launched the Production Linked Incentive (PLI) scheme in early 2020, initially aimed at improving

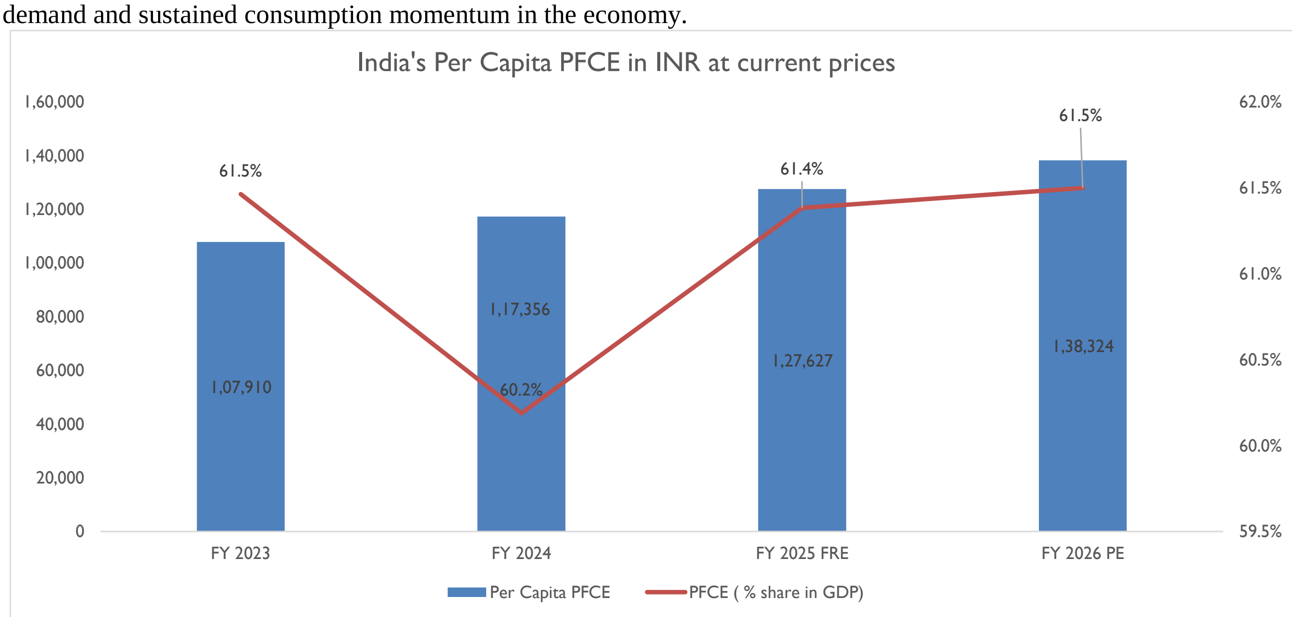
[5]https://www.pib.gov.in/PressReleasePage.aspx?PRID=2222521&reg=3&lang=1#:~:text=Reinforcing%20the%20role%20of%20public,productive%20capacity%20across%20the%20economy.
[6] https://prsindia.org/budgets/parliament/demand-for-grants-2026-27-analysis-railways
[7] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2221817&reg=3&lang=1
[8] https://www.hindustantimes.com/real-estate/budget-2026-eyes-dedicated-reits-for-cpse-asset-monetisation-what-it-means-for-investors-101769942312710.html#google_vignette

domestic manufacturing capability in large-scale electronic manufacturing and gradually extended to other sectors. At present it covers 14 sectors, ranging from medical devices to solar PV modules. The PLI scheme provides incentives to companies on incremental sales of products manufactured in India. This incentive structure is aimed at attracting private investment into setting up manufacturing units and thereby strengthening domestic production capabilities. The overall incentive outlay earmarked for the PLI scheme is estimated to be INR 2 trillion. If fully realised, the PLI scheme could add nearly 4% to annual GDP growth, by way of incremental revenue generated from the newly formed manufacturing units.

Strong Domestic Demand

Domestic demand has traditionally been one of the key drivers of the Indian economy. After a brief lull caused by the Covid-19, domestic demand is recovering. Consumer Confidence surveys by the Reserve Bank and other institutions point to an improvement in the Consumer Confidence Index, which is a precursor of improving demand. India has a strong middle-class segment, which has been the major driver of domestic demand. Factors like fast paced urbanization and improving income scenario in rural markets are expected to accelerate domestic demand further. This revival is reflecting in the private final consumption expenditure (PFCE) metric.
India's per capita Private Final Consumption Expenditure (PFCE) at current prices has shown a consistent upward trend, indicating steady improvement in household consumption levels over the years. Per capita PFCE increased from INR 1,07,910 in FY 2023 to INR 1,17,356 in FY 2024 and further rose to INR 1,27,627 in FY 2025 FRE. It is estimated to increase further to INR 1,38,324 in FY 2026 FE, reflecting continued growth in consumer spending and improving consumption capacity.

PFCE as a share of GDP also remained healthy during the period, broadly staying above 60%. The share stood at 61.5% in FY 2023, moderated to 60.2% in FY 2024, before recovering to 61.4% in FY 2025 FRE and further improving to 61.5% in FY 2026 FE. This indicates that private consumption continues to remain a key driver of India's economic growth. Overall, the steady increase in per capita PFCE, along with a stable PFCE share in GDP, reflects resilient household demand and sustained consumption momentum in the economy.



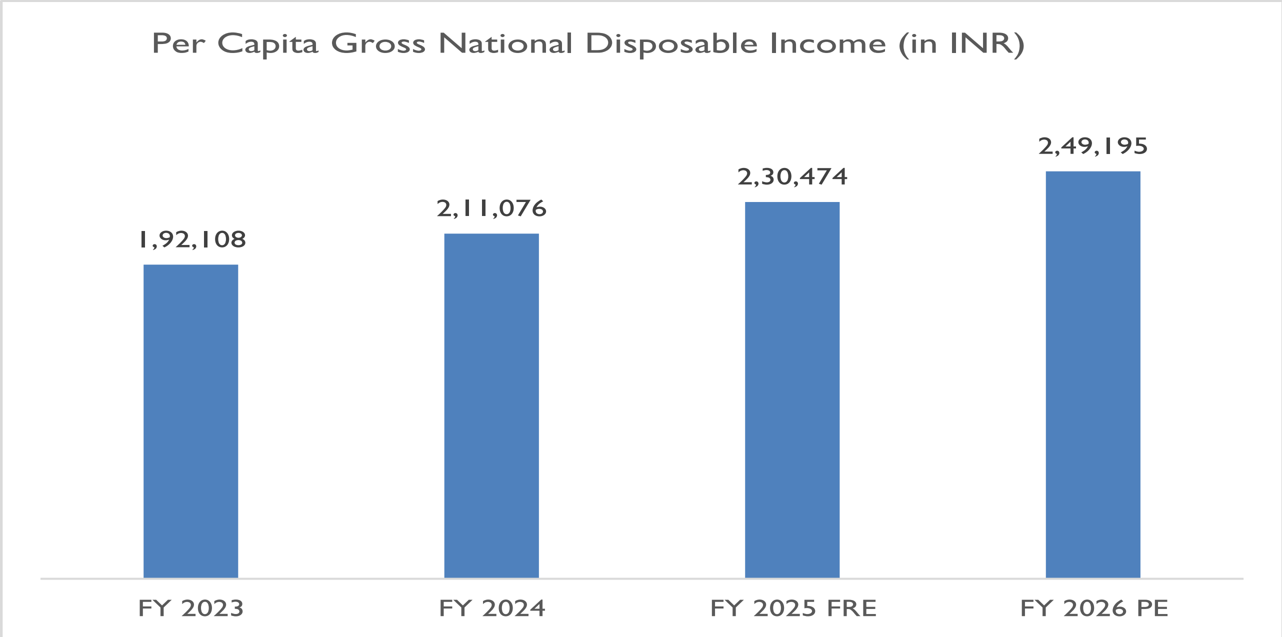
Source: Ministry of Statistics & Programme Implementation (MOSPI)
FRE is First Revised Estimate; PE is Provisional Estimates

There are two factors driving this domestic demand: first, the large pool of consumers; and second, the improvement in purchasing power.

- The share of middle class increased from nearly 14% in 2005 to nearly 30% in 2021 and is expected to cross 60% by 20470F0F0F0F[9]. This expanding middle class household segment is fuelling India's growth story and would continue to play a key role in propelling India's economic growth.
- Consumer-driven domestic demand is majorly fuelled by this growth in per capita income. As per National Statistics Office (NSO), India's per capita Gross National Disposable Income (GNDI) has shown a steady upward

[9] As per the survey conducted by People Research on India's Consumer Economy. Households with annual income in the range of INR 5 – 30 lakh are considered as middle-class households.

trend, reflecting improvement in overall income levels and disposable income capacity. Per capita GNDI increased from INR 1,92,108 in FY 2023 to INR 2,11,076 in FY 2024 and further rose to INR 2,30,474 in FY 2025 FRE. It is estimated to increase further to INR 2,49,195 in FY 2026 PE, indicating continued growth in income levels across the economy. The consistent rise in per capita GNDI highlights strengthening purchasing power and improving household income conditions, which can support consumption demand going forward. Overall, the trend reflects a positive income environment, with rising disposable income expected to contribute to sustained private consumption and broader economic growth.

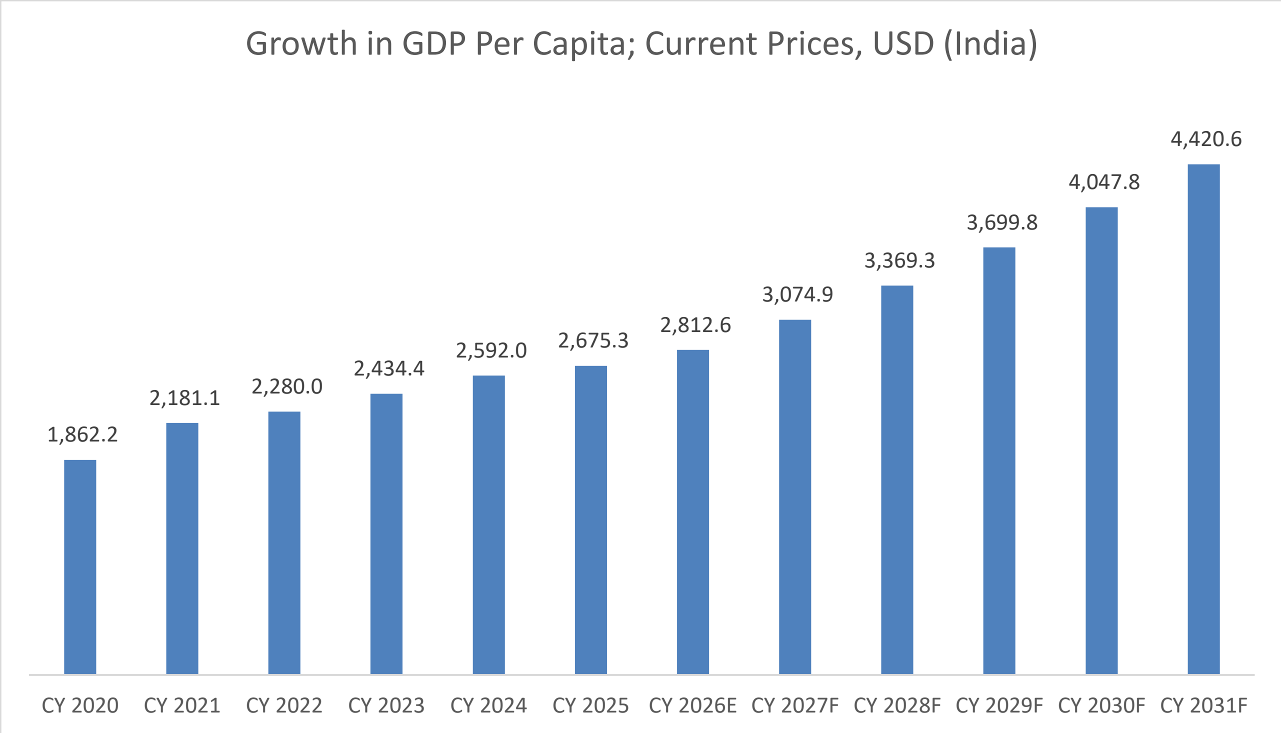


Source: Ministry of Statistics & Programme Implementation (MOSPI)

FRE is First Revised Estimate; PE is Provisional Estimates

India's Per Capita GDP Trends

India is projected to rank as the sixth-largest economy globally in 2026, with a nominal GDP of approximately USD 4.15 trillion, behind the United States, China, Germany, Japan, and the United Kingdom. Although this represents a temporary decline in ranking due to higher projected nominal GDP in the UK and Japan, India continues to remain one of the world's fastest-growing major economies, driven by strong domestic demand, sustained infrastructure development, increasing foreign direct investment (FDI), ongoing policy reforms, and expanding manufacturing capabilities. The country's large consumer market of over 1.4 billion people, coupled with rapid growth in sectors such as electronics, defence, automotive, and aviation, continues to attract global manufacturers seeking to diversify their supply chains. These structural growth drivers are expected to strengthen India's long-term economic competitiveness and support its position among the world's leading economies.

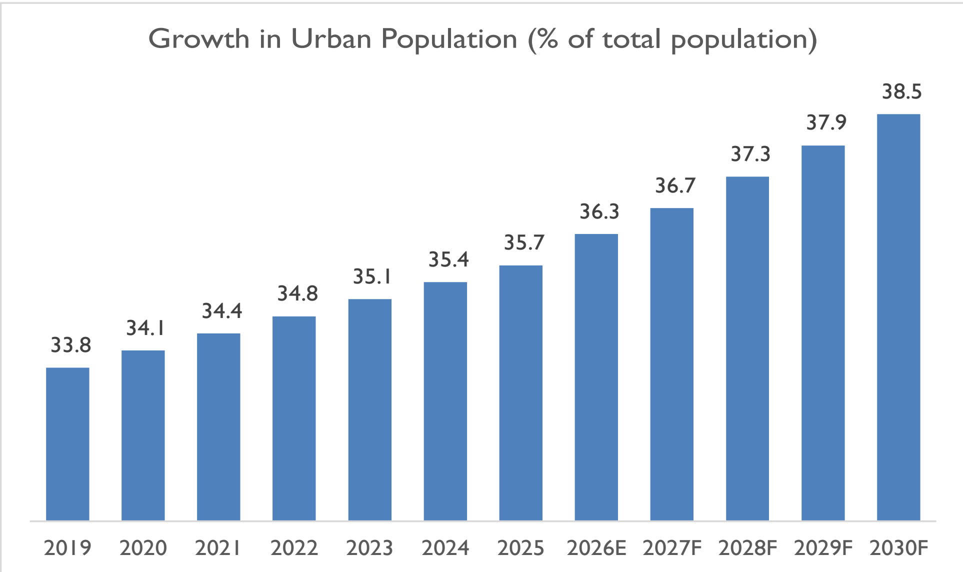


Source: IMF

From CY 2024 to CY 2031, India's per capita GDP is projected to grow at a compound annual growth rate of 7.9%. This growth will be driven by the service sector, which now accounts for over 50% of India's GDP, marking a significant shift from agriculture to services.

Increasing Urbanization

As per the Handbook of Urban Statistics 2022, India's urban population has been on a steady rise. Urban dwellers accounted for over 469 million in 2021 and are projected to rise to over 558 million by 2031 and further exceed 600 million by 2036.



Source: World Bank,1F1F[10] Dun & Bradstreet Research and Estimates

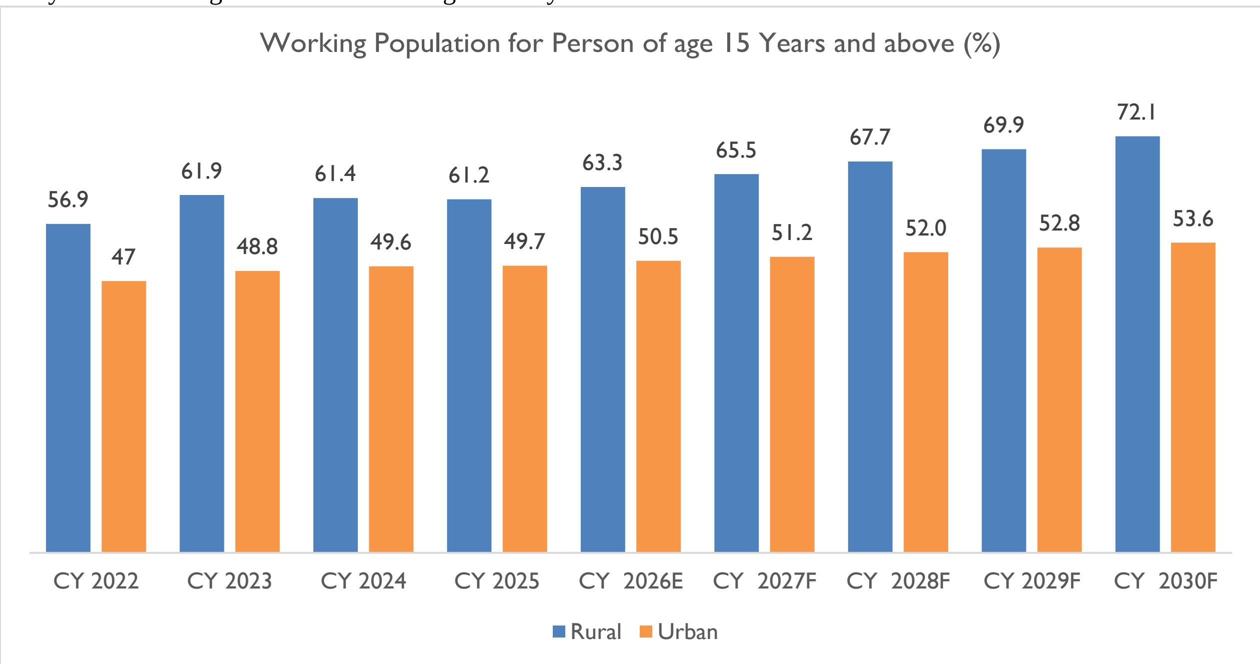
The share of urban population in total population has been rising steadily. In 2019, 33.8% of the total population was

[10]https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?end=2022&locations=IN&skipRedirection=true&start=1960&view=chart

urban. By 2025, it had reached 35.7%, showing an increase over a span of five years of about 1.9% points. The share of urban population is further forecasted to cross 38.5% by 2030. This increase in urban population is set to demand drastic changes in infrastructure development. Cities are a major driver for the construction industry. With cities expanding rapidly, there will be an increased need for improved housing, water supply, sewage systems, and electricity. Urban planning will need to account for higher population densities, necessitating the development of smart cities with integrated technology for efficient management of resources and services. The Smart Cities Mission targeted at 100 cities is aimed at improving the quality of life through modernised, technology-driven urban planning. This transformation will also require significant investment in public health, education, and recreational facilities to enhance the quality of urban living. The surge in urban population will also propel demand for improvement in multimodal transport infrastructure for freight and passenger travel requirements.

Rural vs. Urban Working Population by Age Group

As India continues to experience economic growth and development, the working population in both rural and urban areas is increasing. In the case of the urban population, this growth is reflected in the increase from a share of 47% in CY 2022 to 49.7% in CY 2025, whereas in rural areas, it grew from 56.9% in CY 2022 to 61.2% in CY 2025.
This growth is driven by a combination of factors, including demographic changes, economic policies, and the expansion of various industries. The rise in employment opportunities across sectors such as agriculture, manufacturing, services, and information technology has contributed to the overall increase in the working population, thereby fostering economic stability and enhancing the standard of living for many Indians.



Source: Periodic Labour Force Survey (PLFS) Annual Report, Dun & Bradstreet Research and Estimates

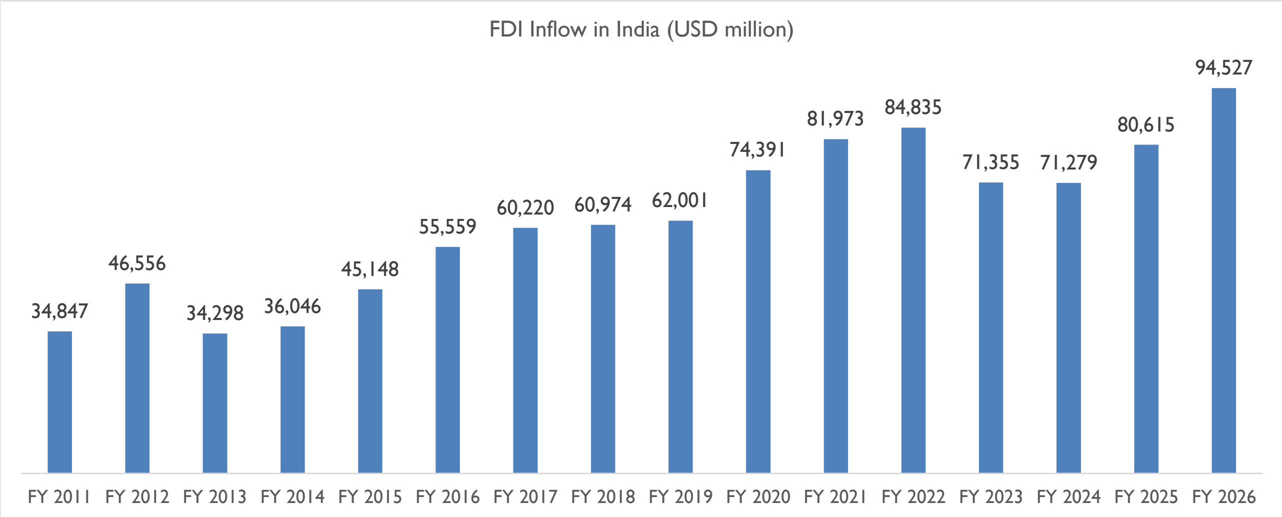
Note: 2025 refers to the period January 2025 – December 2025 and likewise for 2024, 2023 and 2022

In urban areas, the working population is growing rapidly due to the proliferation of jobs in sectors like IT, finance, retail, and healthcare. Additionally, the development of infrastructure, such as improved transportation networks and housing, has made urban centers more accessible and desirable for the working population. In rural areas, the working population remains substantial, primarily due to the dominance of the agricultural sector. Government initiatives aimed at rural development, such as improved access to education and skill development programs, have also played a crucial role in enhancing employment prospects in these regions.

The dominance of the rural working population over its urban counterpart can be attributed to the labour-intensive nature of the agricultural sector, which ensures a consistent demand for human labor despite advancements in mechanization, sustaining employment rates in rural areas.

Foreign Direct Investment Trend in India

FDI inflows in India observed a steady increase from FY 2013 to FY 2022 while it witnessed a decline of 15% in FY 2023 and a decline of 0.1% in FY 2024 due to several factors, including the ongoing conflict between Russia and Ukraine, changes in US monetary policy, and other global uncertainties. However, the country has received substantial FDI inflows from April 2000 to April 2026. This increasing FDI can be attributed to the new investment facilitation measures like the National Single-Window System (NSWS), which streamlines the approval and clearance process for investors, entrepreneurs, and businesses, along with sectoral measures and PLI schemes, supporting growth prospects in tier-2 and tier-3 cities. Further, tax compliance for startups and foreign investors has been simplified and the Income Tax Act, 1961, was amended in 2024 to abolish angel tax and to reduce income tax rate chargeable on income of a foreign company.



Sources: Department for Promotion of Industry and Internal Trade

Overview of Indian Textile Industry

The Indian textile industry encompasses the production of fibres, yarns, fabrics, and finished textile products such as garments and home furnishings, covering the entire value chain from raw material processing to final consumption. It is one of the most significant sectors of the country's economy, playing a vital role in industrial development, employment generation, and export performance. The sector contributes nearly 2.3% to India's Gross Domestic Product (GDP), accounts for approximately 13% of overall industrial production, and contributes around 12% to total export earnings. It is also one of the largest employment generators in the country, providing livelihoods to nearly 45 million people across its diverse value chain.

The industry is characterized by a diversified fibre base, comprising both natural fibres and man-made fibres (MMF). The natural fibre segment includes cotton, jute, silk, wool, coir, and flax, with cotton being the most dominant. On the other hand, man-made fibres are broadly classified into cellulosic and non-cellulosic categories. Cellulosic fibres, derived from natural cellulose sources such as cotton and wood pulp, include rayon (viscose), acetate, and triacetate. Non-cellulosic fibres are produced through petrochemical processes and include polyester, acrylic, olefin, nylon, and spandex.

India's textile sector has developed strong manufacturing capabilities, enabling it to cater to both growing domestic demand and international markets. The country has established itself as the second-largest producer of textiles and garments globally and the sixth-largest exporter of apparel and clothing[11]. In the ready-made garment (RMG) segment, India commands close to 4% share in global trade, while the segment itself contributes nearly 45% of the total textile exports from the country.

In addition, India is one of the leading manufacturers of synthetic yarns globally. The segment has witnessed significant investments over the years, resulting in the production of a wide range of yarn products. The growth of this segment has been further supported by the presence of a well-developed petrochemical industry, which ensures the availability of key raw materials, thereby strengthening the overall textile manufacturing ecosystem.

Textile Manufacturing Value Chain

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[11] UN Comtrade

Stages in Textile Manufacturing	
Raw Material	**Natural Fibres**: India is one of the world's largest producers of cotton and jute, which are fundamental to the textile industry. The cultivation practices of these fibres directly impact the quality and sustainability of the raw materials. **Synthetic Fibres**: Man-made fibres, supplied by the petrochemical industry, have gained prominence since the mid-20th century. These fibres are crucial for producing a wide range of textile products, including easy-care clothing and furnishings.
Spinning	The spinning stage involves converting raw fibres into yarn. This process is pivotal as it determines the quality and characteristics of the yarn, influencing the final textile product. India boasts a robust spinning sector that integrates both natural and synthetic fibres, catering to a wide array of market demands.
Weaving & Knitting	**Weaving:** This process involves interlacing yarns to create fabric. India has a significant number of weaving units, although challenges related to quality and cost often result in the importation of woven fabrics. **Knitting:** The knitting sector in India is more integrated, with many facilities capable of producing finished garments directly from yarn. This segment has experienced substantial growth, with local production meeting a significant portion of domestic demand.
Fabric Processing	After fabric creation, it undergoes various treatments such as dyeing, printing, and finishing to enhance its properties. This stage is crucial for adding value to the fabric, making it suitable for the final product market. The processing sector plays an essential role in ensuring the fabric meets consumer expectations in terms of quality and aesthetics.
Apparel Manufacturing	The final stage of the value chain involves converting fabric into finished garments. India's apparel manufacturing sector is diverse, ranging from traditional handloom products to modern, mass-produced clothing. This segment is labour-intensive, employing millions and serving as a vital component of the economy.

Cotton Spinning

Cotton fibre is converted into textile products through a two-stage manufacturing process. The first phase involves conversion of raw cotton fibre to yarn through the spinning process and the second process involves converting the cotton yarn to fabric through weaving process. It needs to be noted that these two phases are broad classifications which also includes other activities such as mixing, carding, combing, drawing, rowing, warping, and finishing. But spinning and weaving form the core of cotton fabric production.

Ring frame spinning / ring spinning, and open-ended spinning are two of the spinning processes deployed in Indian cotton spinning sector. Ring spinning uses spindles while open-ended spinning uses rotors to convert cotton fibre into yarn. Among the two processes, open-ended spinning is technically superior and open-ended rotors are 4 to 8 times faster than spindles in producing cotton yarn.

Ring Spinning	Open End Spinning
Ideal for spinning finer cotton yarns	Three to five times faster than ring spinning
Suitable for producing comber yarn	Ideal for manufacturing carded yarn (coarser)
Suitable method for all staple fibres	Not suitable for spinning manmade fibre (except rayon)
Yarn produced through ring spinning can be used for a wide variety of applications	Open end spun cotton yarn ideal for heavier fabrics like denims, towels and poplins[12]

Open Ended Spinning

The faster production rate and higher yield were the initial attributes that popularized the open-end spinning technique. Moreover, open end spinning mills are better suited for process automation, which is expected to become a mainstay in the textile industry. Additionally, open end spinning process also eliminates the need for rowing and winding process. These attributes, along with higher yield, have led to the popularity of open-end spinning mills, leading to the creation of open-end spinning hubs, the largest of which is concentrated in Tamil Nadu.
Of late, open-end spinning mills have been gaining prominence because of its superiority in manufacturing yarn from cotton waste. With sustainable production practices gaining momentum across the country, the popularity of open-end spinning mills has gone. Initially, these mills used cotton waste which was then converted to yarn. However, the increase in the price of cotton have forced these mills to explore other recyclable materials.

[12] Plain weave cotton fabric with a strong, silky and lustrous surface. Poplin is commonly used to manufacture men’s & women’s shirts, women dresses, sportswear and raincoats

Ring Frame Spinning

Ring spinning is the oldest of spinning processes to convert fibres to make a yarn. The ring spinning frame, commonly called the ring, is the conventional spinning system and it transforms the roving from the roving frame into spun yarn using the operations of drawing, twisting and winding. The ring spinning machine is capable of simultaneously twist staple fibres into yarn and then wind it onto bobbins for storage. The technology provides the widest range in terms of the yarn counts it can produce. It is used to product produce high quality spun yarn ranging from fine (60 Ne, 10 tex) to medium count (30 Ne, 20 tex) range, with a small amount produced in the coarse count (10 Ne, 60 tex) range. End uses include high-quality underwear, shirting, towels. However, ring spinning is a comparatively expensive process because of its slower production speeds and the additional processes (roving and winding) required for producing ring spun yarns.

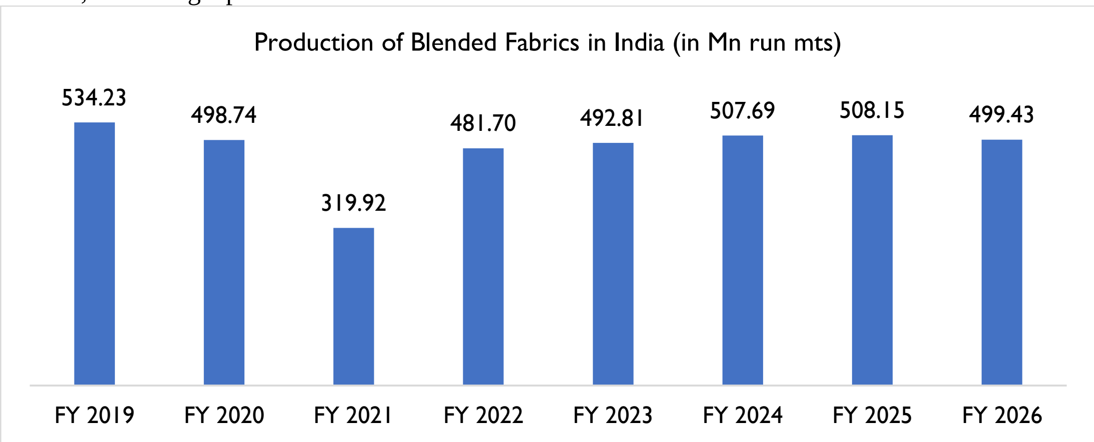
Current Scenario

The Indian textile and apparel industry is currently valued at around USD 174 billion as of FY 2024, with strong growth driven by domestic consumption and exports. The sector contributes approximately 2.3% to India's GDP, 13% to industrial production, and 12% to total exports, highlighting its significant role in the economy. India is the world's sixth-largest exporter of textiles and apparel, recording USD 37.75 billion in exports in FY2025, reflecting its strong presence in global trade. Furthermore, the Indian textile and apparel market has reached USD 185.6 billion in FY 2025, reflecting a 7.0% year-on-year growth from the previous year.

The country is one of the largest cotton producers globally, contributing around 24% of global cotton production, and has the largest area under cotton cultivation, accounting for nearly 40% of global acreage. India is also the second-largest producer and consumer of cotton, supported by strong domestic demand from its textile industry. The cotton sector plays a crucial socio-economic role, supporting the livelihoods of millions of farmers and workers across cultivation, processing, and trade activities.

The industry is the second-largest employment generator after agriculture, providing direct employment to over 45 million people, with a large share of production concentrated in MSME clusters. Supported by government initiatives such as PM MITRA Parks, Production Linked Incentive (PLI) Scheme, and the National Technical Textiles Mission, the sector is witnessing steady growth and increasing investments. Overall, with strong raw material availability, a large domestic market, and sustained policy support, India continues to strengthen its position as a key global hub for textile manufacturing and exports.

The total annual production of fabric (comprising of cotton woven fabrics and polyester/viscose blended fabric) in India is estimated to be nearly 499.43 million running meters[13] in FY 2026. Between FY 2021-26, the production has increased at 11.8% CAGR, indicating a positive trend.



Source: CMIE Industry Outlook (sourced from Central Statistics Office Data)

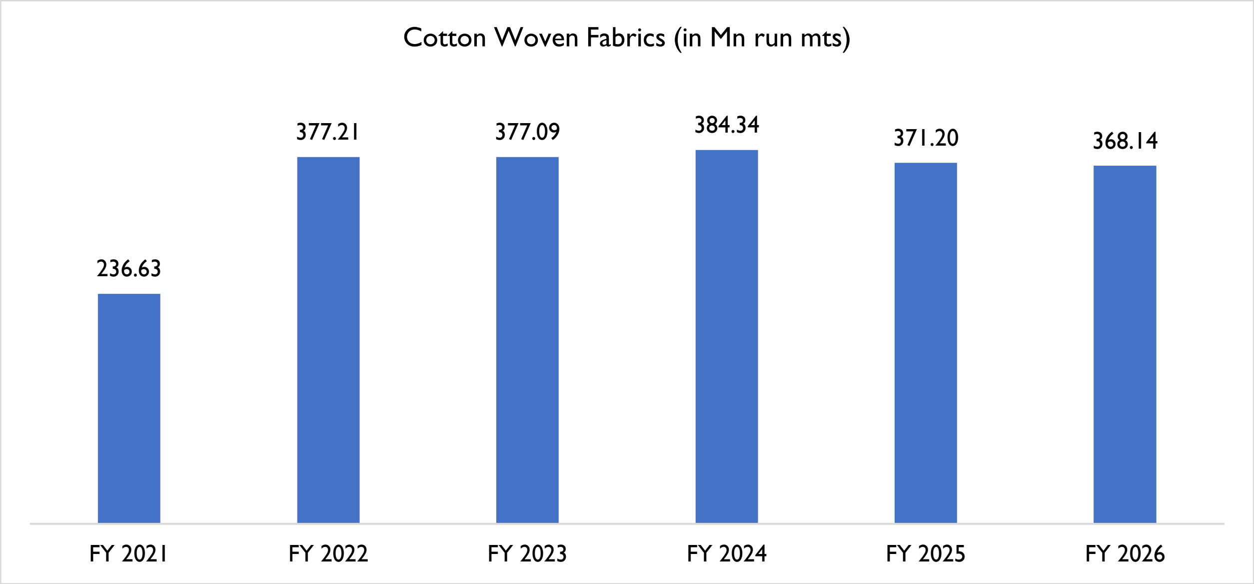
Cotton Yarn & Textiles

India is one of the largest consumers and producers of cotton, with one of the highest acreages of around 12–12.5 million hectares, accounting for a significant share of the global area under cotton cultivation. Annual production of cotton in the

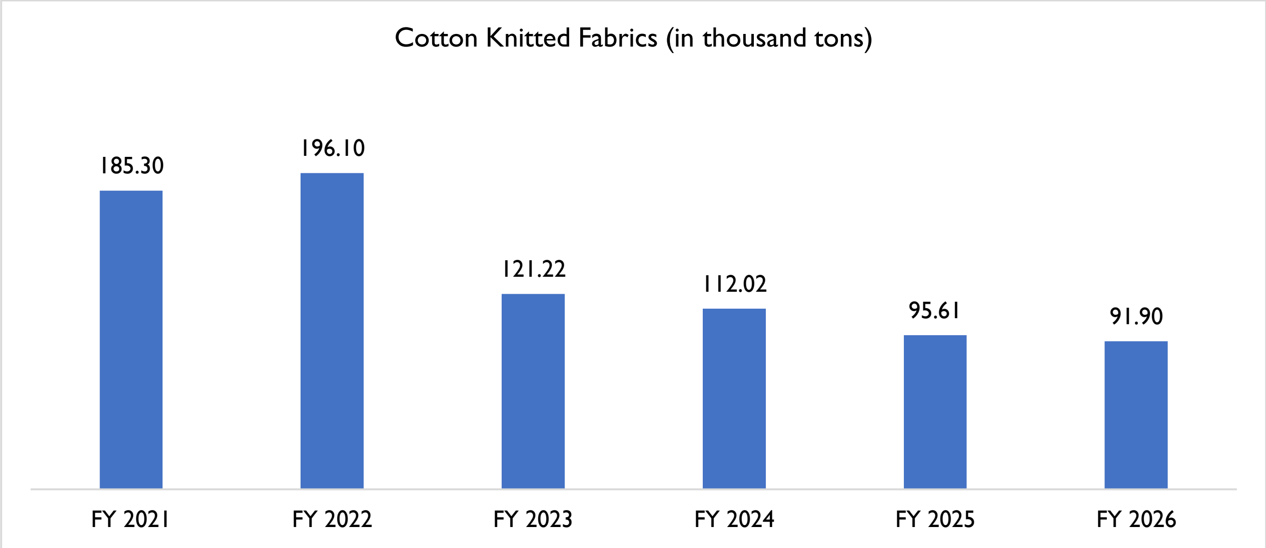
[13] Specialized unit of measurement used in textile industry. It refers to the length of continuous material or fabric that is typically uncut or unaltered.

country reached approximately 323–325 lakh bales (with each bale weighing around 170 kgs) in FY 2024. Production is estimated at around 320.50 lakh bales for FY 2025–26, indicating a marginal decline due to factors such as adverse weather conditions, including excessive rainfall in key growing regions.[14]

This dominance in cotton production has naturally given India an edge in global cotton yarn and cotton textile production. The total annual production of cotton woven fabrics in India is 368.14 million run meters in FY 2026. Production volume of both cotton woven textiles & knitted fabrics have dipped in the recent years, primarily due to the challenges in adequate cotton availability.



Source: CMIE Database

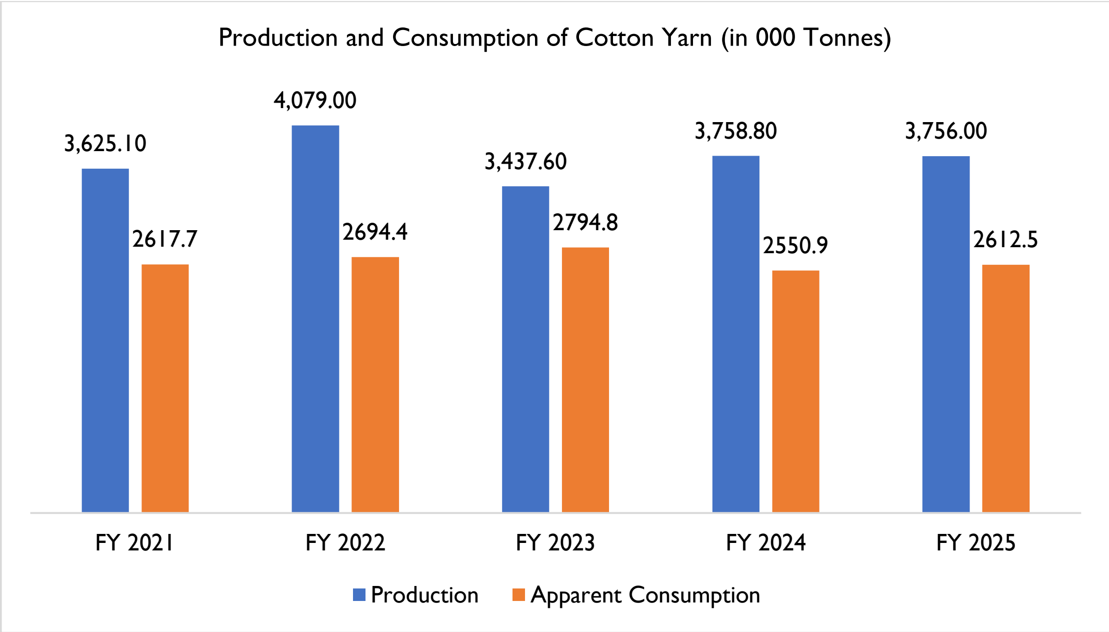


Source: CMIE Database

Production & Consumption of Cotton Yarn in India

India possesses the second-largest spinning capacity in the world, with a significant concentration in key textile hubs such as Gujarat, Maharashtra, and Telangana. This strong manufacturing base has enabled the country to emerge as a global leader in cotton yarn production, with output reaching around 3.76 million tonnes in FY2025. India is also the second-largest producer of cotton yarn globally, contributing nearly one-fifth of global production. The extensive production capacity not only supports the domestic textile industry but also strengthens India's position as a major exporter in the global market. Approximately 70% of the total yarn produced is consumed domestically by fabric and garment manufacturers, while the remaining share is exported to international markets, with imports accounting for only a minimal portion of the overall demand.

[14] As per Cotton Association of India (CAI)



Source: D&B Research, CMIE Database, Note: Apparent Consumption: (Production + Imports) – Exports

Note: FY2026 data is not publicly available for this CMIE-based series; FY2025 is the latest reported year, with cotton yarn production of 3,756.00 thousand tonnes and apparent consumption of 2,612.5 thousand tonnes.

Cotton yarn production increased from 3,625.10 thousand tonnes in 2021 to 4,079.00 thousand tonnes in 2022, indicating strong recovery and higher manufacturing activity. However, production declined significantly to 3,437.60 thousand tonnes in 2023, 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 2024, but remained relatively stable at 3,756.00 thousand tonnes in 2025, 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 2021 to 2,794.8 thousand tonnes in 2023, reflecting steady demand from the textile sector.
However, consumption declined sharply to 2,550.9 thousand tonnes in 2024, indicating weakening demand conditions, possibly due to shifts towards synthetic yarns, export slowdowns, or changes in consumer preferences. In 2025, consumption showed a slight recovery to 2,612.5 thousand tonnes, suggesting partial demand revival.

Key Demand Drivers

The demand for cotton yarn is directly related to the demand scenario prevalent in the domestic textile industry. Being the primary input material used for cotton textiles, factors that have an impact on the overall textile as well as cotton textile industry have a direct impact on cotton yarn demand. Some of the key factors that have an impact on the larger textile and cotton textile industry include:

Access to a large urban population, India's young demographic profile, availability of raw materials, the existence of an integrated value chain, government support, and technology upgradation are major factors that contribute to the growth of overall textile sector.

Access to large base of Urban population:

India has been undergoing rapid demographic change for over three decades, with a population of 1.44 billion, India has become the most populous country in the world. An emerging middle class with higher discretionary spending power and increased appetite for consumer goods is fuelling the overall textile industry in the domestic market. Growth in domestic textile market has a high degree of correlation with the rise of affluent middle class centered in urban markets. With increasing population, the trend of urbanization is also increasing. More and more people are migrating to cities every year, thus increasing urban population along with increasing disposable income.

India's capital New Delhi is identified as the world's fastest growing city, surpassing Tokyo, and Shanghai. Urban population increased from 278 Mn to 373 Mn during the past decade (2001-11) and the proportion of urban population to total population increased from ~27.8% to ~31%. In the last decade urbanization in India has increased at an average annual rate of about 2.4%. By 2030, the share of urban population is estimated to grow to about 41.7% of the population

of India i.e., 625 Mn where 5 states in India, namely Tamil Nadu, Gujarat, Maharashtra, Karnataka, and Punjab will have more than 50% urbanization. Also, the number of metropolitan cities in India is projected to increase from 46 in 2011 to 68 by 2030. Similarly, the urbanization of India is only at 33%[15], which is an indicator that there remains a significant rural-urban divide in the country, which has the potential to become urban as tier II and tier III cities in the long term.
These larger trends (on urbanization & overall population growth) have created a large customer base for all kinds of consumer products, including textile products. Since cotton textile products have traditionally been strongly favoured by Indian consumer class, the growth in consumer base has helped in increasing the demand for all types of cotton textiles, and consequently for cotton yarn.

Higher demand from rural areas:

Traditionally, demand for textile products was lower in rural areas because of lower disposable income of rural consumer compared with that of their urban peers. However, the difference in disposable income has been improving in favor of rural consumers due to higher employment by means of government sponsored job outreach programs like MNREGA. Consequently, rural consumer base has increased, and rural income growth has been supporting the growth of textile products.

Changes in spending pattern

Spending pattern of the new class of consumer segment with higher disposable income has turned out to be entirely different from previous existing consumer segments. Spending on consumer durables and non-durables has seen a particular increase as this new consumer class mirrors the spending pattern observed in advanced economies. Exposure to consumption pattern and lifestyle pattern in western economies has played a role in this change. Consequently, the frequency of spending on clothing products among this new consumer segment has gone up.

Growth in Fashion Industry:

The fashion industry in India is evolving rapidly, and demand for fast-fashion products is witnessing a surge. This is driven by changing consumer preferences, increasing disposable incomes, and the influence of social media. This growth trend is reshaping the retail landscape and creating significant opportunities for both established and emerging brands.
The primary drivers of this demand for fast fashion are Millennials and Gen Z consumers, who are increasingly seeking affordable yet trendy clothing options. Fast fashion brands cater to this demographic by offering a constant stream of new styles that align with current trends. Reports indicate that these consumers are not only purchasing more frequently but also experimenting with diverse styles, influenced heavily by social media platforms like Instagram. The ability of fast fashion brands to quickly identify and capitalize on viral trends has become a crucial factor in their success.
This has directly resulted in higher demand for all kinds of textile products, and consequently for all type of textile input materials including cotton yarn.

Rise in organized retail sector as well as e-commerce:

The rise of organized retail and the e-commerce sector in India have significantly contributed to the increased demand for textile apparel. These platforms have expanded access to a wide range of apparel products, providing convenience and a diverse selection for consumers across the country. The availability of a broader product range, competitive pricing, and discounts have fueled consumer interest in textile apparel. Moreover, the enhanced consumer experience through user-friendly websites, personalized recommendations, and hassle-free returns has further stimulated demand.

The influence of social media and influencer marketing, along with the penetration of organized retail and e-commerce in tier 2 and tier 3 cities, has opened new markets and brought textile apparel within the reach of a larger consumer base. Overall, these developments have transformed the textile apparel market, making it more accessible, convenient, and appealing to consumers, leading to a rise in demand for textile apparel products.

Export Demand & Global Market Linkages

India is one of the largest exporters of cotton yarn and textiles globally. Demand from key markets such as the US, Europe, Bangladesh, and Vietnam plays a crucial role in shaping overall cotton yarn demand. Shifts in global sourcing patterns, especially the “China+1” strategy adopted by international buyers, have increased preference for Indian textile products. Additionally, favourable trade agreements and competitive pricing have enhanced India’s position in global textile supply chains, thereby supporting yarn demand.

[15] U.N Population Fund “State of World Population” Report, 2023

Regulatory Landscape

The textile industry has consistently received significant government focus due to its positive impact on employment and the substantial foreign exchange it generates through exports. This special attention is evident through the introduction and amendment of various acts, policies, and schemes over time. These measures were implemented to foster the growth of a robust manufacturing infrastructure and encourage the export of textile products.

The government also initiated schemes such as Amended Technology Upgradation Fund Scheme (ATUFS), Scheme for Integrated Textile Parks (SITP), Integrated Skill Development Scheme (ISDS), supply of power and energy at subsidized rates, setting up Integrated Textile Parks, sops on export, and benefits under scheme of Fund for Regeneration of Traditional Industries (Khadi, village and coir industries).

Regulatory Policy Framework Governing the Industry

Indian textiles sector is poised for significant expansion, which is supported by government policies and regulatory framework, to support domestic participants in expanding operations, product lines, and exports. This growth could employ 35 million people in this sector, which will contribute to the country's economic growth.

The Government of India has launched several regulatory policies and initiatives for the textile industry which are listed below:

- *Textile Policy 2024 – Focuses on labor-intensive units that employ at least 4,000 registered individuals under Employee Provident Fund (EPF) scheme.*
- *PM MITRA – A Government of India initiative to establish Mega Integrated Textile Regions and Apparel Parks across India.*
- *PLI Scheme – A government initiative that incentivizes companies based on cumulative sales of domestically manufactured goods.*
- *Samarth Initiative – A skill development program for the textile sector led by the Ministry of Textiles to address the skill gap in textile sector.*
- *National Technical Textiles Mission (NTTM) – A four-year mission that focuses on improving technical education, promoting research and innovation, and promoting market growth.*
- *The Handlooms (Reservation of Articles for Production) Act, 1985 – An act to promote regional handlooms and traditional designs of that region.*
- *The Jute Companies (Nationalisation) Act, 1980 – An act to protect companies involved in jute processing and jute products manufacturing.*
- *Jute Packaging Materials Act, (Compulsory Use), 1987 – An act exclusively for the companies operating in processing jute as packaging materials.*
- *The Textile Committee Act, 1963*
- *Make in India Investment Cell*

Other Regulations exclusively to promote fashion industry are:

- *The Trade Marks Act, 1970*
- *The Designs Act 1926*
- *The Copyright Act 1957*

Policy Initiatives/Government Incentives to Promote Industry Activity

The key policy initiatives and government incentive schemes that promote textile industry activity in India is listed below:

Amended Technology Upgradation Fund Scheme (ATUFS)[16]

ATUFS is aimed at technologically upgrading the machinery used in textile industry. Upgrading machinery in textile

[16] Ministry of Textiles, Government of India

industry improves quality of products and reduces the manufacturing cost, which will make Indian textile industry more competitive in the global arena. With the aim of 'Make in India' and 'Zero Defect and Zero Effect' in manufacturing, the government provides credit linked capital investment subsidy. This scheme would facilitate augmenting of investment, productivity, quality, employment, exports and import substitution in textile industry. It will also indirectly promote investment in textile machinery manufacturing.

Key Features:

- **Objective:** Encourage textile units to adopt modern machinery, improve productivity, enhance quality, create employment, increase exports, and reduce dependence on imports.
- **Coverage Period:** 13 January 2016 – 31 March 2022 (currently applicable only for **committed liability cases**).
- **Eligibility:** Textile units that meet the lending norms of financial institutions and the scheme's benchmark criteria.
- **Subsidy Structure:**
    - **Garments & Technical Textiles:** 15% capital investment subsidy (CIS) up to ₹30 crore.
    - **Weaving, Processing, Jute, Silk, Handloom:** 10% CIS up to ₹20 crore.
    - **Composite Units/Multiple Segments:** 10–15% CIS depending on investment.
- **Disbursement:** Subsidy is **credit-linked**, released after verification of eligible machinery investment supported by sanctioned term loans.
- **Impact:** Encouraged modernization across the sector, especially among **MSMEs**, strengthening India's textile manufacturing ecosystem.
- **Budget Allocation** – INR 17,822 Crores for FY2023.

PM MITRA Scheme

The PM Mega Integrated Textile Region and Apparel (PM MITRA) scheme is a government initiative to create a modern textile value chain in India. The scheme aims to make the sector globally competitive by building best-in-class manufacturing infrastructure, upgrading technology to foster innovation, enhancing skills, and reducing costs in the textile sector.

Under this initiative, the Government has approved the setting up of 7 PM MITRA Parks with a total scheme outlay of INR 4,445 crore (FY2021–22 to FY2027–28). The parks are planned across seven states:

- *Tamil Nadu (Virudhnagar)*
- *Telangana (Warangal)*
- *Gujarat (Navsari)*
- *Karnataka (Kalaburagi)*
- *Madhya Pradesh (Dhar)*
- *Uttar Pradesh (Lucknow/Hardoi)*
- *Maharashtra (Amravati)*

These parks aim to create integrated industrial infrastructure with plug-and-play facilities covering the entire textile value chain, attracting investment and facilitating cluster-based growth. The PM MITRA scheme is expected to attract INR 70,000 crore in investments and create nearly 20 lakh direct and indirect jobs. Once operational, each PM MITRA Park will generate substantial employment opportunities and enhance manufacturing competitiveness in the sector.

National Technical Textiles Mission (NTTM)

The National Technical Textiles Mission (NTTM) is a Government of India initiative launched to boost research, innovation, market development, export promotion, and skill development in the technical textiles sector. Technical textiles are engineered for functional use across industries such as agriculture, healthcare, infrastructure, and automotive, rather than for aesthetic appeal.

Under the mission, a total budget outlay of INR 1,480 crore has been sanctioned for the period FY2020–21 to FY2025–26. As of March 2025, INR 517 crore has been allocated and about INR 393.39 crore utilized toward various activities including research and innovation, market promotion, export facilitation, and skilling initiatives. A total of 168 research projects valued at around INR 509 crore have been approved under the mission to support development across segments such as specialty fibres, geotextiles, agro-textiles, medical textiles, and smart textiles.

The mission aims to strengthen India's technical textile ecosystem by fostering innovation, indigenous technology *development, expanding market adoption, and enhancing export competitiveness, positioning the country to increase its share in the global technical textiles market.*

Production Linked Incentive (PLI) Scheme for Textiles

The Government of India approved the Production Linked Incentive (PLI) Scheme for Textiles in September 2021 to promote manufacturing of Man-Made Fibre (MMF) apparel, MMF fabrics, and products of technical textiles. The scheme aims to boost domestic production capacity, attract investment, support exports, and enhance the global competitiveness of the textile sector.

- *Budget Outlay: INR 10,683 crore*
- *Duration: FY2025-26 to FY2029-30 (5 years), with early eligibility from FY2024-25 possible*
- *Coverage: MMF apparel, MMF fabrics, and 10 technical textile segments*
- *Structure: Incentives are linked to incremental sales turnover achieved over the base year; companies must meet minimum investment and turnover criteria*
- *Eligibility: Part-1 requires minimum investment of INR 300 crore, Part-2 requires ₹100 crore investment, with corresponding turnover thresholds*

The scheme is expected to attract large-scale investments, create employment, and scale up production in high-value textile segments, strengthening India's position in both domestic and global textile markets.

Samarth – Scheme for Capacity Building in Textile Sector

The Samarth Scheme is a government initiative under the Ministry of Textiles aimed at skill development and capacity building in the textile sector. It focuses on demand-driven and placement-oriented training to enhance employability and meet industry requirements. The scheme covers the entire textile value chain (excluding spinning and weaving), including segments like apparel, garmenting, handloom, handicrafts, silk, and jute.

It provides training and upskilling for both new entrants and existing workers in the sector. The scheme is implemented through industry associations, central and state agencies, and sectoral organisations such as the Development Commissioner (Handloom), Development Commissioner (Handicrafts), Central Wool Development Board, and Central Silk Board.

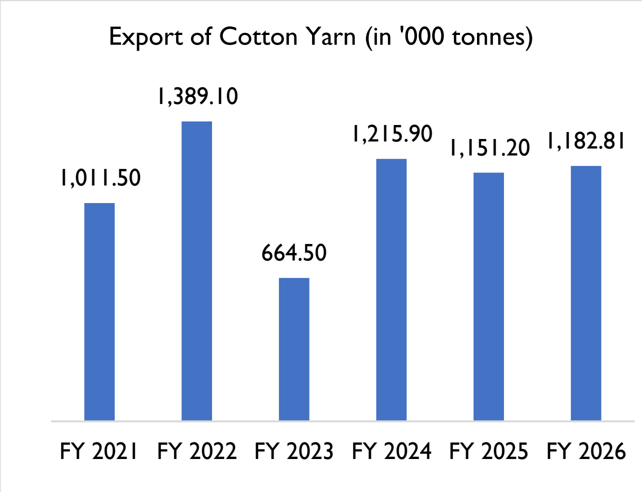
As of the latest data, the Samarth Scheme has trained over 3.27 lakh candidates, with approximately 2.6 lakh placed in jobs, and has focused significantly on women's employment, training around 2.89 lakh women.

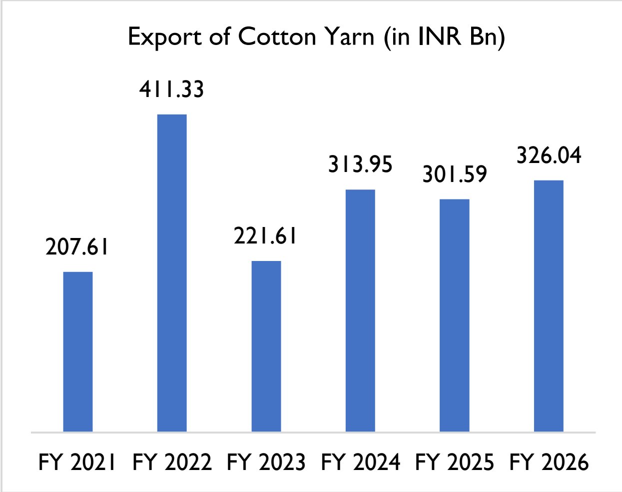
Duration & Budget: Extended till March 2026, with a total budget allocation of INR 495 crore for FY2024-25 and FY2025-26.

Trade Scenario

India is the leading exporter of cotton yarn in the world, with approximately 20 – 25% of domestic production being exported annually. The 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

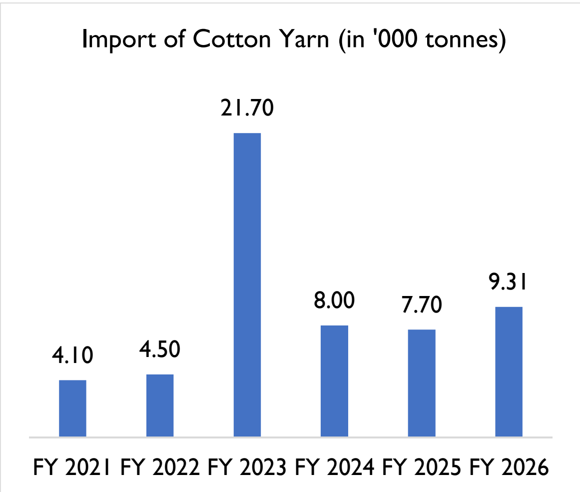


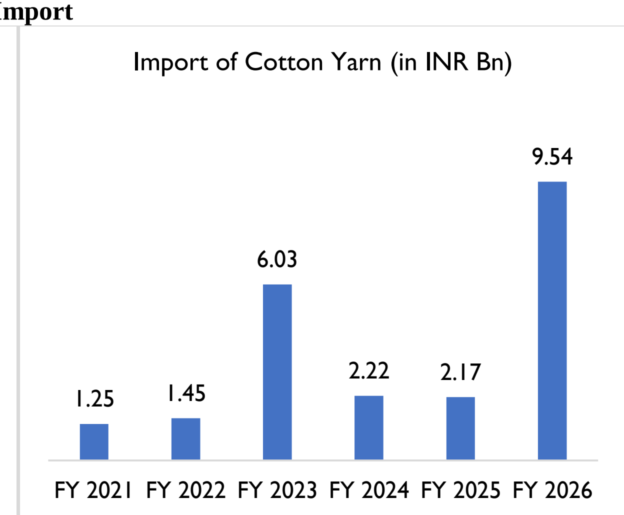


Source: CMIE Database

Export value increased significantly from INR 207.61 billion in FY2021 to a peak of INR 411.33 billion in FY2022, before declining sharply to INR 221.61 billion in FY2023. It then recovered to INR 313.95 billion in FY2024, moderated slightly to INR 301.59 billion in FY2025, and increased to INR 326.04 billion in FY2026, indicating a recovery in export realization after the post-FY2022 correction. In terms of volume, exports rose from 1,011.5 (‘000 tonnes) in FY2021 to 1,389.1 (‘000 tonnes) in FY2022, followed by a steep drop to 664.5 (‘000 tonnes) in FY2023. Volumes rebounded to 1,215.9 (‘000 tonnes) in FY2024, declined moderately to 1,151.2 (‘000 tonnes) in FY2025, and increased to 1,182.81 (‘000 tonnes) in FY2026, reflecting a gradual recovery in export volumes. Overall, the trend indicates a cyclical pattern, with a peak in FY2022 followed by a sharp correction and subsequent recovery in both export value and volume through FY2026.

Import



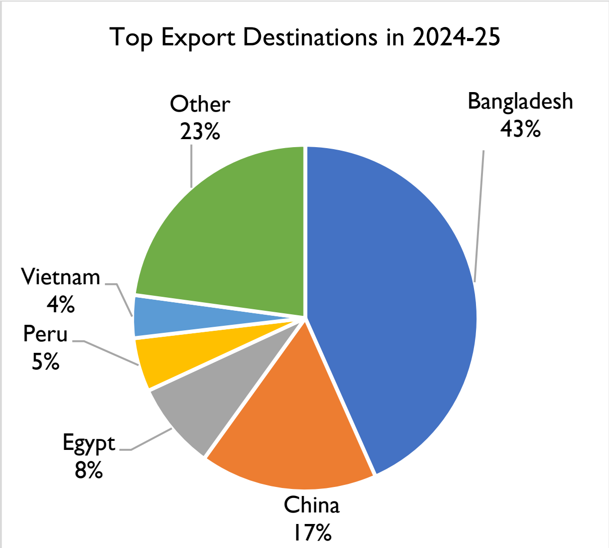


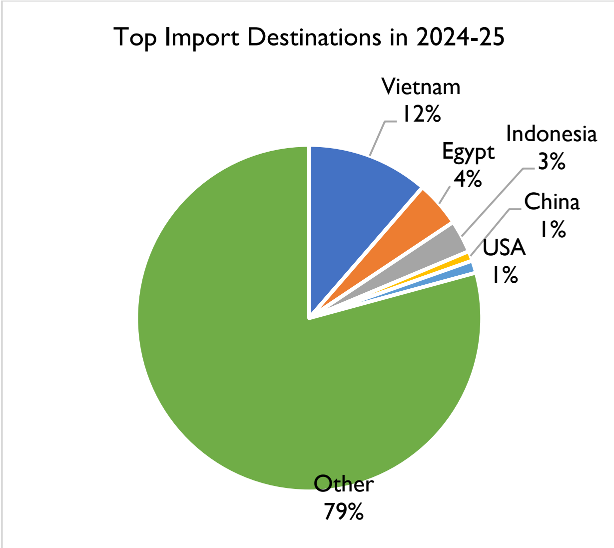
Source: CMIE Database

Import value showed a fluctuating trend over the period, increasing from INR 1.25 billion in FY2021 to INR 1.45 billion in FY2022, followed by a sharp surge to INR 6.03 billion in FY2023, indicating a peak driven by strong demand or higher global prices. Subsequently, import value declined to INR 2.22 billion in FY2024 and further to INR 2.17 billion in FY2025, before rising sharply to INR 9.54 billion in FY2026, marking the highest import value during the period. In terms of volume, imports rose from 4.10 (‘000 tonnes) in FY2021 to 4.50 (‘000 tonnes) in FY2022, before jumping significantly to 21.70 (‘000 tonnes) in FY2023. This was followed by a decline to 8.00 (‘000 tonnes) in FY2024 and 7.70 (‘000 tonnes) in FY2025, before increasing to 9.31 (‘000 tonnes) in FY2026, indicating a partial recovery in import volumes. Overall, the trend suggests a cyclical pattern, with a sharp peak in FY2023 followed by normalization and a renewed increase in imports in FY2026.

Top Export and Import Destinations for Cotton Yarn

The trade pattern of cotton yarn reflects a high level of concentration on both the export and import sides. On the export front, Bangladesh is the dominant destination, accounting for 43% of total exports, supported by its large textile and garment manufacturing industry. China (17%), Egypt (8%), Peru (5%), and Vietnam (4%) account for smaller shares, while other markets collectively contribute 23%, indicating some diversification beyond the leading destinations. Nevertheless, the significant share of exports to Bangladesh and China highlights exposure to demand, trade policy, and market conditions in these key markets.



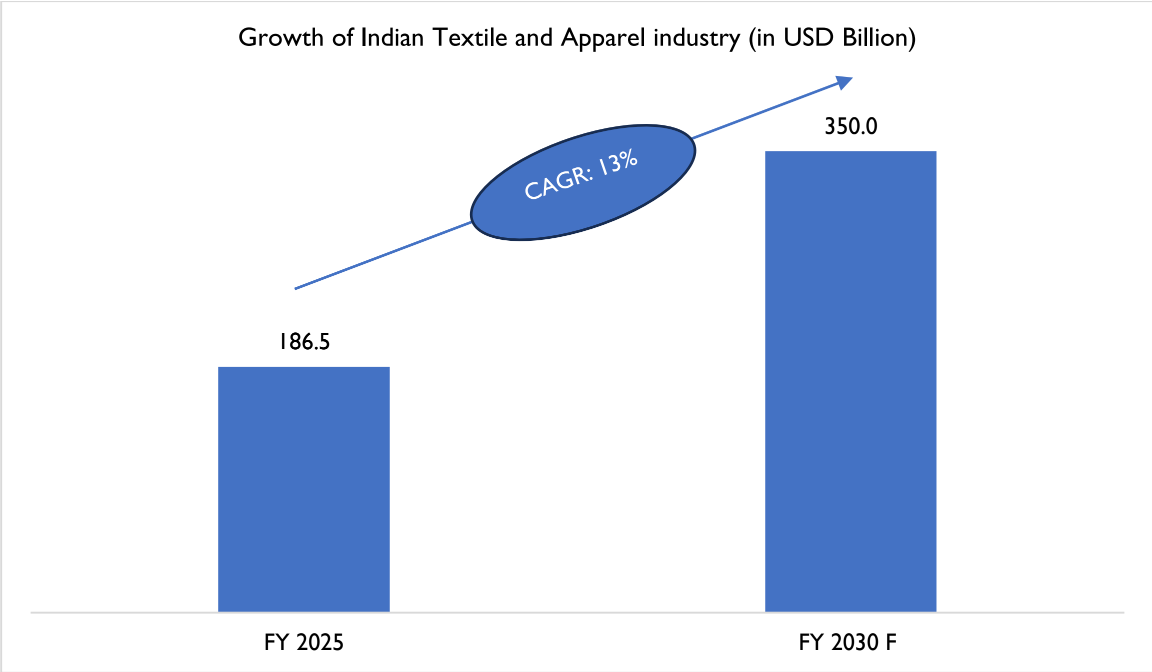


Source: CMIE Database

On the import side, sourcing is highly concentrated among other countries, which collectively account for 79% of imports. Among the identified major suppliers, Vietnam contributes 12%, followed by Egypt (4%), Indonesia (3%), China (1%), and the USA (1%). This indicates a relatively diversified supplier base outside the leading individual sources, although the large "Other" category suggests that imports are spread across several smaller suppliers. Overall, the cotton yarn trade structure reflects strong export dependence on key textile markets, while the import side has a broader supplier base, reducing reliance on any single identified foreign supplier.

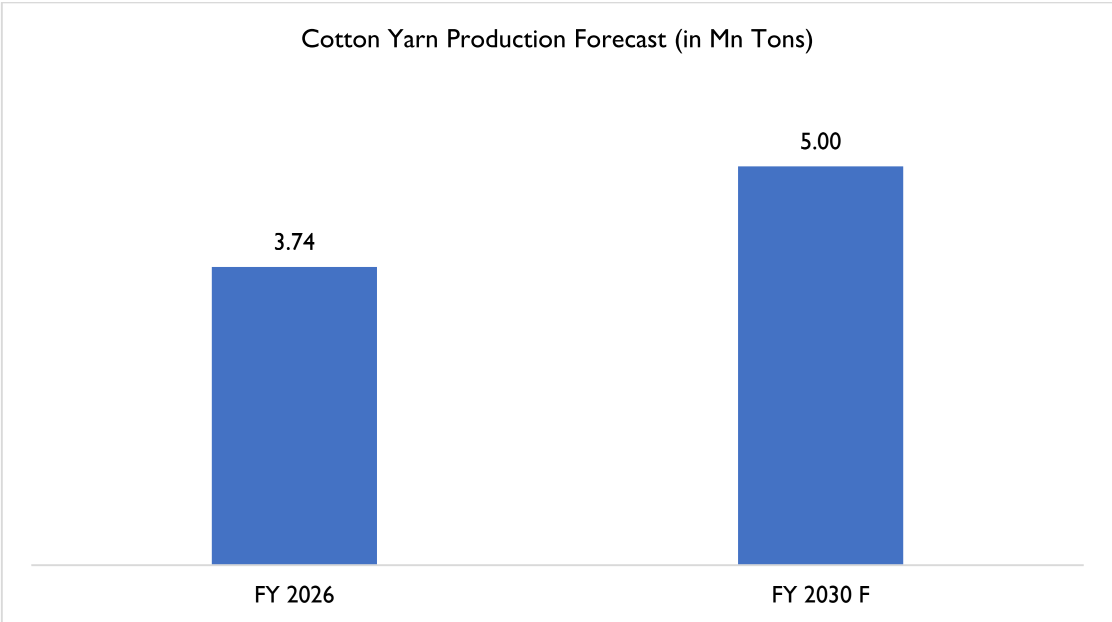
Growth Forecast

The Indian textile and apparel industry is a key pillar of the country's manufacturing sector, driven by strong domestic consumption and a growing presence in global markets. Supported by abundant raw material availability, a large workforce, and government initiatives, the sector continues to play a vital role in economic growth and export performance.



Source: D&B Desk Research, Press Information Bureau, Ministry of Textiles

The industry is poised for strong growth, with the market size estimated at around USD 186.5 billion in FY2025 and projected to reach USD 350.0 billion by FY2030, reflecting a CAGR of approximately 13%. This expansion is primarily driven by rising disposable incomes, rapid urbanization, and evolving consumer preferences, which are boosting demand for apparel and textile products. Additionally, initiatives such as the Production Linked Incentive (PLI) Scheme and PM MITRA Parks are enhancing manufacturing capabilities and attracting investments. The growth of e-commerce, technological advancements, and increasing focus on quality and sustainability are further strengthening the sector's competitiveness, while strong demand from both domestic and export markets is expected to support sustained long-term growth.



Source: D&B Research and Estimates

Cotton textiles have been the dominant textile segment in India, and it is expected to retain its preeminent position as textile material of choice in the coming years too. Thus, the domestic demand for cotton yarn is expected to remain strong, both from domestic market as well as exports. Accordingly, the domestic production of cotton yarn is expected to grow at a faster rate in the coming years, and annual production is expected to touch nearly 5 million tons by FY 2030, up from the current level of nearly 3.74 million tons (as on FY 2026).

Threats & Challenges

Two of the major threats facing the domestic cotton yarn manufacturing industry are the price volatility and availability of cotton yarn, as well as increasing competition from synthetic textile products. In addition, the growing focus on sustainability & increasing scrutiny on environmental issues are also causing some challenges, however those can be at best termed as temporary roadblocks.

Raw Material Scenario: Raw material (cotton) cost is the single biggest cost component in yarn manufacturing and is estimated to account for more than half of the total yarn production cost. Consequently, any deviation in cotton price will have a significant impact on the operations of yarn manufacturers. Although domestic production of cotton is one of the largest in the world, several domestic & international factors have an impact on the product pricing. For example, the recent political unrest in Bangladesh has impacted the textile industry as a whole, and it is believed to have also impacted cotton as well as yarn pricing. Similarly, factors like uneven climatic conditions that impact the cotton yield, any supply chain disruptions, and import/export variations all have an impact on cotton supply and in turn its pricing.

Competition from Synthetic Textiles: Cotton textile products face competition from synthetic textiles owing to the lower cost and some superior attributes of the latter. Globally synthetic textile is growing at a faster rate than cotton textiles because of attributes ranging from lower price to specific functionalities (like design & better fitment for the fast fashion industry, durability, quicker drying time, superior wrinkle resistance). Although cotton textile continues to be a preferred choice in India, their dominance is eroding as more and more customers are opting for the functionality offered by synthetic textiles.

Sustainability and Regulatory Pressures

The textile industry is increasingly facing environmental and sustainability-related challenges, including stricter regulations on water usage, chemical processing, and carbon emissions. Global buyers are emphasizing sustainable sourcing, traceability, and eco-friendly production practices, which require additional investments in technology and compliance. While these measures improve long-term competitiveness, they increase short-term costs for manufacturers.

Competitive Scenario

The textile industry in India is highly fragmented and is broadly classified into organized and unorganized sectors. The top 30 players from the organized sector contribute approximately about 13-15%, which shows the extent of fragmentation in the industry. Organized sector comprises composite mills as they are integrated throughout the value chain of the industry, which extends from the generation of raw material to ginning, processing, garment manufacturing, and distribution.

Spinning Sector

In the spinning sector, bulk of the capacity is concentrated among 20 to 25 major mills, giving it an organized nature. Compared with other segments in the Indian textile industry, spinning sector is more developed with manufacturing technology and product quality comparable to global standards. This was made possible by investments by mills in improving their production infrastructure as well as quality standards. Thus, the existing players have set a high threshold, and any new entrant will have to spend considerable amount of time as well as capital to catch up. This high threshold translates as an entry barrier. Moreover, only large players with world-class product quality can meet the export standards, which plays in favor of the organized segment.

Notable Cotton Yarn Manufacturers in India

Company	Profile
Lagnam Spintex Limited	Lagnam Spintex Limited was established in 2010 and is headquartered in Bhilwara, Rajasthan. The company is engaged in the manufacturing and export of high-quality ring spun and open-end cotton yarns for domestic and international markets. Its product portfolio includes compact yarn, ring yarn, open-end yarn, low twist yarn, high RKM OE yarn, and yarn spun on perforated dye tubes, catering to applications such as denim, terry towels, home textiles, bottom wear, knitting, shirting, sheeting, and industrial fabrics. The company operates a manufacturing facility at RIICO Growth Centre, Hamirgarh, Rajasthan, spread across approximately 48,000 square meters. Lagnam Spintex has an installed capacity of around 67,000 spindles, including 41,472 compact

	yarn spindles, 25,536 normal ring yarn spindles, and 1,920 open-end rotors, with a production capacity of nearly 70 tonnes per day. The company exports its products to countries across Europe, Asia, Africa, and Latin America and is certified under ISO 9001:2015, OEKO-TEX, and USTER Technologies quality standards.
Deepak Spinners Limited (DSL)	Deepak Spinners Limited (DSL) is a Chandigarh-associated textile company and a well-established name in the synthetic yarn manufacturing industry, operating in the market since 1986 under the leadership of its Chairman, Mr. P. K. Daga, with a strong positioning as a leading manufacturer of dyed synthetic yarn for domestic as well as export markets including Syria, the Middle East, Turkey, Belgium and the U.S.A. The company commenced operations in 1986 with 12,000 spindles and a dye house at Baddi, Himachal Pradesh, subsequently expanded into acrylic yarn manufacturing in 1988, established its second unit at Guna, Madhya Pradesh in 1991 with an initial capacity of 8,000 spindles, and attained export house status in 1993, reflecting its progressive capacity expansion and market development. Presently, DSL's major installed operating capacity comprises a total of 90,864 spindles across its Baddi and Guna units, supported by a fibre dyeing plant, while its production infrastructure includes preparatory machinery from Trutzschler and LMW, spinning machinery from LMW, post-spinning and doubling machinery from Schlafhorst, Murata and Veejay Lakshmi, yarn conditioning by Sieger, and quality control through Uster testing equipment. The company's line of business is the manufacture and supply of synthetic and blended yarns, with products made from polyester, viscose, acrylic and their blends; its regular product portfolio includes 100% Polyester, 100% Acrylic, 100% Viscose, Polyester Viscose Blends, Polyester Acrylic Blends, Carpet Pile Yarns, Acrylic and Line Blends with Poly-Viscose, Trilobal/Polyester Blends, High Bulk Acrylic Yarns and High Bulk Poly-Acrylic Yarns, supported by an in-house fibre dyeing facility capable of producing a wide range of colours and shades as per customer requirements. With its registered office at Baddi, Himachal Pradesh and administrative office at Industrial Area, Phase II, Chandigarh, DSL presents itself as a quality-focused and customer-oriented manufacturer, following principles such as TQM, Six Sigma, Kaizen, R&D-oriented manufacturing, innovation, employee engagement, customer focus and strong corporate governance to maintain high standards of trust, quality, productivity and customer satisfaction.

Company Profile[17]

Vivekanand Cotspin Limited, is the flagship Company of the Vivekanand Group of Industries which was established in 1999. The Group has operational presence across sustainable farming, ginning, spinning, trading, and export-import (of raw cotton and cotton yarn). The manufacturing infrastructure of the group comprises of three ginning units and one ring spinning unit.

The Company was originally established as Vivekanand Cotspin LLP in July 2015 and was subsequently converted into a private limited company in August 2024 and later into a public limited company in December 2024. The Company is primarily engaged in cotton ginning and spinning, with an installed capacity of approximately 400 bales per day for ginning and around 25,000 spindles for spinning.

The Company's product line includes raw cotton bales, cotton seed, cotton yarn (both cotton combed compact yarn and compact carded yarn), and comber noil. In addition, the Company also supplies imported premium cotton yarn to its customers in India.

Product Portfolio	
Raw Cotton Bales	Supplies long and short staple Shankar-6 variety of raw cotton. The Company has an annual production capacity of approximately 8,000 tons of cotton bales, catering to domestic textile manufacturers.
Cotton Seed	Cotton seed is sourced from its ginning operations, which after processing is used for cotton seed oil cake and delinting.

[17] Compiled basis information from Company Website and Financial Statements published

Cotton Yarn: Combed Compact Yarn	Supplies combed compact cotton yarn of count ranging from Ne 16’ to Ne 40’
Cotton Yarn: Carded Compact Yarn	The Company manufactures carded compact cotton yarn with yarn of counts ranging from Ne 16 to Ne 40. widely used in knitting and weaving applications due to its cost efficiency and versatility. The Company has an installed capacity of approximately 4,550 tons per annum of cotton yarn.
Comber Noil	Comber Noil is a byproduct produced during ring-spun cotton yarn production. It is produced when cotton is combed to remove short fibres. Comber noil is used in the manufacture of currency paper, in surgical products, and for blending purposes in open-end spinning mills

Spinning Infrastructure: The Company’s spinning infrastructure comprises 25,536 spindles, established in 2015 with a modern ring spinning facility. It is capable of producing a wide range of yarns, including organic yarn, BCI-compliant yarn, open-end yarns, ring spun (carded/combed, single or double), and compact yarns. The unit is supported by advanced machinery and quality control systems to ensure consistent product standards.

Peer Benchmarking: Financial KPI[18]

Particular	Unit	Lagnam Spintex Limited			Deepak Spinners Limited			Vivekanand cotspin Limited		
		As at end for Fiscal			As at end for Fiscal			As at end for Fiscal		
		Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue From operations	₹ in Lakhs	60,523.19	60,580.30	43,778.98	53,416.0	52,406.7	47,097.8	40,801.01	29,046.69	35,738.81
Total revenue	₹ in Lakhs	60,498.05	60,556.46	43,750.24	53,862.0	52,636.4	47,377.8	40,932.15	29,093.76	35,801.62
EBITDA	₹ in Lakhs	6,683.69	6,530.44	4,507.86	2,010.0	504.9	2,207.4	1,509.31	-6,087.77	1,459.46
EBITDA Margin	in %	11.05%	10.78%	10.30%	3.76%	0.96%	4.69%	3.70%	-20.96%	4.08%
Profit after tax	₹ in Lakhs	1,438.98	1,285.47	1,457.32	364.0	-1,019.0	130.3	368.78	494.29	335.33
PAT Margin	in %	2.38%	2.12%	3.33%	0.68%	-1.94%	0.28%	0.90%	1.70%	0.94%
Return on Equity (ROE)	In %	11.23%	11.19%	13.38%	1.60%	-4.43%	0.55%	15.96%	26.09%	11.72%
Return on Capital Employed (ROCE)	in %	9.40%	9.23%	6.99%	1.15%	-4.45%	1.83%	13.14%	12.16%	13.41%
Debt To Equity Ratio	In Times	2.64	3.21	3.47	0.13	0.16	0.18	1.56	3.17	1.94
Current Ratio	In Times	5.79	7.97	8.81	2.84	2.35	2.51	1.09	1.12	0.79
Net Capital Turnover Ratio	In Times	3.11	3.02	2.77	6.28	6.45	5.19	11.52	13.56	26.24

Formulae Table

Ratio	Methodology
Revenue From Operations	Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
EBITDA	EBITDA is calculated as profit before tax plus depreciation & amortization expense, exceptional items and interest costs minus other income.
EBITDA Margin	EBITDA Margin is calculated as EBITDA divided by revenue from operations.
Return on Equity	Return on equity (RoE) is equal to profit after tax for the year divided by the average total equity during that period and is expressed as a percentage.
Debt to equity ratio	Debt to equity ratio is calculated by dividing the debt (excluding lease liabilities) by total equity (which includes issued capital and all other equity reserves).
RoCE	RoCE (Return on Capital Employed) (%) is calculated as profit before tax plus interest expenses divided by Capital Employed.* Capital Employed = Total Equity +Non-current borrowing + Current Borrowing +Deferred Tax liabilities - Deferred Tax Assets
Current Ratio	Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
Net Capital Turnover Ratio	Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our average working capital (i.e., current assets less current liabilities).

[18] Note: For All Companies we have considered Standalone Balance Sheet

BUSINESS OVERVIEW

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" for a discussion of the risks and uncertainties related to those statements and also the section "Risk Factors" for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year.

Unless the context otherwise requires, in this section, references to "Our Company", "the Company", "we", "us", or "our" refers to Vivekanand Cotspin Limited.

OVERVIEW

Our Company was originally formed and registered as Limited Liability Partnership Firm under the name and style of "*Vivekanand Cotspin LLP*" pursuant to provisions of Limited Liability Partnership Act, 2008 ("LLP Act"), bearing registration no. AAE-4147 pursuant to Certificate of Incorporation dated July 21, 2015 issued by Registrar, Gujarat, Dadra and Nagar Havelli. Thereafter, it was converted in to a Private Limited company in the name and style of *"Vivekanand Cotspin Private Limited"* pursuant to the provisions of Companies Act, 2013 and fresh a certificate of Incorporation dated August 5, 2024 was issued by Registrar of Companies, Central Registration Centre bearing CIN No. U13111GJ2024PTC154066. Subsequently our Company was converted into Public Limited Company pursuant to a resolution passed by our Shareholders at an Extra Ordinary General Meeting held on December 2, 2024 and consequently the name of our company was changed from "*Vivekanand Cotspin Private Limited*" to "*Vivekanand Cotspin Limited*" vide fresh certificate of incorporation dated December 16, 2024 issued by the Registrar of Companies, Central Processing Centre. The Corporate Identity Number of our Company is U13111GJ2024PLC154066

Our registered office and manufacturing unit is situated at S. No. 181/1, 182/1, at Rangpurda, Kadi, Mahesana-382715, Gujarat, India.

Our company is engaged in the business of cotton processing and yarn manufacturing, comprising ginning of raw cotton (kapas) into cotton bales and cotton seed, and spinning of cotton bales into cotton yarn. In addition to its manufacturing activities, the Company also undertakes trading of cotton bales and cotton yarn in the ordinary course of business to meet customer requirements and optimize business opportunities. The products manufactured at our Company include Cotton bales, Cotton Seeds and Cotton Yarn. The company operates in two primary areas: cotton ginning and spinning. In the ginning process, it separates cotton fibers from seeds, which is the first step in preparing raw cotton for textile production. Following this, the company focuses on spinning, where the clean cotton fibers are turned into yarn. This yarn, produced in various counts and quality grades, is used by textile mills for weaving and knitting fabrics.

The company's product range is centered on cotton yarn, including carded and combed yarn, which caters to both domestic and international markets. Our Company serves a wide array of industries that require high-quality yarn for fabric production, and its reach extends beyond India, with exports to other countries. The company operates spinning mills, utilizing machinery to ensure efficient production while maintaining quality control.

The manufacturing facility of our Company is situated at Rangpurda, Kadi of Mahesana District in Gujarat state which is close to the rich cotton growing areas of Maharashtra and Saurashtra region of Gujarat. The company has established a production capacity of approximately 4,551 MT of Cotton Yarn and 8,000 MT of Cotton Bales annually. Our plant is equipped with plant and machinery. The level of advancement determines the productivity of machines and labor, which in turn, determines the production of our Company. Our technical team in spinning is well equipped with modern spinning technology and processing techniques by virtue of which we are able to ensure quality yarn. Technology is a crucial aspect of the cotton yarn industry.

The Promoters of our Company, Nirav Bharatbhai Patel, Jasmin Visnubhai Patel, Bharatbhai Prahaladbhai Patel,Vishnubhai Prahaladdas Patel and Gautam Bharatkumar Patel have 15, 06, 15, 15 and 09 years of experience in the cotton textile industry. Our Promoters have sound knowledge of manufacturing process, marketing, finance and all kind of other commercial activities related to the cotton textile industry including but not limited to manufacturing and marketing of Raw Cotton, Cotton Bales, Cotton Seeds, Yarn and by-products. Under the leadership of our promoters, we have been able to maintain cordial customer relationship and generate repeated order flows.

For the fiscal year ended on March 31, 2026, 2025, and 2024 the total revenue of our Company stood at ₹ 40,932.15 Lakhs, ₹ 36,651.25 Lakhs and ₹ 35,801.62 Lakhs respectively. Further, our PAT for the fiscal year ended on March 31, 2026, 2025 and 2024 were ₹ 368.78 Lakhs, ₹ 494.29 Lakhs and ₹ 335.33 Lakhs respectively.

OUR PRODUCT PORTFOLIO

Main Product
- Cotton Bales
- Cotton Yarn

By Product
- Cotton Yarn Waste
- Cotton Seed

The following is list of the products that we manufacture in our in-house production facilities.

Product Name	Product Photo	Description
Cotton Bales		Cotton bales are tightly compressed bundles of raw cotton fibers that are formed after the cotton has been harvested and processed through the ginning process. The cotton is cleaned, separated from seeds, and then compacted into rectangular or cylindrical shapes to make bales. We are specialized in manufacturing and supplying raw cotton bales. We offer an extensive range of Raw Cotton Shankar-6 (S-6) [Long/Short Staple] and V-797 [Short Staple] available in the market at competitive price. This range of cotton is sowed in the month of June and July and is harvested in November to February. Cotton bales are primarily used in the textile industry to produce yarn and fabrics for clothing and home textiles. They also serve in the extraction of cottonseed for oil production, animal feed, and biodegradable products, as well as in the manufacturing of medical and hygiene products.

<table>
<tr><th>Product Name</th><th>Product Photo</th><th>Description</th></tr>
<tr><td>Cotton Yarn</td><td>
</td><td>Cotton Yarn is a thread made from cotton fibers that have been spun together to form a continuous strand. It is the primary component for any Cotton woven or knitted fabric. Cotton yarn is used to make different type of fabrics. In some cases, the cotton yarn is blended with some other yarn in different ratios to provide different effects like shining or to lend elasticity to the yarn. It is the yarn count and the twisting mode of the yarn that actually determines the overall strength and look of the manufactured fabric.

We are engaged in the business of cotton processing in textile industry with our production facilities. We are manufacturer of yarn and we have an existing open end and ring spinning unit to cater to the yarn Domestic and International markets. Our technical team in spinning is well equipped with spinning technology and processing techniques by virtue of which we are able to ensure quality yarn.</td></tr>
<tr><td>Cotton Yarn Waste</td><td></td><td>Cotton yarn waste is an inevitable byproduct of the yarn manufacturing process, arising from pre-processing, spinning, and post-processing stages. It includes short fibers, broken yarn, trimmings, and packaging waste.

By improving production efficiency and adopting sustainable practices, such companies minimize waste generation, contributing to both cost savings and environmental conservation. Proper waste management helps in promoting a circular economy within the textile industry.

<table>
<tr><th>Type of Waste</th><th>Stage of Generation</th><th>End Use / Disposal</th></tr>
<tr><td>Comber Noil</td><td>Generated during the combing process where short fibres, neps and impurities are removed from cotton sliver.</td><td>Sold to textile manufacturers and open-end spinning units for manufacture of coarse-count yarn, absorbent cotton, medical cotton products and other recycled textile products.</td></tr>
<tr><td>Hard Waste</td><td>Generated from yarn breakages, machine cleaning, piecing operations and hard yarn waste during spinning and winding.</td><td>Sold to recyclers and spinning units for fibre recovery and manufacture of regenerated yarn and other textile products.</td></tr>
<tr><td>Sweeping Waste</td><td>Generated from regular cleaning of production floors</td><td>Sold to recyclers after segregation for recovery of</td></tr>
</table></td></tr>
</table>

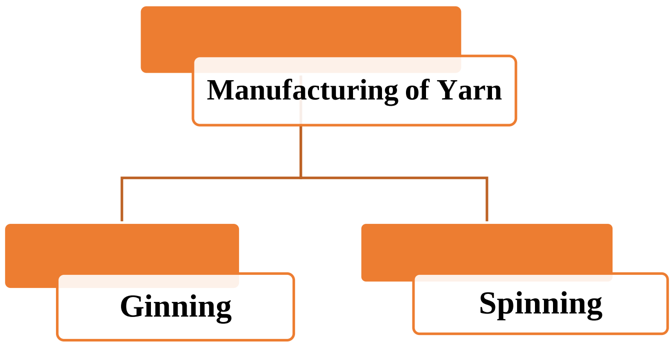
<table>
<tr><th>Product Name</th><th>Product Photo</th><th>Description</th></tr>
<tr><td></td><td></td><td>
<table>
<tr><td></td><td>and collection of loose cotton fibres during manufacturing.</td><td>reusable cotton fibres and manufacture of lower-grade textile products.</td></tr>
<tr><td>Flat Waste</td><td>Generated from the carding process through removal of impurities, short fibres and trash collected on card flats.</td><td>Sold to recyclers and textile processors for fibre recovery, open-end spinning and manufacture of absorbent cotton and other cotton-based products.</td></tr>
<tr><td>Licker-in Waste</td><td>Generated at the licker-in section of the carding machine while removing dust, seed coat particles, leaf matter and other impurities from raw cotton.</td><td>Sold to recyclers for recovery of usable fibres, while non-fibrous impurities are disposed of in accordance with applicable waste management practices.</td></tr>
</table>
</td></tr>
<tr><td>Cotton Seeds/ Delineate Seeds</td><td></td><td>Black cotton seeds are the seeds of the cotton plant, typically darker in color compared to other cotton seeds. They are small, oval-shaped, and have a hard outer shell. These seeds are primarily used for extracting cottonseed oil, which is widely used in cooking, as well as in the production of soaps, cosmetics, and industrial products. Black cotton seeds also contain protein-rich meal, which is used as animal feed. Additionally, they are used in the production of biofuels and other agricultural products. The seeds are a valuable byproduct of cotton cultivation, with their versatility contributing to various industries.

We provide to our clients a wide range of Cotton seeds. Cotton seeds provided by us are useful for solvent industry. The wide spectrum of cotton seeds can be availed at very reasonable prices. We are the producer of quality of cotton seed remain after ginning. Cotton seed dry in our large compound to remove moisture from it.</td></tr>
</table>

OUR MANUFACTURING FACILITY

OUR MANUFACTURING PROCESS

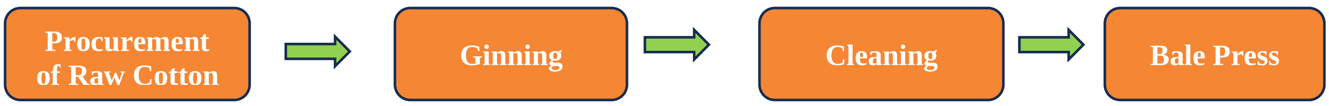
Our Manufacturing Process involves two processes i.e., Ginning and Spinning:



A. GINNING DIVISION

Ginning is the first mechanical process involved in processing cotton. Ginning mill separates cotton fibers from the seed balls and dust particles. The main application of ginned cotton referred to as lint is for spinning operations, where lint is converted to yarn. We produce quality cotton in our own Ginning and Pressing Unit. The process begins after the cotton is harvested, typically in the form of cotton bales or loose cotton from the field. The primary objective of ginning is to remove impurities like dirt, leaves, and seeds from the cotton fibers to prepare them for spinning.

The detailed process of ginning is explained below:



1. Procurement of Raw Material

Major raw material for our Company is Kapas (raw cotton). Our production process starts with the procurement of raw material. This step involves identification of the vendor from whom the material is to be procured and the quantity of the material required. Once the raw material is received from the vendor they are tested for quality. The selection of raw material is based on factors like pricing, payment terms, availability and quality of Kapas. Grading and mixing of the raw material received from the vendor is done to get the desired quality. Conveyors are used to feed the raw cotton into the ginning machines.

2. Ginning

A Ginning machine uses the raw cotton (Kapas) received from the conveyors as Raw materials. Ginning is the process of separating the cotton fibers from the cotton seeds. The separated cotton seeds are transported out of the ginning Unit and lint of cotton received from the ginning machine are transported for further cleaning process through conveyors.

3. Cleaning

The lint cotton received from the ginning machine is sending for further cleaning. This process involves cleaning of the impurities which are left into the lint cotton. The impurities separated during this process includes dust, leaves, stems and other small particles.

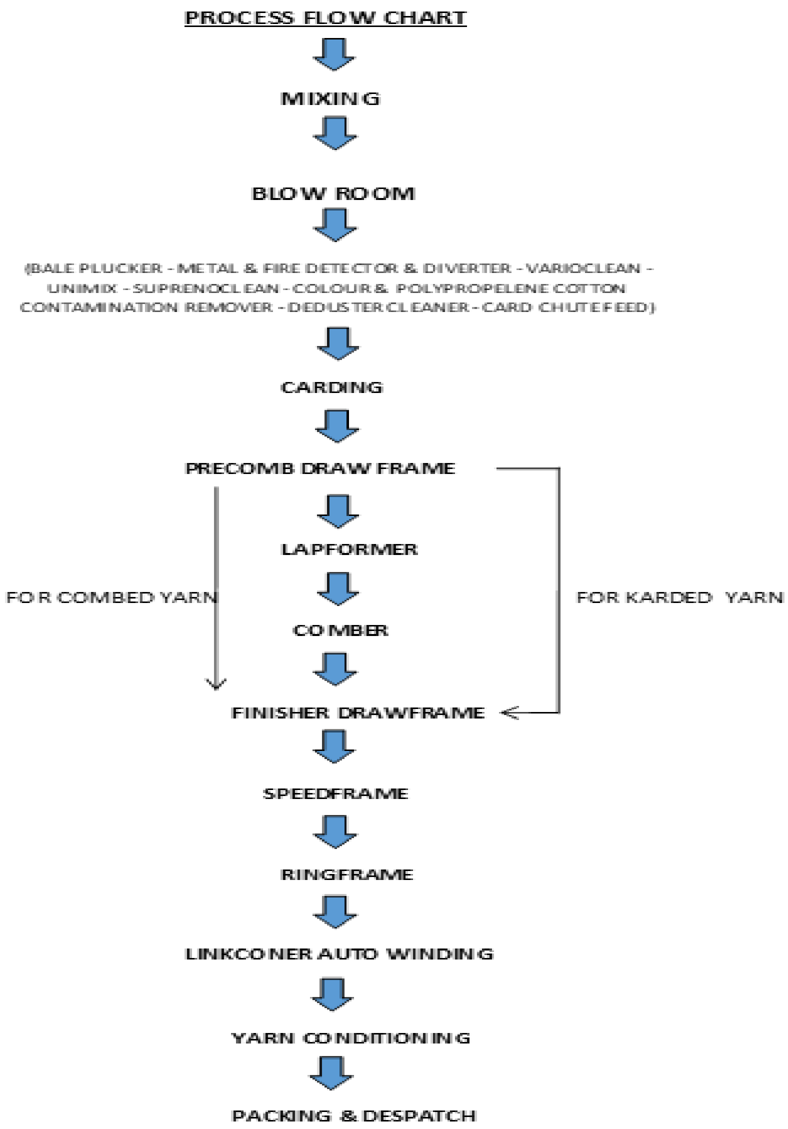
4. Bale Press

This step involves pressing of Lint cotton. In this process Lint cotton is used as Raw materials. The lint cotton will be kept in lint Godown before sending them for pressing. The gradation will be mainly for small staple, medium staple, long staple and very long staple fibres etc. The said lint cotton then will go through openers and finally for pressing. The pressed bales will be manually packed.

The result of the ginning process is clean cotton lint, which is then sent to the spinning mill to be transformed into yarn. The seeds, on the other hand, can be used for oil extraction, animal feed, or even for planting in future crops.

Ginning plays a critical role in the overall quality of the cotton, as it impacts the cleanliness and length of the fibers, which directly affects the final yarn quality.

B. SPINNING DIVISION



SPINNING PROCESS FLOW:

1) MIXING

The mixing process begins with material selection, where fibers such as cotton, wool, synthetics, or blends are chosen based on the required yarn specifications. Once the materials are selected, the process moves to opening, where fiber bales are opened, and large clumps of fibers are loosened to make mixing easier. Next, in the layering stage, layers from multiple bales are spread out to ensure an even distribution of fibers. The blending step follows, where fibers from different bales or sources are thoroughly mixed using mechanical machines like openers and blending machines, or sometimes by manual hand spreading. During or after blending, the cleaning process takes place, removing impurities such as dust, seeds, and other foreign particles from the fibers. Finally, the testing stage ensures that the blended fibers meet consistency and quality standards before they proceed to the next step in production. This thorough mixing process is essential for achieving a uniform, high-quality end product.

2) BLOW ROOM

The blow room is the first critical stage in the spinning process, where raw fibers, typically cotton, are prepared for further processing. This stage plays a vital role in ensuring that the fibers are clean, uniform, and ready for carding. The blow room serves several important functions, starting with opening, where compacted fibers in the bales are loosened and separated into smaller tufts. It also performs cleaning, effectively removing impurities such as dust, seeds, leaf particles, and other foreign matter that could affect the quality of the yarn. The blending function ensures that fibers from different bales are mixed uniformly, reducing variability and creating consistency in the material. Finally, preliminary drafting begins the process of aligning and straightening the fibers, preparing them for smoother processing downstream. By performing these essential tasks, the blow room sets the foundation for the production of high-quality yarn.

3) CARDING

Carding is a crucial process that transforms the tangled, cleaned fibers from the blow room into a fine, uniform strand called a sliver, which is prepared for further processing. The process begins with fiber feeding, where fibers are introduced into the carding machine via a chute feed system. During opening and cleaning, the fibers are separated into single strands, and any remaining impurities are removed. The machine then focuses on fiber alignment, straightening the fibers and arranging them parallel to one another. Once the fibers are aligned, they form a web, a thin layer of cleaned and straightened fibers. Finally, the web is condensed into a continuous strand, known as a sliver, and coiled into cans to be sent to the next stage of production. This carding process is essential for ensuring that the fibers are in the right condition for spinning, contributing to the overall quality of the yarn.

4) PRECOMB DRAW FRAME

The Precomber Draw Frame is an important preparatory machine in the spinning process, used before the combing stage to improve the quality and consistency of the sliver. Its primary role is to ensure that the sliver meets the high standards required for combing. One of its key functions is doubling, where multiple slivers (usually 6–8) are combined into one, helping to reduce variation in weight and ensuring uniformity. The machine then performs drafting, elongating the sliver by pulling and thinning it to achieve the desired thickness. During parallelization, the fibers are more precisely aligned, improving their orientation and overall quality. Finally, the machine produces sliver preparation, resulting in an even, well-formed sliver that is ready for the combing process. This step is critical for ensuring that the fibers are adequately prepared for the next stage, leading to higher-quality yarn production.

5) LAPFORMER

The Lapformer is a specialized machine used in the spinning process before the combing stage to prepare a compact, uniform fiber sheet known as a lap, which is essential for efficient and high-quality combing. One of its key functions is doubling, where multiple slivers are combined into a single, wide, and uniform sheet, helping to improve consistency. The machine then performs drafting, which reduces the thickness of the combined slivers while maintaining their uniformity. Finally, the drafted fibers are condensed and wound into a roll, or lap, which is ready for the combing machine. This process ensures that the fibers are uniformly aligned and prepared for the next stage, enhancing the overall quality and efficiency of the combing process.

6) COMBER

The Comber is a critical machine in the spinning process, used after the lap preparation stage. Its primary function is to remove short fibers and impurities, thereby enhancing the quality of the final yarn. One of the key functions of the comber is short fiber removal, where it eliminates fibers below a specified length, which helps improve the strength and evenness of the yarn. The machine also performs impurity removal, extracting fine trash and neps (small knots of fibers) to ensure cleaner material. Additionally, the comber works on fiber alignment, straightening and aligning the fibers for better uniformity and smoothness. Finally, the comber converts the cleaned and aligned fibers into a continuous sliver, preparing them for the subsequent stages in the spinning process. This ensures that the fibers are in optimal condition for spinning, resulting in high-quality yarn.

7) FINISHER DRAW FRAME

The Finisher Draw Frame is a critical machine in the spinning process, used after the precomber draw frame or combing stage. Its primary function is to further enhance the quality of the sliver by refining its uniformity and alignment before it moves on to the roving or ring spinning stage. One of the key functions of the finisher draw frame is doubling, where multiple slivers (usually 6–8) are combined into one, which helps to reduce weight variations and improve consistency. The machine then performs drafting, drawing out the sliver to achieve the desired thickness while ensuring uniformity. Parallelization is another important function, as it aligns the fibers more precisely, making them more parallel and improving the overall spinning quality. Finally, the machine performs blending, which homogenizes the fiber distribution, ensuring that the sliver is consistent and of high quality. This preparation ensures that the sliver is in the best possible condition for subsequent spinning processes.

8) SPEED FRAME

The Speed Frame, also known as the Roving Frame, is a crucial stage in the spinning process. It converts the sliver from the draw frame into a thinner, slightly twisted strand known as a roving, which is suitable for the next stage of spinning. One of its key functions is drafting, where the thickness of the sliver is reduced to the desired level by elongating it. This is followed by twisting, where a small amount of twist is imparted to the fiber strand, giving it enough strength to handle without breaking during further processing. Finally, the winding function wraps the roving onto bobbins, ensuring that it is properly prepared and ready for the ring spinning process. The roving produced in this stage is essential for achieving the final yarn, and the speed frame plays a key role in setting up the material for high-quality yarn production.

The Speed Frame is vital for producing rovings with controlled thickness and twist, laying the groundwork for efficient and quality yarn production.

9) RINGFRAME

The Ring Frame is the final machine in the spinning process, where the roving is transformed into yarn. This machine applies further drafting, twisting, and winding to produce a continuous, strong, and uniform thread suitable for weaving or knitting. The process begins with drafting, where the roving is further thinned to achieve the desired yarn thickness or count. Following that, twisting is applied to bind the fibers together, giving the yarn the necessary strength and elasticity. The yarn is then wound onto bobbins or spools, making it easier to handle and ready for further processing, such as weaving or knitting. Finally, the tension control system ensures that the correct tension is maintained throughout the spinning process, which is crucial for producing high-quality, even yarn. The ring frame plays a vital role in ensuring the final yarn meets the required standards for textile production.

The Ring Frame is essential for producing strong, smooth, and consistent yarn, making it a key machine in the spinning process for various textile applications.

10) LINKCONER AUTO WINDING

The LinkConer Auto Winding machine is an advanced automatic winding system used in the textile industry, primarily for winding yarn onto cones after it has been spun. It plays a crucial role in the final stage of yarn preparation, ensuring that the yarn is wound efficiently and uniformly, making it ready for further processing or use in textile production. One of the key functions of the machine is winding, where the yarn is transferred from bobbins or spools onto cones, ensuring even distribution and tight, uniform coils. It also features automatic splicing, which allows the machine to splice the yarn and continue winding seamlessly when a bobbin runs out, preventing interruptions in production. Clearance and tension control ensure that the yarn is wound with proper tension to avoid breakage or uneven winding. Some advanced models are equipped with yarn quality monitoring, where sensors detect and correct faults such as slubs or breaks. Finally, the machine forms the yarn into a conical shape, which is ideal for package formation, making it ready for subsequent dyeing, weaving, or other textile processes.

11) YARN CONDITIONING

Yarn conditioning is a post-processing treatment applied to yarn after it has been spun and wound onto cones or bobbins. The primary objective of yarn conditioning is to adjust the moisture content and ensure that the yarn is in optimal condition for subsequent processes like dyeing, weaving, or knitting.

The yarn conditioning process involves several key steps. First, moisturizing is carried out, where yarn is exposed to controlled moisture through steam or humidity. This is typically done by passing the yarn through a controlled steam chamber or a humidification unit. The next step, relaxation, allows the yarn to relax after the moisture treatment, helping to reduce internal tensions caused by twisting and drafting. This can be done using heat or mechanical methods. Finally, the yarn undergoes cooling and drying, where it is cooled and dried to stabilize its moisture content before it is wound into the final package or processed further. These steps ensure that the yarn is in the best possible condition for the next stages of textile production.

Yarn conditioning is crucial for preparing yarn for further textile operations, ensuring it maintains its quality, strength, and ease of processing throughout the manufacturing chain.

12) PACKING AND DISPATCH

Packing and Dispatch are the final stages in the yarn manufacturing process, where the yarn is carefully packaged and prepared for shipment to customers or textile manufacturers. This stage ensures that the product reaches the end user in optimal condition, ready for use in weaving, knitting, or other textile processes.

VALUE ADDITION BY RELATED PARTIES AT DIFFERENT STAGES

A. Vivekanand Industries

Cotton seed generated during the ginning process is sold to Vivekanand Industries.

Vivekanand Industries possesses dedicated machinery and infrastructure for processing cotton seed into:

- Cotton Seed Oil
- Wash Oil
- Cotton Seed Oil Cake

Accordingly, Vivekanand Industries adds value by converting a by-product generated by the Issuer Company into commercially marketable products. In addition to cotton seed processing, Vivekanand Industries is also engaged in cotton ginning and supply of cotton bales.

Vivekanand Industries received customer orders requiring specific quality specifications, quantities and delivery schedules. In certain cases, its own production and inventory were not sufficient to meet such customer requirements. Accordingly, Vivekanand Industries procured cotton bales from Vivekanand Cotspin Limited to fulfil these customer commitments in a timely manner.

B. Ambica Cotseeds Limited

Ambica Cotseeds Limited is engaged in domestic and international trading of cotton bales and cotton yarn.

The company has established:

- Export customer relationships
- International marketing network
- Export documentation capabilities
- Banking and foreign trade facilities

Accordingly, cotton yarn and cotton bales manufactured by the Issuer Company are sold to Ambica Cotseeds Limited, which exports the products to international customers.

C. Ambica Cotseeds Pte. Ltd., Singapore

Ambica Cotseeds Pte. Ltd. is engaged in merchant trading of cotton bales in international markets.

The company provides:

- International sourcing
- Overseas market access
- Global customer relationships
- International trade facilitation

D. Avadh Cotton Industries

Avadh Cotton Industries was incorporated in **June 1998** and was engaged in the business of cotton ginning and trading of cotton bales.

Entity	Business Activity	Value Addition
Vivekanand Cotspin Limited	Ginning and Spinning	Converts raw cotton into cotton bales and cotton yarn
Vivekanand Industries	Ginning & Cotton Seed Processing	Converts raw cotton into cotton bales & Converts cotton seed into cotton seed oil and cotton seed oil cake
Ambica Cotseeds Limited	Trading and Export	Facilitates exports through established international network
Ambica Cotseeds Pte. Ltd.	Merchant Trading	International sourcing and overseas trade facilitation

STRUCTURAL ADVANTAGE BY RELATED PARTY ON VALUE ADDITION

The group structure has evolved based on operational requirements, market specialization and value-chain integration, wherein each entity performs a distinct business function. The structure provides operational, commercial and strategic benefits to the Issuer Company as detailed below:

1. Access to established Export Markets through Ambica Cotseeds Limited

Ambica Cotseeds Limited is engaged in the business of trading and export of cotton bales and cotton yarn and has developed a strong presence in domestic and international markets over the years.

The company possesses:

- Established relationships with overseas customers;
- Export marketing and distribution network;
- Expertise in export documentation and compliance;
- Strong banking and trade finance arrangements; and
- Experience in managing international logistics and foreign trade operations.

Given the relatively limited presence of downstream textile industries such as weaving, knitting and garment manufacturing in the domestic market, a significant portion of cotton yarn and cotton bales produced by the Issuer Company is ultimately sold in export markets. Through Ambica Cotseeds Limited, the Issuer Company is able to access international customers and export opportunities without having to independently develop and maintain a separate export infrastructure.

Accordingly, the arrangement enables:

- Wider market reach and customer diversification;
- Improved export penetration;
- Efficient execution of export orders;
- Better working capital management through established banking channels; and
- Reduced operational complexities associated with international trade.

2. Value Addition and Monetization of By-products through Vivekanand Industries

During the ginning process undertaken by the Issuer Company, cotton seed is generated as a by-product. Vivekanand Industries possesses dedicated infrastructure and machinery for processing cotton seed into value-added products such as:

- Cotton Seed Oil;
- Wash Oil; and
- Cotton Seed Oil Cake.

Accordingly, instead of disposing cotton seed as a raw commodity, the group structure enables further processing and value addition through Vivekanand Industries, thereby enhancing overall realization from the cotton value chain.

This arrangement provides the following benefits:

- Efficient utilization of by-products generated by the Issuer Company;
- Creation of additional value through downstream processing;
- Reduction in inventory handling and storage requirements for the Issuer Company; and
- Availability of a stable and regular off-take channel for cotton seed generated during operations.

3. Order Fulfilment and Market Reach

Vivekanand Industries occasionally receives customer orders for cotton bales that exceed its own production capacity. In such instances, products are sourced from the Issuer Company for onward supply to customers.

This enables:

- Better utilization of the Issuer Company's production capacity;
- Access to additional customer relationships developed by Vivekanand Industries;
- Increased market reach; and
- Improved inventory turnover.

4. Operational Specialization

Each entity within the group specializes in a particular segment of the cotton value chain:

Entity	Core Activity

Vivekanand Cotspin Limited	Cotton Ginning and Cotton Yarn Manufacturing
Ambica Cotseeds Limited	Domestic and International Trading / Exports
Vivekanand Industries	Cotton Ginning & Cotton Seed Processing and Oil Extraction
Ambica Cotseeds Pte. Ltd., Singapore	International Merchant Trading and Sourcing

Such specialization allows each entity to focus on its core competencies, resulting in operational efficiency and improved execution capabilities.

FINANCIAL KPIs OF OUR COMPANY

The following table presents certain key performance indicators for the periods indicated:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue From operations (₹ in Lakhs)	40,801.01	36,593.38	35,738.81
Total Revenue (₹ in Lakhs)	40,932.15	36,651.25	35,801.62
EBITDA (₹ in Lakhs)	1,509.31	1,458.92	1,459.46
EBITDA Margin (%)	3.70%	3.99%	4.08%
Profit after tax (₹ in Lakhs)	368.78	494.29	335.33
PAT Margin (%)	0.90%	1.35%	0.94%
Return on Equity (ROE) (%)	15.96%	26.09%	11.72%
Return on Capital Employed (ROCE) (%)	13.14%	12.16%	13.41%
Debt To Equity Ratio	1.56	3.17	1.94
Current Ratio	1.09	1.12	0.79
Net Capital Turnover Ratio	12.62	17.08	19.06

As certified by M/s. SVJK and Associates, Chartered Accountants, the Peer Review Auditor of our Company by their certificate dated June 04, 2026

OPERATIONAL KPIs OF THE COMPANY

(Quantity in Metric Tonnes)

Product name	Existing	FY 23-24		FY 24-25		FY 25-26	
	Total Installed Capacity	Production	% of Utilization	Production	% of Utilization	Production	% of Utilization
Cotton Bales	8,000	6,556	81.94%	6,801	85.01%	7,425	92.82%
Cotton Yarn	4,551	3,703	81.38%	3,415	75.05%	3,051	67.05%

As certified by M/s. SVJK and Associates, Chartered Accountants, the Peer Review Auditor of our Company by their certificate dated June 04, 2026

OUR REVENUE DISTRIBUTION

PRODUCT WISE REVENUE DISTRIBUTION

(₹ in Lakhs)

Particulars	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended August 04, 2024		For the period ended March 31, 2024	
	Amount	%	Amount	%	Amount	%	Amount	%
Cotton Yarn	21,080.23	52.18	9,353.64	32.37	3,243.40	43.43	9,742.95	27.53
Cotton Bales	15,650.16	38.74	16,095.92	55.70	2,769.81	37.09	21,041.68	59.56
Cotton Yarn Waste	930.3	2.30	592.45	2.05	346.06	4.63	1,117.61	3.16
Cotton Seed	2,709.63	6.71	2,852.21	9.87	1,100.69	14.74	3,375.51	9.54
Others*	27.38	0.07	5.79	0.02	7.5	0.10	110.16	0.31
Total	**40,397.70**	**100.00**	**28,900.01**	**100.00**	**7,467.46**	**100.00**	**35,387.91**	**100.00**

***Other includes sale of scrap waste and Job Work Income.**

As certified by M/s. SVJK and Associates, Chartered Accountants, the Peer Review Auditor of our Company by their certificate *dated June 04, 2026.*

REVENUE BIFURCATION BETWEEN MANUFACTURING AND SALE OF SERVICES

(₹ in Lakhs)

Particulars	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended August 04, 2024		For the period ended March 31, 2024	
	Amount	%	Amount	%	Amount	%	Amount	%
Manufacturing	40,397.70	99.01	28,900.01	99.50	7,467.46	98.95	35,294.91	98.76
Sale of Services	-	0.00	-	0.00	-	0.00	93	0.26
Other operating revenues	403.31	0.99	146.68	0.50	79.22	1.05	350.89	0.98
Total	**40,801.01**	100.00	**29,046.69**	100.00	**7,546.68**	100.00	**35,738.80**	100.00

As certified by M/s. SVJK and Associates, Chartered Accountants, the Peer Review Auditor of our Company by their certificate dated June 04, 2026

GEOGRAPHICAL WISE REVENUE DISTRIBUTION

Bifurcation of Revenue from Domestic & International

(₹ in Lakhs)

Particulars	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended August 04, 2024		For the period ended March 31, 2024	
	Amount	%	Amount	%	Amount	%	Amount	%
Domestic								
Andhra Pradesh	193.19	0.48	0.00	0.00	0.00	0.00	0.00	0.00
Gujarat	32,808.01	81.21	27,419.37	94.88	7,297.51	97.72	31,635.27	89.40
Haryana	21.69	0.05	0.00	0.00	0.00	0.00	24.59	0.07
Himachal Pradesh	149.60	0.37	0.00	0.00	0.00	0.00	0.00	0.00
Madhya Pradesh	1,325.15	3.28	43.66	0.15	5.23	0.07	61.49	0.17
Maharashtra	614.11	1.52	116.60	0.40	0.00	0.00	415.55	1.17
Punjab	6.41	0.02	15.64	0.05	0.00	0.00	0.00	0.00
Rajasthan	91.66	0.23	15.98	0.06	0.00	0.00	59.88	0.17
Tamil Nadu	788.10	1.95	520.47	1.80	32.28	0.43	0.00	0.00
West Bengal	262.78	0.65	0.00	0.00	0.00	0.00	0.00	0.00
Total(A)	**36,260.70**	**89.76**	**28,131.71**	**97.34**	**73,35.02**	**98.23**	**32,196.77**	**90.98**
International								
Bangladesh	465.25	1.15	612.48	2.12	0.00	0.00	3130.49	8.85
China	2,572.58	6.37	0.00	0.00	0.00	0.00	0.00	0.00
Indonesia	98.77	0.24	0.00	0.00	0.00	0.00	0.00	0.00
Portugal	93.92	0.23	0.00	0.00	0.00	0.00	60.65	0.17
South Africa	407.59	1.01	0.00	0.00	0.00	0.00	0.00	0.00
Vietnam	498.88	1.23	155.82	0.54	132.45	1.77	0.00	0.00
Total (B)	**4,137.00**	**10.24**	**768.30**	**2.66**	**132.45**	**1.77**	**3191.14**	**9.02**
Total(A+B)	**40,397.70**	**100.00**	**28,900.01**	**100.00**	**7,467.46**	**100.00**	**35,387.91**	**100.00**

As certified by M/s. SVJK and Associates, Chartered Accountants, the Peer Review Auditor of our Company by their certificate dated June 04, 2026

OUR COMPETITIVE STRENGTHS

1. Forward Integration:

Our Company is engaged in the business of processing of raw cotton by way of Ginning of cotton and spinning of cotton yarn. The raw material for the ginning unit is raw cotton which is generally procured from the local areas and the raw material for cotton spinning is ginned cotton which is the finished product of the ginning unit. The setting up of the Spinning Unit has resulted into the forward integration into the cotton textile industry.

The product-wise bifurcation of sales is as follows:

(₹ in Lakhs)

Particulars	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended August 04, 2024		For the period ended March 31, 2024	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
Cotton Yarn	21,080.23	52.18	9,353.64	32.37	3,243.40	43.43	9,742.95	27.53
Cotton Bales	15,650.16	38.74	16,095.92	55.70	2,769.81	37.09	21,041.68	59.56
Cotton Yarn Waste	930.3	2.30	592.45	2.05	346.06	4.63	1,117.61	3.16
Cotton Seed	2,709.63	6.71	2,852.21	9.87	1,100.69	14.74	3,375.51	9.54
Others*	27.38	0.07	5.79	0.02	7.5	0.10	110.16	0.31
Total	**40,397.70**	**100.00**	**28,900.01**	**100.00**	**7,467.46**	**100.00**	**35,387.91**	**100.00**

Other includes sale of scrap waste and Job work income.

This forward integration strategy helps the company benefit from control over its supply chain, reduce reliance on external suppliers for processed cotton, and potentially increase profitability by moving further down the value chain. Additionally, it positions the company strategically in the textile industry, enabling it to meet the demands of textile mills and other fabric manufacturers effectively.

2. Cost effective production and timely fulfillment of orders:

Our Company has taken various steps in order to ensure adherence to timely fulfillment and also to achieve cost efficiency as timely fulfillment of the orders is a prerequisite in our industry. These steps include identifying quality raw material, smooth Labor relations, use of an efficient production system and ability to meet large and varied orders due to our capacity and linkages with raw material suppliers. Our Company also has enjoyed good relations with our suppliers and as a consequence, has the benefit of timely supplies of the raw materials which has been one of the major reasons why we have been able to achieve timely fulfillment of orders of our customers. Our Company constantly endeavors to implement an efficient procurement policy for inputs required for production so as to ensure cost efficiency in procurement which in turn results in cost effective production.

3. Scalable Business Model:

We operate with a scalable business model, which focuses on optimizing production capacity, strengthening supplier relationships, and achieving economies of scale. The company aims to maximize the utilization of its manufacturing capacity, ensuring that production is efficient and cost-effective. By maintaining linkages with quality raw material suppliers, the company secures consistent access to high-quality cotton, which is crucial for producing superior yarn. This strategic approach helps in reducing procurement costs and improving production efficiency.

Over the past few financial years, the model has proven to be successful as it allows for upward scaling to meet the growing needs of the market. The company is in position to expand its operations by increasing output as required, thus catering to an expanding customer base and seizing new business opportunities.

4. Quality Focus:

Our company places a strong emphasis on producing high-quality yarn, recognizing that quality is a key factor in attracting and retaining customers in the competitive textile industry. By consistently delivering superior products, the company ensures customer satisfaction and loyalty, which are essential for long-term business success.

The company produces yarn in a variety of counts and grades, enabling it to cater to a wide range of fabric requirements. Different yarn counts (thickness of the yarn) and grades (quality levels) are needed for different types of fabrics, whether for fine textiles used in apparel or for coarser materials used in industrial applications. By offering a diverse product range, we can meet the needs of various customers, from textile mills to garment manufacturers.

In addition to product variety, the company ensures that its yarn maintains consistent quality throughout the production process. This focus on quality control helps establish a strong reputation in the market, making its products more desirable to buyers. By maintaining high standards and continuously improving its processes, the company is able to remain competitive, build trust with its clients, and adapt to evolving market demands.

5. Experienced Promoters:

Our company is led by a group of promoters, including Nirav Bharatbhai Patel, Jasmin Visnubhai Patel, Bharatbhai Prahaladbhai Patel, Vishnubhai Prahaladdas Patel and Gautam Bharatkumar Patel. Collectively, they bring over 15, 06, 15, 15 and 09 years of experience in the cotton textile industry. Their expertise ensures that the company operates efficiently across all functions, from sourcing raw cotton to delivering quality yarn to customers. This extensive experience gives the company a competitive edge in a rapidly evolving industry. Their track record and deep knowledge of the sector have been instrumental in the company's growth and success.

The promoters' leadership, strategic vision, and ability to navigate challenges in the cotton textile sector have played a crucial role in continuous development of our company. For further details about the promoters' backgrounds and their contributions to the company, please refer to the chapter titled *"Our Management"* on page 194 of this Red Herring Prospectus.

OUR BUSINESS STRATEGIES

1. Entering into New Geographies:

We intend to cater to the increasing demand of our existing customers and also to increase our existing customer base by enhancing the distribution reach of our products in different parts of the country and also around the world. We propose to increase our marketing and sales team which can focus in different regions and also maintain and establish relationship with customers. Enhancing our presence in additional regions will enable us to reach out to a larger population. Our company is actively focused on expanding its market presence to drive growth and reduce dependency on existing markets. This expansion strategy encompasses both domestic and international markets, enabling the company to broaden its customer base and capitalize on emerging opportunities. By entering new geographic regions and forging relationships with a diverse range of customers, our company is able to enhance its sales potential and mitigate risks associated with market saturation in its current territories.

The current distribution of revenue in domestic and international market is as follows:

Bifurcation of Revenue from Domestic & International

(₹ in Lakhs)

Particulars	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended August 04, 2024		For the period ended March 31, 2024	
	Amount	%	Amount	%	Amount	%	Amount	%
Domestic								
Andhra Pradesh	193.19	0.48	0.00	0.00	0.00	0.00	0.00	0.00
Gujarat	32,808.01	81.21	27,419.37	94.88	7,297.51	97.72	31,635.27	89.40
Haryana	21.69	0.05	0.00	0.00	0.00	0.00	24.59	0.07
Himachal Pradesh	149.60	0.37	0.00	0.00	0.00	0.00	0.00	0.00
Madhya Pradesh	1,325.15	3.28	43.66	0.15	5.23	0.07	61.49	0.17
Maharashtra	614.11	1.52	116.60	0.40	0.00	0.00	415.55	1.17
Punjab	6.41	0.02	15.64	0.05	0.00	0.00	0.00	0.00
Rajasthan	91.66	0.23	15.98	0.06	0.00	0.00	59.88	0.17
Tamil Nadu	788.10	1.95	520.47	1.80	32.28	0.43	0.00	0.00
West Bengal	262.78	0.65	0.00	0.00	0.00	0.00	0.00	0.00
Total (A)	**36,260.70**	**89.76**	**28,131.71**	**97.34**	**7,335.02**	**98.23**	**32,s196.77**	**90.98**
International								
Bangladesh	465.25	1.15	612.48	2.12	0.00	0.00	3,130.49	8.85
China	25,72.58	6.37	0.00	0.00	0.00	0.00	0.00	0.00
Indonesia	98.77	0.24	0.00	0.00	0.00	0.00	0.00	0.00
Portugal	93.92	0.23	0.00	0.00	0.00	0.00	60.65	0.17
South Africa	407.59	1.01	0.00	0.00	0.00	0.00	0.00	0.00
Vietnam	498.88	1.23	155.82	0.54	132.45	1.77	0.00	0.00
Total (B)	4,137.00	10.24	768.30	2.66	132.45	1.77	3,191.14	9.02
Total (A+B)	**40,397.70**	**100.00**	**28,900.01**	**100.00**	**7,467.46**	**100.00**	**35,387.91**	**100.00**

2. Improving Operational Efficiencies:

Our company is dedicated to improving operational efficiencies through continuous process improvements, technology adoption, and a focus on customer service. The company refines its workflows to eliminate inefficiencies, reduce costs, and enhance product quality while ensuring timely deliveries. By embracing advanced technology, it streamlines production and stays ahead of industry trends. The company also aligns its employees with the goal of operational excellence through change management and skill upgrades, ensuring a collaborative approach to process improvements. This strategy not only improves cost-effectiveness and product quality but also helps the company meet customer demands efficiently. Ultimately, the company's commitment to continuous improvement and innovation allows it to maintain a competitive edge in the market, ensuring long-term growth and customer satisfaction.

3. Attract and Retain Talented Employee:

Employees are essential for the success of every organization. The industry in which we operate are labour intensive and require skilled labour for operating our manufacturing facilities. We constantly intend to continue our focus on improving health, safety and environment for our employees and provide various programs and benefits for the personal well-being and career development of our employees. We also take necessary steps for reduction of the employee attrition rate and retain more of our skilled workers for our continual growth and expansion by providing them with better, safer and healthier working environment.

Particulars	For the period ended March 31, 2026	For the period ended March 31, 2025	For the period ended March 31, 2024
Opening	178	143	160
Add: Addition	22	74	67
Less: Employee Left	**57**	57	77
Closing	143	160	150
Average Employee	143	152	155
Attrition Rate (%)	**40%**	**38%**	**50%**

4. Leveraging our skills and relationship with our Suppliers and Customers:

We believe in maintaining good relationship with our Suppliers and Customers which is the most important factor to keep our Company growing. We believe these relationships are key to sustaining the company's growth and success. Our dedicated approach to business, combined with a focus on efficiency and timely delivery, has helped us establish and nurture partnerships over the years. We prioritize meeting customer expectations, ensuring that they receive high-quality products within agreed timelines.

The Details of our top Customers and Suppliers are as follows:

(₹ in Lakhs)

Particular	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended March 31, 2024	
	Amount	%	Amount	%	Amount	%
Top 1 customer	4,857.82	12.02	10,660.60	29.31	13,743.42	38.84
Top 3 customer	10,091.03	24.98	21,164.32	58.20	26,054.82	73.63
Top 5 customers	14,080.91	34.86	26,166.93	71.95	27,914.40	78.88
Top 10 customers	20,676.99	51.18	30,215.41	83.08	31,400.01	88.73

Note that Name of Customers are not mentioned since Company has not received written consent from its Customers till filing of Red Herring Prospectus to include their name in this Red Herring Prospectus.

(₹ in Lakhs)

Particular	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended March 31, 2024	
	Amount	%	Amount	%	Amount	%
Top 1 Supplier	8,122.72	21.30	13,281.82	40.95	12,865.60	39.47
Top 3 Suppliers	11,998.62	31.46	17,155.34	52.90	18,780.43	57.61
Top 5 Suppliers	14,568.38	38.20	20,139.17	62.10	21,609.71	66.29
Top 10 Suppliers	19,300.17	50.61	24,525.01	75.62	24,184.82	74.19

Note that Name of Suppliers are not mentioned since Company has not received written consent from its Suppliers till filing of Red Herring Prospectus to include their name in this Red Herring Prospectus.

Additionally, we aim to further enhance customer satisfaction by leveraging our marketing expertise and building even stronger connections with clients. By understanding their needs and adapting to market changes, we ensure that we continuously meet their demands. Equally important is our commitment to establishing mutually beneficial long-term relationships with suppliers. Collaborating closely with suppliers helps improve the overall performance of the supply chain, reduces costs, and enhances quality. This strategic approach not only supports operational efficiency but also enables the business to grow sustainably, creating value for all stakeholders involved.

5. **Optimal Utilization of Resources:**

Our Company constantly strive to optimize resource utilization through continuous improvements in production processes, machinery, and skill upgradation of our workforce. We regularly assess our raw material procurement and manufacturing workflows to identify inefficiencies or bottlenecks and take corrective actions. By addressing these areas, we enhance operational efficiency, reduce waste, and ensure that resources are used effectively. The modernization of machinery plays a crucial role in streamlining production, while skill development programs for workers ensure they can adapt to new technologies and processes. This focus on both technological and employee capabilities which allows us to improve overall productivity, reduce costs, and maintain a sustainable operation. Ultimately, our commitment to resource optimization enables us to meet market demands efficiently and support the company's long-term growth and success. Through these efforts, we continue to enhance operational excellence and stay competitive in the industry.

RAW MATERIALS USED

The primary raw material required for the production of ginned cotton is Kapas (raw cotton), while for cotton yarn production, ginned cotton is utilized. We source raw cotton from local suppliers, ensuring that our vendors meet key criteria such as material quality, price competitiveness, and timely delivery. The raw cotton is procured during the ginning season, which typically lasts six to eight months, depending on crop yields and export market conditions. Ginned cotton is primarily sourced from our in-house ginning unit, though in some cases, it is procured from local markets to supplement our requirements.

MACHINERIES

S. No.	Division	Department	Machine	No. of Machine	Owned/Rented
1	Spinning	Bloow Room	Bale Plucker	01	Owned
2	Spinning	Bloow Room	Vario Clean	01	
3	Spinning	Bloow Room	Unimix(Line-1)	02	
4	Spinning	Bloow Room	Flexi Clean	02	
5	Spinning	Bloow Room	I Scan	02	
6	Spinning	Bloow Room	Condensor	02	
7	Spinning	Preparotary	Sliver Can	264	
8	Spinning	Preparotary	Sliver Can	145	
9	Spinning	Preparotary	Sliver Can	1200	
10	Spinning	Preparotary	Card	10	
11	Spinning	Preparotary	Card	08	
12	Spinning	Preparotary	Breaker	03	
13	Spinning	Preparotary	Lap Farmer	03	
14	Spinning		Lap Farmer Trolly	14	
15	Spinning		Spool	122	
16	Spinning	Preparotary	Comber	11	
17	Spinning	Preparotary	Lfinisher	07	
18	Spinning	Preparotary	Speed Frame	05	
19	Spinning	Preparotary	Speed Frame Bobbin	33000	
20	Spinning		Flat Cliping	01	
21	Spinning		Flat Miling	01	
22	Spinning		Flat Grinding	01	
23	Spinning		Lickerin Maunting	01	
24	Spinning		Flat Doffer Grinder	01	
25	Spinning		Tws Grinder	01	
26	Spinning		Balling System	01	
27	Spinning		Bobbin Transport	03	
28	Spinning	Spinning	Ring Frame	14	
29	Spinning	Spinning	Rf Empty	46600	
30	Spinning	Link Coner	Winding	14	
31	Spinning	Packing	Yarn Conditioner	01	
32	Spinning	Packing	Straping Machine	01	
33	Spinning	H M Plant	Luwa	01	
34	Spinning	Ohtc	Ohtc	23	

S. No.	Division	Department	Machine	No. of Machine	Owned/Rented
35	Spinning	Buffing	Cot Grinding	2	
36	Spinning	Spinning	Spindle Oil	1	
37	Spinning	Lab Instrument	Wrap Block	1	
38	Spinning	Lab Instrument	Wrap Reel	1	
39	Spinning	Lab Instrument	Csp	1	
40	Spinning	Lab Instrument	Yarn Tester	1	
41	Spinning	Lab Instrument	Cotton Tester	1	
42	Spinning	Lab Instrument	Trash Seprator	1	
43	Spinning	Lab Instrument	Tpi Tester	1	
44	Ginning	Ginning Machine	Modern Double Roller Cotton Gin	32	
45	Ginning	Ginning Machine	Trolly Feeding System	2	
46	Ginning	Ginning Machine	Balling System	1	
47	Roof Top Solar System	Captive Consumption	Renewable Energy	0.998 Kw	
48	Ground Mounted Solar System	Captive Consumption	Renewable Energy	4 Mw	

As certified by Multi Engineers Private Limited, Chartered Engineer vide certificate dated August 18, 2026.

OUR CUSTOMERS AND SUPPLIERS

Our customer base is diverse, encompassing a wide range of local fabric producers, corporate buyers, and global markets. These customers represent various segments, each with distinct needs and preferences, which influences our product offerings and marketing strategies. Our customers' demands vary based on factors such as industry type, geographical location, and specific requirements for cotton yarn, shaping how we approach production and distribution.

We work closely with manufacturers, textile producers, and distributors who play a crucial role in ensuring our cotton yarn reaches the right market. By understanding the unique needs of different customer segments, we can tailor our products and services to meet specific demands or bulk production. Additionally, coordination with suppliers and logistics companies help us ensure timely delivery and cost-effective distribution. Through this collaborative approach, we maintain strong relationships with our customers, enabling us to cater to a broad and ever-evolving market.

The Details of our top Customers and Suppliers are as follows:

(₹ in Lakhs)

Particular*	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended March 31, 2024	
	Amount	%	Amount	%	Amount	%
Revenue from Top First Customer	4,857.82	12.02	10,660.60	29.31	13,743.42	38.84
Revenue from Top Second Customer	3,041.84	7.53	5,404.44	14.86	9,870.98	27.89
Revenue from Top Third Customer	2,191.37	5.42	5,099.28	14.02	2,440.42	6.90
Revenue from Top Fourth Customer	2,049.23	5.07	2,681.39	7.37	958.89	2.71
Revenue from Top Fifth Customer	1,940.65	4.80	2,321.22	6.38	900.70	2.55
Revenue from Top Sixth Customer	1,453.11	3.60	1,706.99	4.69	899.58	2.54
Revenue from Top Seventh Customer	1,339.17	3.31	745.53	2.05	756.95	2.14
Revenue from Top Eighth Customer	1,310.63	3.24	603.83	1.66	666.86	1.88
Revenue from Top Ninth Customer	1,268.95	3.14	517.58	1.42	588.94	1.66
Revenue from Top Tenth Customer	1,224.22	3.03	474.54	1.30	573.27	1.62
(A) Total Revenue from Top Ten Customer	**20,676.99**	**51.18**	**30,215.41**	**83.08**	**31,400.01**	**88.73**
(B) Revenue from Operations	**40,397.70**		**36,367.47**		**35,387.91**	
(C) Revenue from Top 10 Customers / Revenue from Operations (%)	**51.18**		**83.08**		**88.73**	

As certified by M/s. SVJK and Associates, Chartered Accountants, the Peer Review Auditor of our Company by their certificate dated June 04, 2026

**Note that Name of Customers are not mentioned since Company has not received written consent from its Customers till filing of Red Herring Prospectus to include their name in this Red Herring Prospectus.*

(₹ in Lakhs)

Particular*	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended March 31, 2024	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**
Purchase from Top First Supplier	8122.72	21.30	13281.82	40.95	12865.60	39.47
Purchase from Top Second Supplier	2109.00	5.53	2025.88	6.25	3663.11	11.24
Purchase from Top Third Supplier	1766.89	4.63	1847.64	5.70	2251.72	6.91
Purchase from Top Fourth Supplier	1471.91	3.86	1705.40	5.26	1886.44	5.79
Purchase from Top Fifth Supplier	1097.86	2.88	1278.43	3.94	942.84	2.89
Purchase from Top Sixth Supplier	1086.45	2.85	1013.43	3.12	679.95	2.09
Purchase from Top Seventh Supplier	1027.37	2.69	1001.28	3.09	660.11	2.03
Purchase from Top Eighth Supplier	1015.34	2.66	996.34	3.07	525.66	1.61
Purchase from Top Ninth Supplier	827.58	2.17	830.01	2.56	361.44	1.11
Purchase from Top Tenth Supplier	775.05	2.03	544.78	1.68	347.95	1.07
(A) Total Purchase from Top Ten Suppliers	**19300.17**	**50.61**	**24525.01**	**75.62**	**24184.82**	**74.19**
(B) Purchase of raw material & stock in trade	**38,136.06**		**32,430.84**		**32597.22**	
(C) Purchase from Top 10 Suppliers / Purchase of raw material & stock in trade (%)	**50.61**		**75.62**		**74.19**	

As certified by M/s. SVJK and Associates, Chartered Accountants, the Peer Review Auditor of our Company by their certificate dated June 04, 2026;

**Note that Name of Suppliers are not mentioned since Company has not received written consent from its Suppliers till filing of Red Herring Prospectus to include their name in this Red Herring Prospectus.*

OUR LOCATION

Registered Office & Manufacturing Unit	S/no 181/1, 182/1, At Rangpurda, Kadi, Mahesana-382715, Gujrat, India

COLLABORATIONS, ANY PERFORMANCE GUARANTEE OR ASSISTANCE IN MARKETING BY THE COLLABORATORS

Except as disclosed in this Red Herring Prospectus and those entered in the normal Course of business, we do not have any Collaborations/ Tie-Ups/ Joint Ventures as on the date of Red Herring Prospectus.

EXPORT AND EXPORT OBLIGATION

The Details of export as on the date of Red Herring Prospectus is as follows:

(₹ in Lakhs)

Particulars	For the period ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the period ended March 31, 2024
Bangladesh	465.25	612.48	0.00	3130.49
China	2572.58	0.00	0.00	0.00
Indonesia	98.77	0.00	0.00	0.00
Portugal	93.92	0.00	0.00	60.65
South Africa	407.59	0.00	0.00	0.00
Vietnam	498.88	155.82	132.45	0.00
Total	**4137.00**	**768.30**	**132.45**	**3191.14**
% of Total Sales	**10.24**	**2.66**	**1.77**	**9.02**

Below are the details of the export obligation as on date of this Draft Red Herring Prospectus:

(₹ in Lakhs)

S. No.	Obligation under	FOB Value
1.	Advance Authorisation Number 0811018079 Authorisation Date 30/03/2026 Export Validity 30/09/2027	590.47
Total		**590.47**

CAPACITY AND CAPACITY UTILIZATION

Name of Product	Total Capacity Installed (in metric ton) (Per Year)	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended March 31, 2024	
		Total Production	Capacity Utilization (in %)	Total Production	Capacity Utilization (in %)	Total Production	Capacity Utilization (in %)
Cotton Bales	8,000	7,425	92.82	6,801	85.01	6,556	81.94
Cotton Yarn	4,551	3,051	67.05	3,415	75.05	3703	81.38

As certified by Multi Engineers Private Limited, Chartered Engineer vide certificate dated August 18, 2026.

HEALTH, SAFETY AND ENVIRONMENT

Safety and environmental protection, together with quality and operating efficiency, are among our key success factors of any organization. The prevention of accidents is one of our foremost priorities. Whether in the workplace or outside it, every accident is preventable and every risk can be lowered. Management at all levels of the organization is responsible for creating the framework and implementing measures to promote awareness of safety and environmental issues. The implementation of our safety and environmental policy and the compliance with regulations is taken care at all levels of the organization. The safety goals and programs are developed as part of the medium-term planning process and regularly reviewed. Management evaluates the safety and environmental protection system and identifies any corrective measures to be taken. To help ensure effective implementation of our safety policies and practices, we identify potential hazards, evaluate all material risks and institute, implement and monitor appropriate risk mitigation measures. We endeavor to minimize any accidents at our manufacturing facilities.

INFRASTRUCTURE AND UTILITIES

1) Power Supply

Our manufacturing facility's power needs are supplied by Uttar Gujarat Vij Company Limited (UGVCL) and installed solar system for captive consumption, ensuring a consistent and reliable energy supply to support our production processes.

2) Water Supply

Adequate water sources are available on-site, and all water requirements for both the office and manufacturing areas are fully met by the existing water supply infrastructure.

LOGISTICS

As a manufacturer of cotton yarn and cotton bales, our company has developed a logistics and transportation network that ensures seamless procurement, efficient production, and timely delivery to both domestic and international markets. We source premium-quality raw cotton from Gujarat's renowned Kadi and Saurashtra regions, known for their superior Shankar-6 cotton. Our farm-to-factory logistics involve direct procurement from farmers and agricultural mandis, transported by dedicated truck fleets to our processing units. Third-party logistics providers, ensures seamless distribution and minimal disruptions. For domestic distribution, we utilize a reliable road network to serve textile hubs across India. Internationally, we leverage Gujarat's ports, such as Mundra and Pipavav, to efficiently export our products to markets like Bangladesh, China, Indonesia, Portugal, South Africa,Vietnam. Through our integrated logistics network, we offer cost-effective, reliable, and timely delivery, meeting customer demands worldwide with precision and efficiency.

SEASONALITY AND WEATHER CONDITIONS

Our business is influenced by the seasonality of cotton production, as cotton is an agricultural commodity with specific harvesting periods. The availability of raw cotton fluctuates throughout the year, with peak supply occurring during harvest seasons. During off-seasons, procurement challenges may arise due to reduced supply, leading to potential price volatility and increased inventory costs.

Weather conditions play a crucial role in cotton cultivation, directly impacting crop yield and quality. Unpredictable factors such as unseasonal rainfall, droughts, temperature variations, and pest infestations can disrupt cotton production, affecting both supply and pricing. Such fluctuations may lead to higher procurement costs, production delays, or the need for alternative sourcing strategies.

INFORMATION TECHNOLOGY

Our office is equipped with computer systems, servers, relevant software and other communication equipments, uninterrupted power supply, internet connectivity, which are required for our business operations to function smoothly.

TECHNICAL COLLABORATIONS/ PERFORMANCE GUARANTEE

Our Company does not have any technical collaborations or performance guarantee as on the date of this Red Herring Prospectus.

HUMAN RESOURCES

Our Company believes that our employees play a crucial role in our success within the cotton yarn industry. Our ability to sustain growth is directly linked to our capacity to attract, train, motivate, and retain top talent. We focus on bringing in individuals with the right skill sets, interests, and backgrounds that align with our specific business needs.

In an industry that demands precision and efficiency, we place great importance on providing ongoing training opportunities to enhance the skills of our workforce, from production staff to technical teams. This commitment to continuous development ensures that our employees are always equipped to meet the challenges of the evolving market. Furthermore, we prioritize employee engagement to maintain a positive and productive work environment, fostering a culture of dedication, collaboration, and innovation. By supporting our workforce in these ways, we ensure that they remain motivated and committed to delivering superior quality products for our customers.

The Company was contributing towards Employees' Provident Fund (EPF) for 22 employees, with total contributions amounting to ₹ 0.63 Lakhs for the month of May 2026. The Company has been compliant with applicable labour and employment-related statutory requirements.

As on May 30th, 2026 our Company has 146 employees on payroll including KMP. Bifurcation is as follows:

Department	Number of Employees
Accounts & Admin	6
Directors	2
Human Resource	4
Marketing & Sales	3
Production	131
Total	**146**

SALES AND MARKETING

A significant portion of our production is dedicated to our spinning mill, while the remaining cotton bales are sold in the market. We are confident that the demand for our products, particularly cotton yarn, will remain strong in the years to come. Cotton bales and yarn are predominantly sold through brokers in the textile industry; however, we are working towards expanding our marketing strategy by incorporating a more direct approach, including direct customer engagement and a network of dealers/distributors. This new approach will enhance our sales reach and strengthen customer relationships.

The sales and marketing of our cotton yarn are driven by key factors such as product quality, easy availability, and competitive pricing. We believe that the success of our marketing efforts lies in the strength of the relationships we have built over the years. Many of our customers have been with us for a long time, which underscores the trust and quality we bring to the market.

Our marketing strategy is focused on both domestic and international markets. Our company, led by our promoters, has consistently emphasized the importance of maintaining strong, long-term relationships with our customers. As a result, we have established strong connections with textile mills, business houses, and brokers across the country.

MARKETING STRATEGY

We plan to implement the following strategies for cotton yarn sales:

1. **Direct Sales to Hosiery Units**: Establishing direct relationships with hosiery manufacturers to cater to their specific yarn needs;
2. **Direct Sales to Textile Mills:** Engaging directly with textile mills to provide high-quality cotton yarn that meets their production requirements.

3. **Exports to Various Countries:** Expanding our reach by exporting cotton yarn to international markets, tapping into global demand.
4. **Sales through Brokers/Business Houses:** Continuing to leverage our existing relationships with brokers and business houses for broader market access.

This multi-pronged approach is designed to increase our market share, improve brand visibility, and ensure consistent revenue growth.

COMPETITION

Our company serves a wide range of customers, including local fabric producers and corporate buyers, in an intensely competitive and fragmented cotton yarn market. The company faces competition not only from smaller, local manufacturers but also from larger, well-established players. As part of its growth strategy, we aims to expand into new geographical regions across the globe, which brings additional challenges, as it will encounter competitors already entrenched in those markets. In response to this competitive landscape, the company is committed to maintaining a strong market position by focusing on key differentiators. These include producing high-quality cotton yarn that meets customer expectations, offering competitive pricing to provide value, and ensuring timely delivery of products to fulfill the specific requirements of customers. By focusing on these core elements, we intend to stay competitive and carve out a unique space in both local and international markets.

INSURANCE

The Details of Insurance taken by our Company is as follows:

S. No	Description	Risk Location	Policy Number	Issuing Company	Sum Assured (₹)	Premium (₹)	Date of Expiry
1.	Vivekanand Cotspin Limited	Survey No. 181/1, 182/1 Rangpurda Kadi Mahesana-382715 Gujarat	15180011269600000026	The New India Assurance Co. Ltd.	6,90,00,000/-	2,03,550/-	21/07/2026 to 20/07/2027
2.	Vivekanand Cotspin Limited	Survey No.181/1, 182/1 Rangpurda Kadi Mahesana-382715 Gujarat	OG-26-2217-2802-00000062	Bajaj General Insurance Limited	a. Limit: As per Employees Compensation Act, 1923 b.Coverage For Medical Expenses 2,00,000/- c. Coverage For Road Ambulance 5,000/-. 150 Total Employees	65,424/-	17/10/2025 to 16/10/2026
3.	Vivekanand Cotspin Limited	Survey No. 181/1, 182/1 Rangpurda Kadi Mahesana-384440 Gujarat	261942104500	Zurich Kotak General Insurance Company (India) Limited	17,40,00,000/-	1,16,466/-	19/07/2026 to 18/07/2027

4.	Vivekanand Cotspin Limited	Survey No. 181/1, 182/1 Rangpurda Kadi Mahesana-382715 Gujarat	143600/11/2027/67	The Oriental Insurance Company Limited	125,00,00,000/-	8,21,450/-	21/07/2026 to 20/07/2027

INTELLECTUAL PROPERTY

Trademarks registered/Objected/Abandoned in the name of our company

S. No	Brand Name/Logo Trademark	Class	Application number and Date	Owner	Authority	Current Status
1.	Device" VIVEKANAND COTSPIN"	23	6815873 Dated January 21, 2025	M/s. Vivekanand Cotspin Limited	Trademark Registry, Ahmedabad	Objected

The details of the Domain name in the name of our Company:

S. No	Domain Name	Registry Domain ID	Registrant Name and IANA ID	Creation Date	Registry Expiry Date
1.	https://www.vcottonexport.com/	Registry Domain ID: 1704670461_DOMAIN_COM-VRSN	Registrar: whois.PublicDomainRegistry.com IANA ID: 303	February 29, 2012	February 28, 2027

IMMOVABLE PROPERTY

Details of our property are as follows:

S. No.	Details of the Property	Licensor/ Lessor/Vendor	Lessee	Consideration/ Lease Rental/ License Fees (in Rs.)	Owned/ Leased	Use
1.	Survey Number. 577, Survey Number. 181/1, Survey Number. 182/1, Mouje: Rangpurda, Taluka. Kadi, District Mehsana-Gujarat	Avadh Cotton industries acting through its partners Shri Bharatbhai Prahladbhai patel and Shri Vishnubhai Prahaladdas Patel	Vivekanand CotspinPrivate limited	**Lease Agreement dated**: November 27, 2024; **Lease Period:** 10 years. **Effective Date:** August 05, 2024 to August 04, 2034; **Rent:** ₹ 2,40,000/- per Annum.	Leased	Registered Office and Manufacturing Unit
2.	Survey Number. 895, Survey Number. 187/1, Mouje: Rangpurda, Taluka. Kadi, District Mehsana-Gujarat	Mr. Bharatbhai Prahladbhai patel and Mr. Patel Vishnubhai Prahaladdas	Vivekanand CotspinPrivate limited	**Lease Agreement dated:** November 27, 2024; **Lease Period:** 10 years; **Effective Date:** August 05, 2024 to August 04, 2034; **Rent:** ₹ 2,40,000/- Per Annum.	Leased	Adjoining property of manufacturing unit

S. No.	Details of the Property	Licensor/ Lessor/Vendor	Lessee	Consideration/ Lease Rental/ License Fees (in Rs.)	Owned/ Leased	Use
3.	Khata No. 1894, Survey No. 29 Mouje Sami, Taluka. Sami, Sub-Dist. Sami District. Patan and Khata No. 1894, Survey No. 25/1 Mouje Sami, Ta. Sami, Sub-Dist. Sami District. Patan and Khata No. 1894, Survey No. 30 Mouje Sami, Taluka. Sami, Sub-Dist. Sami District. Patan	Mrs. Ranjanben Patel W/o Bharatbhai Patel and Mrs. Kapilaben Patel W/o Vishnubhai Patel	Vivekanand Cotspin Private limited	**Lease Agreement dated:** November 20, 2024; **Lease Period:** 25 years; **Effective Date:** August 05, 2024 to August 04, 2049; **Rent:** ₹ 2,40,000/- Per Annum.	Leased	Installed Solar Plant on this property
4.	Plot No. 15, Shed Number 02, GIDC, At & Post Dhrab, Mundra, Kutch, Gujarat, 370201	J.R. Roadline Private Limited	Vivekanand Cotspin Limited	**Leave & License Agreement Dated:** April 08, 2026; **Period of License:** 11 Months 29 Days; **Storage Charges:** ₹ 9.50/- per Sq. Feet per Calendar Month.	Leased	Warehouse

KEY INDUSTRY REGULATIONS

The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled "Government and Other Approvals" on page 251 of this Red Herring Prospectus.

THE COMPANIES ACT

The Companies Act primarily regulates the formation, financing, functioning and restructuring of Companies as separate legal entities. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

SEBI REGULATIONS

Securities And Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange plat forms, securities market and intermediaries thereto. Apart from the SEBI Act, 1992, SCRA 1956, SCRR 1957 and other rules and regulations, listed entities are mainly regulated by SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Take over) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

TAX RELATED REGULATIONS

Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its "Residential Status" and "Type of Income" involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 31st October of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, and Minimum Alternative Tax and like are also required to be complied by every Company.

The Government of India has notified the Income Tax Act, 2025, which consolidates and amends the erstwhile Income Tax Act, 1961. The new Act has been passed by both Houses of Parliament and received the President's assent on 21 August 2025. It came into force from 1 April 2026. The new Act primarily aims to simplify the language, bring clarity on digital and international transactions, and remove redundant provisions. It does not propose any changes to prevailing tax rates and regimes for individuals and corporations and nor does it amend the existing provisions relating to offences and penalties.

Goods and Service Tax Act, 2017

The Central Goods and Services Tax Act, 2017isan Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected there with or incidental thereto. In line with CGST Act, each state Governments has enacted State Goods and Service Tax Act for respective states.

Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the central and state governments on goods as services. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Where as if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination based taxation principle in addition to the Customs Duty which has not been subsumed in the GST.

The Customs Act, 1962 and the Customs Tariff Act, 1975

The provisions of the Customs Act, 1962 and Rules made there under are applicable at the time of import of goods into India from a place outside India or at the time of export of goods out of India to a place outside India. Any company requiring to import or export any goods is required to get itself registered under this Act and obtain an Importer Exporter Code number. The Customs Tariff Act, 1975 provides the rates at which duties of customs will be levied under the Customs Act, 1962

State Tax on Profession, Trades, Callings and Employment Rules, 1975

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional tax is classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner.

BUSINESS/ TRADE RELATED LAWS/ REGULATIONS

Technology Up-Gradation Fund Scheme

Ministry of Textiles has been implementing Technology Up-gradation Funds Scheme ("TUFS") since 1999 to facilitate technology upgradation of textiles industry in the country. TUFS aims at making available funds to the domestic textile industry of existing units as well as to set up new units with state-of-the-art technology so that its viability and comprehensiveness in the domestic as well as international markets may enhance. TUFS provides for interest reimbursement/ capital subsidy /margin money subsidy and has been devised to bridge the gap between the cost of interest and the capital component to ease up the working capital requirement and to reduce the transaction cost, etc. TUFS is an important tool to infuse financial support to the textiles industry and help it capitalize on the vibrant and expanding global and domestic markets, through technology up- gradation, cost effectiveness, quality production, efficiency and global competitiveness.

National Textile Policy, 2024

The Government of India recently unveiled the Textile Policy 2024, a transformative framework designed to position India as a global leader in the textile industry. The policy aims to modernize the textile sector, promote sustainability, foster innovation, and expand India's presence in global markets. Here are the key elements of this forward-looking policy:

Key Objectives of the Textile Policy 2024

- **Boosting Innovation and Research:** The policy emphasizes the importance of investing in research and development (R&D) in areas like smart textiles, technical textiles, and sustainable production processes. This focus on innovation is aimed at driving technological advancements that will help India compete on a global scale.
- **Sustainability and Environmental Responsibility:** With increasing global emphasis on eco-friendly practices, the policy outlines several measures to ensure sustainable growth. It encourages the adoption of green manufacturing technologies, circular economy practices, and initiatives to reduce the industry's carbon footprint.
- **Encouraging Investments:** The Textile Policy 2024 includes incentives to attract both domestic and foreign investments into the sector. The government plans to provide financial support, reduce barriers to entry, and facilitate ease of doing business to encourage investments in high-value textile production units.
- **Skill Development and Employment Generation:** One of the critical goals is to generate employment opportunities in both traditional and modern textile segments. The policy promotes skill development programs aimed at enhancing the capabilities of the workforce, especially in rural and semi-urban areas.
- **Export Promotion and Global Competitiveness:** To strengthen India's position as a major exporter, the policy proposes initiatives to expand export markets and reduce trade barriers. This includes forming strategic partnerships with international markets and aligning with global standards to boost the competitiveness of Indian textile products.

Production-Linked Incentive Scheme in Textiles Products

PLI Scheme for Textiles was notified on 24/09/2021 with an objective to promote production of MMF Apparel & Fabrics and products of Technical Textiles in the country to enable textile industry to achieve size and scale, become competitive, create employment opportunities for people and support creation of a viable enterprise and competitive textile industry with an approved outlay.

Textiles Committee Act, 1963

The Textiles Committee Act, 1963 ("TCS") came into force on August 22, 1964. A textiles committee ("Textiles Committees") has been established under TCS with the primary objective of ensuring a standard quality of textiles both for domestic and export markets as well as standardization of the type of textile machinery used for production. The Textiles Committee's functions include, among others, the promotion of Indian textiles and textile exports, researching in technical and economic fields, establishing standards for Indian textiles and textile machinery, setting up of laboratories, and data collection. Additionally, the Textiles Committee regulates the imposition of cess on textile and textile machinery that is manufactured in India under TCS.

Textile (Development and Regulation) Order, 2001

The Textile (Development and Regulation) Order, 2001 ("Textile Order") was brought into force by the Central Government under Section 3 of the Essential Commodities Act, 1955 and repealed the Textile (Development and Regulation) Order,1993. Under the Textile Order every manufacturer of textiles, textile machinery and every person dealing with textiles shall keep books of accounts, data and other records relating to his business in the matter of production, processing, import, export, supply, distribution, sale, consumption, etc. and shall furnish such returns or information in respect of their business as and when directed by the Textile Commissioner. The Textile Order further provides that no person shall make any markings on any textiles resembling the brand name or trade name of any other person who has applied for or obtained a registration to that effect under the Trade Marks Act, 1999, except under and limited to the extent of specific authorization by the holder of or applicant for such brand or trade name.

Cotton Control Order, 1986

The Cotton (Control) Order, 1986 ("Cotton Order") prescribes the maximum quantity of cotton that may be possessed by a manufacturer, a cotton ginning factory, a cotton pressing factory, a cotton ginning and pressing factory and a person (other than a member of a Hindu Undivided Family growing cotton). The Cotton Order establishes the office of the Textile Commissioner as the regulatory body. The Cotton Order further specifies the quality standards that have to be met while picking cotton for the purposes of export and domestic consumption as well as the markings that have to be made on the cotton bale before marketing of the same.

Cotton Bales (Quality Control) Order, 2023

The Cotton Bales (Quality Control) Order, 2023 mandates that all cotton bales produced or sold in India must adhere to the Indian Standard IS 12171:2019. This standard ensures the quality of cotton bales, requiring manufacturers to obtain certification from the Bureau of Indian Standards (BIS). The order was initially set to be enforced from August 27, 2023, but its implementation has been postponed multiple times. As per the latest amendment, the enforcement date is now extended to August 27, 2026. The postponements are largely due to challenges faced by the ginning industry, predominantly composed of Micro, Small and Medium Enterprises (MSMEs). These enterprises have expressed concerns over the substantial investments required to upgrade machinery and processes to meet the stringent BIS standards. The extensions aim to provide these stakeholders with additional time to achieve compliance. It's important to note that the Quality Control Order does not apply to cotton bales intended for export, provided they meet the specifications required by the foreign buyer.

The Textile Undertakings (Nationalization) Act, 1995

The Textile Undertakings (Nationalization) Act, 1995 was enacted to provide for the nationalization of textile undertakings. The Act provides for the acquisition of textile undertakings and the payment of compensation to the owners. The Act also lays down the procedure for the management and operation of the nationalized undertakings. The Act has the objective of developing the textile industry in India and ensuring that it contributes to the economic growth of the country. Later legislation, such as The Textile Undertakings (Nationalization) Laws (Amendment and Validation) Act, 2014, ensured that leasehold rights for these nationalized mill lands remained vested with the central government on completion of their lease tenures, preventing the divestment or eviction of NTC properties.

The Swadeshi Cotton Mills Company Limited (Acquisition and Transfer of Undertakings) Act, 1986

An Act to provide for the acquisition and transfer of certain textile undertakings of the Swadeshi Cotton Mills Company Limited, with a view to securing the proper management of such undertakings so as to subserve the interests of the general public by ensuring the continued manufacture, production and distribution of different varieties of cloth and yarn and thereby to give effect to the policy of the State towards securing the principles specified in clauses (b) and (c) of article 39 of the Constitution and for matters connected therewith or incidental thereto.

Bureau of Indian Standards Act, 2016

The Bureau of Indian Standards Act, 2016 provides for the establishment of a national standards body for the harmonious development of the activities of standardization, conformity assessment and quality assurance of goods, articles, processes, systems and services and for matters connected therewith or incidental thereto. The Act provides for the establishment of bureau for the standardization, marking and quality certification of goods. Functions of the bureau include, inter alia, (a) recognizing as an Indian standard, any standard established for any article or process, system or service by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) conducting such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process, system or service in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license. A person may apply to the bureau for grant of license or certificate of conformity, if the articles, goods, process, system or service confirms to an Indian Standard.

The Bureau of Indian Standards Act, 1986

The Bureau of Indian Standards Act, 1986 ("BIS Act") was established to provide for the establishment of a bureau ("Bureau") for the harmonious development of the activities of standardization, marking and quality certification of goods and for matters connected therewith. "Indian Standard" means the standard (including any tentative or provisional standard) established and published by the Bureau, in relation to any article or process indicative of the quality and specification of such article or process and includes - (i) any standard recognized by the Bureau under clause (b) of section 10 of the BIS Act; and (ii) any standard established and published, or recognized, by the Indian Standards Institution and which is in force immediately before the date of establishment of the Bureau.

Legal Metrology Act, 2009

The Legal Metrology Act, 2009 is an Indian law that standardizes weights and measures to ensure accuracy and fairness in trade and consumer transactions. It consolidates earlier laws and establishes uniform enforcement of measurement standards across India through central and state authorities. . The Legal Metrology Act prohibits the manufacture, packing, selling, importing, distributing, delivering, offer for sale of any pre-packaged commodity if such does not adhere to the standard regulations set out.

ENVIRONMENT LAWS

National Environmental Policy, 2006

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of National Environmental Policy: — • Conservation of Critical Environmental Resources • Intra-generational Equity: Livelihood Security for the Poor • Inter-generational Equity • Integration of Environmental Concerns in Economic and Social Development • Efficiency in Environmental Resource Use • Environmental Governance • Enhancement of resources for Environmental Conservation

Environment Protection Act, 1986

The Environment Protection Act, 1986, is a key piece of Indian environmental legislation enacted after the Bhopal gas tragedy. It provides a framework for the protection and improvement of the environment and empowers the central government to regulate pollution and environmental hazards nationwide.

Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act")

The Water Act provides for one Central Pollution Control Board, as well as state pollution control boards, to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State PCB. The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

The Air (Prevention & Control of Pollution) Act, 1981(the "Air Act")

One Central Pollution Control Board, as well as state pollution control boards formed under water act shall be deemed to be Central Board & State Board for the Prevention and Control of air Pollution. The Air Act prohibits that no person operating any industrial plant, in any air pollution control area shall discharge or cause or permit to be discharged the emission of any air pollutant in excess of the standards laid down by the State Board. The Air Act prescribes specific amounts of fine and terms of imprisonment for various contraventions

Hazardous and Other Wastes (Management and Tran boundary Movement) Rules, 2016; (the "Hazardous Waste Rules")

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste. Under the Hazardous Waste Rules, "hazardous waste" inter alia means any waste which by reason of characteristics such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment or third party resulting from the improper handling and management and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

REGULATIONS RELATED TO FOREIGN TRADE AND INVESTMENT

The Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through Consolidated FDI Policy Circular/Press Notes/Press Releases which are notified by the Department of Economic Affairs (DEA), Ministry of Finance, Government of India as amendments to the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 under the Foreign Exchange Management Act, 1999 (42 of 1999) (FEMA). DPIIT has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until an updated circular is issued.

The reporting requirements for any investment in India by a person resident outside India under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 are specified by the RBI. Regulation 4 of the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 vide notification No. FEMA. 395/2019-RB dated 17.10.2019 issued by the RBI stipulates the reporting requirement for any investment in India by a person resident outside India. All the reporting is required to be done through the Single Master Form (SMF) available on the Foreign Investment Reporting and Management System (FIRMS) platform at https://firms.rbi.org.in.

Under the current FDI Policy of 2020, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations.

Foreign Exchange Management Act, 1999 ("FEMA") and Regulations framed thereunder

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the 'automatic route' within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIF and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 for regulation on exports of goods and services.

Ownership restrictions of FIIs

Under the portfolio investment scheme, the total holding of all FIIs together with their sub-accounts in an Indian company is subject to a cap of 24% of the paid-up capital of a company, which may be increased up to the percentage of sectoral cap on FDI in respect of the said company pursuant to are solution of the board of directors of the company and the approval of the shareholders of the company by a special resolution in a general meeting. The total holding by each FII, or in case an FII is investing on behalf of its sub-account, each sub-account should not exceed 10% of the total paid-up capital of a company.

Laws related to Overseas Investment by Indian Entities

Overseas investment by Indian Entities are governed under Foreign Exchange Management Act, 1999 under which the central Government of India have notified Foreign Exchange Management (Overseas Investment) Rules, 2022 in suppression of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 and the Foreign Exchange Management (Acquisition and Transfer of Immovable Property Outside India) Regulations, 2015. Followed by the rules, RBI has vide notification no. RBI/2022-2023/110, A.P. (DIR Series) Circular No.12 dated August 22, 2022 have issued Foreign Exchange Management (Overseas Investment) Directions, 2022 and Foreign Exchange Management (Overseas Investment) Regulations, 2022. These legislations frame the investment fields, mode and cap for various sectors and regions, by any person resident in India and the reporting requirements.

Foreign Trade Policy 2023

The Central Government of India in exercise of powers conferred under Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No. 22 of 1992) [FT (D&R) Act], as amended, has notified Foreign Trade Policy (FTP) 2023 which is effective from April 01, 2023. The Foreign Trade Policy, inter alia, governs the import and export of goods, sets out mandatory documentation required for the import and export of goods, principles of restriction and prohibitions of trade with certain identified jurisdictions and groups. The Foreign Trade Policy also sets out a framework to promote cross border trade in the digital economy and a mechanism of settlement of complaints in connection with the quality of goods and other trade disputes.

LAWS RELATING TO INTELLECTUAL PROPERTY

Trademarks Act, 1999

Under the Trademarks Act, 1999 ("Trademarks Act"), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof.

LAWS RELATED TO EMPLOYMENT OF MANPOWER

To rationalize and reform labour laws in India, the Government has enacted the following codes:

Code on Wages, 2019, which regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976. 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. It mandates universal minimum wages and timely payments for all employees across all sectors. Section 9 read with Rule 11 of the Code introduces floor wages as a statutory provision. The baseline wages will be fixed by the Central government on the basis of minimum living standards of an employee including food, clothing etc. It will be revised at regular intervals. State governments must ensure their minimum wages are not lower than this floor level. Section 56 read with Rule 36 of the code replaces criminal penalties (like imprisonment) with civil penalties (like graded monetary fines) for first time offences punishable with fine only. It introduces a provision of compounding for offenses punishable (with fine only) by paying sum of fifty percent of the maximum fine.

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 and simplifies the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947. The Industrial Relations Code, 2020 creates a balanced and progressive framework that benefits workers, employers, and the economy alike. It is pro-labour, ensuring fair representation, job security, and quicker dispute resolution. To ensure that more workers have access to basic labour rights, inclusive definition of 'worker' has been established. Pursuant to Section 2(zr) of Industrial Relations Code, 2020, the definition of 'worker' has been expanded to include sales promotion employees, working journalists, and supervisory employees earning up to ₹18,000 per month, thereby extending statutory labour protections to a wider segment of the workforce. As per Section 2(p) of Industrial Relations Code, 2020, the term "industry" now encompasses any systematic activity carried on by cooperation between employer and worker, regardless of whether capital is invested or profit is intended, thereby bringing non-profit and low-capital activities within its ambit. The Code provides the 50% ceiling on exclusions to ensure that statutory benefits such as gratuity, retrenchment compensation, and social security contributions are calculated on a fair and substantial portion of actual earnings, preventing employers from artificially splitting wages to reduce obligations.

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 Compensation Act, 1923; The Employees' State Insurance Act, 1948; The Employees' Provident Funds and Miscellaneous Provisions Act, 1952; The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959; The Maternity Benefit Act, 1961; The Payment of Gratuity Act, 1972; The Cine-Workers Welfare Fund Act, 1981; The Building and Other Construction Workers' Welfare Cess Act, 1996; The Unorganized Workers' Social Security Act, 2008. 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 suffer, among others. The Code Extends EPFO and ESIC coverage nationwide, bringing more establishments and workers under social security benefits, recognizes Gig and Platform workers for the first time and establishes a Social Security Fund for their welfare; Strengthens women-centric provisions including 26 weeks of maternity leave, work-from-home option, and crèche facilities; Promotes ease of doing business through digital records, decriminalization and compounding of offences, and a transparent, technology-driven Inspector cum facilitator system.Under Section 53 of the code, the Government has redcued the eligibility requirement for gratuity for Fixed Term Employees (FTEs) from five years to one year. In case where the employee completes one year of continuous service, gratuity shall be applicable on proportionate basis. Social security benefits have been extended to unorganised, gig and platform workers under Sections 113 & 114 of the Code on Social Security, 2020. The code also addressed the gap and includes defintion of aggregator (digital intermediary). This shall benefit such workers directly.

Occupational Safety, Health and Working Conditions Code, 2020, The Code amends and consolidates laws regarding the occupational safety, health and working conditions of persons employed in an establishment. It subsumes 13 enactments including, among others, the Factories Act, 1948 and the Contract Labour (Regulation and Abolition) Act, 1970. The Code balances the twin objectives of safeguarding worker rights and safe working conditions, and creating a business-friendly regulatory environment spur economic growth and employment thereby, making India's labour market more efficient, fair, and future-ready by streamlining compliance through measures such as single registration, all-India licences, electronic filings, and time-bound approvals. The Ministry of Labour& Employment has also taken steps to develop a national database to enroll unorganized workers including migrants. This code has provided health, safety and welfare of workers in all sectors which was previously limited to 7 sectors viz. factories, mines, plantation, beedi-cigar, dock workers, BOCW and motor transport.

The Indian government notified the four new labour codes on November 21, 2025. These notifications bring key provisions into effect and are under implementation stage and shall become fully operational after draft rules are pre-published for public feedback and brought into effect. The codes consolidate 29 existing laws to simplify compliance and modernize labour regulations.

<u>Other previous laws which are applicable during the transition period until the new laws are implemented and becomes operational in full:</u>

Employees Provident Fund and Miscellaneous Provisions Act, 1952

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

Employees State Insurance Act, 1948, as amended (the "ESIC Act")

The ESI Act provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

Employees Deposit Linked Insurance Scheme (EDLI)

The Employees Deposit Linked Insurance Scheme or EDLI is an insurance cover provided by the EPFO (Employees Provident Fund Organisation) for private sector salaried employees who are members of EPFO. The EDLI scheme was launched in 1976. The registered nominee receives a lump-sum payment in the event of the death of the person insured (employee) during the period of the service

Payment of Gratuity Act, 1972, as amended (the "Gratuity Act")

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed 2 million.

The Factories Act, 1948

The Factories Act seeks to regulate labor employed in factories and makes provisions for the safety, health and welfare of the workers. The Factories Act, 1948 ("Factories Act") defines a factory to be any premises including the precincts thereof, on which on any day in the previous twelve (12) months, ten (10) or more workers are or were working and in which a 'manufacturing process' is being carried on or is ordinarily carried on with the aid of power; or where at least twenty (20) workers are or were working on any day in the preceding twelve (12) months and on which a manufacturing process is being carried on or is ordinarily carried on without the aid of power. State governments prescribe rules with respect to the prior submission of plans, their approval for the establishment of factories and the registration and licensing of factories. The Factories Act provides that the occupier of a factory shall ensure the health, safety and welfare of all workers while they are at work in the factory, such that it does not pose health risks, cleanliness and safe working conditions. If there is a contravention of any of the provisions of the Factories Act or the rules framed there under, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Industrial (Development and Regulation) Act, 1951 ("IDRA");
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act");
- Apprentices Act, 1961.

OTHER GENERAL REGULATIONS

The Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")

The MSMED Act was enacted to promote and enhance the competitiveness of Micro, Small and Medium Enterprise ("MSME"). A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. The Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated March 21, 2025 revising definition and criterion and the same came into effect from April 1, 2025. The notification revised the definitions as "Micro enterprise", where the investment in plant and machinery or equipment does not exceed Two Crore Fifty Lakh rupees and turnover does not exceed Ten crore rupees; "Small enterprise", where the investment in plant and machinery or equipment does not exceed twenty five crore rupees and turnover does not exceed one hundred crore rupees; "Medium enterprise", where the investment in plant and machinery or equipment does not exceed one hundred twenty five crore rupees and turnover does not exceed five hundred crore rupees.

The Sale of Goods Act, 1930

The Sale of Goods Act, 1930 governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyers and sellers, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

Shops and Establishments Legislations

Under the provisions of local shops and establishments legislations applicable in different states, commercial establishments are required to be registered. Such legislations regulate the working and employment conditions of workers employed in shops and commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

State Laws

We operate in various states. Accordingly, legislations passed by the state governments are applicable to us in those states. These include legislations relating to, among others, Shops and Establishment Act, classification of fire prevention and safety measures and other local licensing. Further, we require several approvals from local authorities such as municipal bodies. The approvals required may vary depending on the state and the local area.

Municipality Laws

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective states of India have enacted laws empowering the municipalities to issue trade license for operating eating outlet sand implementation of regulations relating to such license along with prescribing penalties for non-compliance.

Approvals from Local Authorities

Setting up of a factory or manufacturing / housing unit entails the requisite planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents are also required from the state pollution control board(s), the relevant state electricity board(s), the state excise authorities, sales tax, among others, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

Other regulations

Apart from the above list of laws – which is inclusive in nature and not exhaustive – general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986, The Arbitration & Conciliation Act, 1996 are also applicable to the company.

PROPERTY RELATED LAWS

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.

HISTORY AND CORPORATE STRUCTURE

BRIEF HISTORY AND BACKGROUND

Our Company was originally formed and registered as Limited Liability Partnership Firm under the name and style of "*Vivekanand Cotspin LLP*" pursuant to provisions of Limited Liability Partnership Act, 2008 ("LLP Act"), bearing registration no. AAE-4147 pursuant to Certificate of Incorporation dated July 21, 2015 issued by Registrar, Gujarat, Dadra and Nagar Havelli. Thereafter, it was converted in to a Private Limited company in the name and style of *"Vivekanand Cotspin Private Limited"* pursuant to the provisions of Companies Act, 2013 and fresh a certificate of Incorporation dated August 5, 2024 was issued by Registrar of Companies, Central Registration Centre bearing CIN No. U13111GJ2024PTC154066. Subsequently our Company was converted into Public Limited Company pursuant to a resolution passed by our Shareholders at an Extra Ordinary General Meeting held on December 2, 2024 and consequently the name of our company was changed from "*Vivekanand Cotspin Private Limited*" to "*Vivekanand Cotspin Limited*" vide fresh certificate of incorporation dated December 16, 2024 issued by the Registrar of Companies, Central Registration Centre. The Corporate Identity Number of our Company is U13111GJ2024PLC154066.

CORPORATE PROFILE OF OUR COMPANY

For details on the description of our Company's activities, the growth of our Company, please see *"Business Overview"*, *"Management's Discussion and Analysis of Financial Conditions and Results of Operations"* and *"Basis of Issue Price"* on pages 157, 228 and 110 of this Red Herring Prospectus.

ADDRESS OF REGISTERED OFFICE

The Registered Office of the Company is situated at S/No 181/1, 182/1, At Rangpurda, Kadi, Mahesana- 382715, Gujarat, India.

CHANGES IN REGISTERED OFFICE OF THE COMPANY SINCE INCORPORATION

There has not been any change in our Registered Office since incorporation till date of this Red Herring Prospectus except below change:

From	To	With effect from	Reason for Change
S/No. 182/1, At Rangpurda, Kadi, Mahesana 382715, Gujarat, India.	S/No. 181/1, 182/1, At Rangpurda, Kadi, Mahesana- 382715 , Gujarat, India	November 15, 2024	For Administrative Convenience

OUR MAIN OBJECT

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

To carry on in India or elsewhere the business to manufacture, to export, to pack or to repack, to deal with ginning, spinning and textile bases all value added products and processes and also to hedge, to trade in agro based value added products and any other business, in any other manner , including ancillary business as may be decided.

CHANGES IN MEMORANDUM OF ASSOCIATION

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

S. No.	Particulars	Date of Meeting	Type of Meeting
1.	Conversion of Company into Public Limited Company and change in name of company from Vivekanand Cotspin Private Limited to Vivekanand Cotspin Limited vide fresh Certificate of Incorporation issued by Registrar of Companies, Central Registration Centre dated December 16, 2024	December 2, 2024	Extra-Ordinary General Meeting
2.	Increase in Authorized Share Capital of the Company from Rs. 15,00,00,000 (Rupees Fifteen Crore) divided into 1,50,00,000 (One Crore Fifty Lakh) equity shares of Rs. 10/- (Rupees Ten only) each.to Rs. 25,00,00,000 (Rupees Twenty Five Crore only) divided into 2,50,00,000 (Two Crore Fifty Lakh) equity shares of Rs. 10/- (Rupees Ten only) each.	January 17, 2025	Extra-Ordinary General Meeting

KEY EVENTS AND MILE STONES

Year	Key Events / Milestone / Achievements
2015-16	Formed as a Limited Liability Partnership Firm in the name and style of "*Vivekanand Cotspin LLP*".
2024-25	Conversion of Limited Liability Partnership Firm into Private Limited Company in the name and style of "*Vivekanand Cotspin Private Limited*".
2024-25	Converted into Public Limited Company in the name and style of "*Vivekanand Cotspin Limited*".

OTHER DETAILS ABOUT OUR COMPANY

For details of our Company's activities, products, growth, technology, marketing strategy, competition and our customers, please refer section titled *"Business Overview"*, *"Management's Discussion and Analysis of Financial Conditions and Results of Operations"* and *"Basis for Issue Price"* on pages 157, 228 and 110 respectively of this Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled *"Our Management"* and *"Capital Structure"* beginning on pages 194 and 84 of this Red Herring Prospectus respectively.

ACQUISITION OF BUSINESS/UNDERTAKINGS & AMALGAMATION

Except as disclosed in this Red Herring Prospectus, there has been no acquisition of business/undertakings, mergers, amalgamation since incorporation.

HOLDING COMPANY

As on the date of this Red Herring Prospectus, there is no holding company of our Company.

SUBSIDIARY OF OUR COMPANY

As on the date of this Red Herring Prospectus, there are no subsidiaries of our Company.

ASSOCIATE COMPANY

As on the date of this Red Herring Prospectus, our Company does not have any Associate Company.

CAPITAL RAISING (DEBT / EQUITY)

For details in relation to our capital raising activities through equity, please refer to the chapter titled *"Capital Structure"* beginning on page 84 of this Red Herring Prospectus. For details of our Company's debt facilities, please refer section *"Restated Financial Statements"* on page 221 of this Red Herring Prospectus.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

There has been no time / cost overrun in setting up projects by our Company.

INJUNCTION OR RESTRAINING ORDER

There are no injunctions/ restraining orders that have been passed against the Company.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS AND CONVERSION OF LOANS INTO EQUITY SHARES

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of this Red Herring Prospectus. Furthermore, except as disclosed in chapter titled *"Capital Structure"* beginning on page 84 of this Red Herring Prospectus, none of the Company's loans have been converted into equity in the past.

LOCK-OUT OR STRIKES

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lockouts.

As on the date of this Red Herring Prospectus, our employees are not unionized.

SHAREHOLDERS OF OUR COMPANY

Our Company has 9 (Nine) shareholders as on the date of this Red Herring Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled *"Capital Structure"* beginning on page 84 of this Red Herring Prospectus.

CHANGES IN THE MANAGEMENT

For details of change in Management, please see chapter titled *"Our Management"* on page 194 of this Red Herring Prospectus.

CHANGES IN ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE (5) YEARS

There has been no change in the business activities of our Company during last five (5) years from the date of this Red Herring Prospectus which may have had a material effect on the profit/loss account of our Company except as mentioned in Material development in chapter titled *"Management's discussion and analysis of financial conditions & results of operations"* beginning on page 228 of this Red Herring Prospectus.

SHAREHOLDERS AGREEMENT

As on the date of this Red Herring Prospectus, there are no subsisting shareholders' agreements among our Shareholders vis-a-vis our Company, which our Company is aware of.

COLLABORATION AGREEMENTS

As on the date of this Red Herring Prospectus, our Company is not a party to any collaboration agreements.

MATERIAL AGREEMENT

Our Company has not entered into any material agreements other than the agreements entered into by it in ordinary course of business.

OTHER AGREEMENTS

Non-Compete Agreement

Our Company has entered into the Non-compete Agreement with our Group Company, Ambica Cotseeds Limited on March 24, 2026 and Ambica Cotseeds PTE Ltd. on April 10, 2026.

Further, our Company has entered into the Non-compete Agreement with Partnership Firms, Vivekanand Industries and Avadh Cotton Industries on April 10, 2026.

Except for the above mentioned, our Company has not entered into any non-compete agreement as on the date of filing of this Red Herring Prospectus.

Joint Venture Agreement

Except the agreements entered in the ordinary course of business carried on or intended to be carried on by us, we have not entered into any other Joint Venture agreement.

Strategic Partners

Except as mentioned in this Red Herring Prospectus, Our Company does not have any strategic partners as on the date of this Red Herring Prospectus.

Financial Partners

Our Company does not have any financial partners as on the date of this Red Herring Prospectus.

AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR A SENIOR MANAGEMENT OR A DIRECTOR OR THE PROMOTERS OR ANY OTHER EMPLOYEE OF THE COMPANY

There are no agreements entered into or by with the Key Managerial Personnel or Senior Management or the Directors or Promoters or any other employee of the Company, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

DETAILS OF GUARANTEES GIVEN TO THIRD PARTIES BY THE PROMOTERS OFFERING THE EQUITY SHARES IN ISSUE

As on date of this Red Herring Prospectus, the Promoters have not given any guarantees, on behalf of our Company, to third parties offering the equity shares in issue that are outstanding as of the date of this Red Herring Prospectus.

Further, our Promoters have given personal guarantees respectively, towards financial facilities availed from the Bankers of our Company, therefore, they are interested to the extent of the said guarantees. For further information, see *"Statement of Financial Indebtedness"* on page 224 and *"Restated Financial Statements"* on page 221.

OUR MANAGEMENT

As per the Articles of Association unless, otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, our Company is required to have not less than Three (3) Directors and not more than Fifteen (15) Directors. Currently, our Company has Six (6) directors comprising, Two (2) Executive Directors, Two (2) Non-Executive Directors and Two (2) Independent Directors. There is one woman Director on our Board. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

The present composition of our Board is as follows:

S. No.	Name of the Directors	Designation
1.	Nirav Bharatbhai Patel	Chairman & Managing Director
2.	Jasmin Visnubhai Patel	Whole Time Director
3.	Bharatbhai Prahaladbhai Patel	Non-Executive Director
4.	Vishnubhai Prahladdas Patel	Non-Executive Director
5.	Rohit Khandelwal	Independent Director
6.	Bhavika Sanghani	Independent Director

The following table sets forth the details regarding our Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus:

S. No	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre-Issue)	Other Directorships
1.	**Nirav Bharatbhai Patel;** **Father Name**: Bharatbhai Prahladbhai Patel; **Date of Birth**: April 1, 1986; **Age**: 40 Years; **Designation**: Chairman & Managing Director; **Address:** 12, Mahalaxmi Society, Karannagar Road, Kadi, Mahesana, Gujarat-382715, India; **Experience:** 15 Years in cotton ginning and spinning industry; **Occupation:** Business; **Qualifications**: Bachelor of Accounting/ Bachelor of Business (Management) from Central Queensland University; **Nationality:** Indian; **DIN**: 02055489.	Originally appointed on the Board as Director w.e.f. August 05, 2024. Further, Re-designated as Chairman and Managing Director for a period of five years w.e.f, January 17, 2025 not liable to be retire by rotation.	32,50,000 Equity Shares of ₹ 10/- each; 20% of Pre-Issue Paid Up Capital	**Indian Companies:** ➢ Ambica Cotseeds Limited; ➢ Giocert Ventures and Innovations Private Limited. **Foreign Companies:** Nil
2.	**Jasmin Visnubhai Patel;** **Father Name:** Vishnubhai Prahladbhai Patel; **Date of Birth**: November 30, 1992; **Age**: 33 Years; **Designation**: Whole Time Director; **Address:** 12, Mahalaxmi Society, Karannagar Road, Kadi, Mahesana, Gujarat-382715, India; **Experience:** 6 Years in cotton ginning and spinning industry; **Occupation:** Business; **Qualifications:** Bachelor of Engineering	Originally appointed on the Board as Additional Director w.e.f November 15, 2024. Further Re-designated as Whole Time Director for a period of five years w.e.f. January 17, 2025 liable to be retire by rotation.	32,50,000 Equity Shares of ₹ 10 each; 20 % of Pre-Issue Paid Up Capital	**Indian Companies:** ➢ Truepay Finance Private Limited *(Formerly known as Jain Finscap Private Limited);* ➢ Giocert Ventures and Innovations Private Limited. **Foreign Companies:** Nil

S. No	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre-Issue)	Other Directorships
	(Textile Technology); **Nationality:** Indian; **DIN**: 06923150.			
3.	**Bharatbhai Prahaladbhai Patel;** **Father Name**: Late Prahladbhai Chimanlal Patel; **Date of Birth**: June 1, 1962; **Age**: 64 Years; **Designation**: Non-Executive Director; **Address:** 12, Mahalaxmi Society, Karannagar Road, Kadi, Mahesana, Gujarat-382715, India; **Experience:** 15 Years in cotton ginning and spinning industry; **Occupation**: Business; **Qualifications**: Secondary Education; **Nationality:** Indian; **DIN**: 00377202.	Originally appointed on the Board as an Additional Director w.e.f. January 17, 2025 Further regularised as Non-Executive Director w.e.f. January 17, 2025.	32,49,784 Equity Shares of ₹ 10 each; 20 % of Pre-Issue Paid Up Capital	**Indian Companies:** ➢ Ambica Cotseeds Limited. **Foreign Companies:** Nil
4.	**Vishnubhai Prahladdas Patel;** **Father Name:** Late Prahaladbhai Chimanlal Patel; **Date of Birth**: June 1, 1968; **Age**: 58 Years; **Designation**: Non-Executive Director; **Address**: 12, Mahalaxmi Society, Karannagar Road, Kadi, Mahesana, Gujarat-382715, India; **Experience**: 15 Years in cotton ginning and spinning industry; **Occupation**: Business; **Qualifications**: Secondary Education; **Nationality**: Indian; **DIN**: 00375791.	Originally appointed on the Board as Director (Executive) w.e.f. August 05, 2024 Further reappointed as Director (Non-Executive) w.e.f. January 17, 2025.	32,49,784 Equity Shares of ₹ 10 each; 20 % of Pre-Issue Paid Up Capital	**Indian Companies:** ➢ Ambica Cotseeds Limited; ➢ Mahatma Hotels LLP. **Foreign Companies: Nil**
5.	**Rohit Khandelwal;** **Father Name**: Purushottam Khandelwal; **Date of Birth**: October 02, 1989; **Age**: 36 Years; **Designation**: Independent Director; **Address:** 202, Morya Daisy, Morya Garden, Kanadia, Indore MP 452016, India; **Experience:** More than 6 Years in finance, valuation, and corporate advisory; **Occupation:** Service; **Qualifications:** Chartered Accountant, Company Secretary & Registered Valuer; **Nationality:** Indian; **DIN**: 07038360.	Appointed as an Additional Independent Director w.e.f. April 16, 2026. Further regularised as Non-Executive Independent Director w.e.f. April 23, 2026 for 5 Years and shall not be liable to retire by rotation.	Nil	**Indian Companies:** ➢ Velnik India Limited; ➢ Gabbar Mediatech Private Limited. **Foreign Companies:** Nil
6.	**Bhavika Sanghani;** **Father Name:** Hitendra Shah; **Date of Birth**: November 11, 1991; **Age**: 34 Years; **Designation**: Independent Director; **Address:** Flat No. 1803, Bldg No. 1, Paraiso,	Appointed as an Additional Independent Director w.e.f. April 16, 2026. Further regularised as	Nil	**Indian Companies:** Nil **Foreign Companies:** Nil.

S. No	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre-Issue)	Other Directorships
	Near Arihant Bldg Padle Gaon, Kalyan Shil Main Road, Kalyan Thane, Maharashtra-421204, India; **Experience:** More than 6 Years in the secretarial functions and corporate governance; **Occupation**: Service; **Qualifications:** Company Secretary, Bachelor of Business Administration; **Nationality:** Indian; **DIN**: 10492381.	Non-Executive Independent Director w.e.f April 23, 2026 for 5 Years and shall not be liable to retire by rotation.		

CONFIRMATIONS

As on the date of the Red Herring Prospectus:

- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company;
- None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company;
- None of the above-mentioned Directors are on the RBI list of willful defaulters or fraudulent borrower as on the date of filling of this Red Herring Prospectus;
- Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and person in control of our Company has/ have not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority;
- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Directors and promoters of our company;
- None of Promoter or Directors of our Company are a fugitive economic offender as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018;
- Except as disclosed in chapter titled *"Outstanding Litigations and Material Developments"* beginning on page 238 of this Red Herring Prospectus, there is no criminal cases filed or being undertaken with regard to alleged commission of any offence by any of our directors which also effected the business of our company and none of directors of our Company have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.

NATURE OF ANY FAMILY RELATIONSHIP BETWEEN ANY OF OUR DIRECTORS

Except as given below none of the Directors of the Company are related to each other as per Sec 2(77) of Companies Act, 2013.

S. No.	Name of Director	Nature of Relationship
1.	Nirav Bharatbhai Patel	Son of Bharatbhai Prahladbhai Patel
2.	Jasmin Visnubhai Patel	Son of Vishnubhai Prahladbhai Patel
3.	Bharatbhai Prahaladbhai Patel	Brother of Vishnubhai Prahladdas Patel; Father of Nirav Bharatbhai Patel
4.	Vishnubhai Prahladdas Patel	Brother of Bharatbhai Prahaladbhai Patel; Father of Jasmin Visnubhai Patel

ARRANGEMENTS WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our directors were selected as Directors or members of the senior management.

SERVICE CONTRACTS

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment other than the statutory benefits provided by our Company. However, Executive Directors of our Company are appointed for specific term and conditions for which no formal agreements are executed, however their terms and conditions of appointment and remuneration are specified and approved by the Board of Directors and Shareholders of the Company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the Directors and Key Managerial Personnel/Senior Management, are entitled to any benefits upon termination of employment.

BORROWING POWERS OF THE BOARD OF DIRECTORS

Our Company has passed a Special Resolution in the Extra Ordinary General Meeting of the members held on January 17, 2025 authorizing the Board of Directors of the Company under Section 180(1)(c) of the Companies Act, 2013 to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of ₹ 100 Crore (Rupees One hundred Crores only).

BRIEF PROFILE OF OUR DIRECTORS

Nirav Bharatbhai Patel

Nirav Bharatbhai Patel, aged 40 years is Chairman and Managing Director and also the Promoter of our Company. He was appointed on the Board on August 05, 2024 as Director and further designated as Chairman and Managing Director for a period of 5 years w.e.f. January 17, 2025, not liable to be retire by rotation. He was the Designated Partner in Vivekanand Cotspin LLP since incorporation and was actively involved in the affairs of the LLP prior to the conversion. He holds degree of Bachelor of Accounting/ Bachelor of Business (Management) from Central Queensland University and has experience of 15 years in cotton ginning and spinning industry.

Jasmin Visnubhai Patel

Jasmin Visnubhai Patel, aged 33 years is Whole Time Director and Promoter our Company. He was appointed on the Board on November 15, 2024 as an Additional Director and further designated as Whole Time director for a period of 5 years w.e.f. January 17, 2025, liable to be retire by rotation. He holds degree of Bachelor of Engineering (Textile Technology). He has 6 years of rich experience in cotton ginning and spinning industry. He is a dynamic entrepreneur and was actively involved with in the affairs of the Vivekanand Cotspin LLP as a partner since 2015 prior to the conversion into Vivekanand Cotspin Limited. During his tenure he has demonstrated expertise in operational management, quality assurance, and technical innovation to enhance production processes and achieve business objectives. Currently, he oversees the operations of Company, ensuring that the plant runs efficiently and meets the standards of quality and productivity.

Bharatbhai Prahaladbhai Patel

Bharatbhai Prahaladbhai Patel, aged 64 years is Non-Executive Director and Promoter our Company. He was appointed on the Board on January 17, 2025 as a Director. He holds degree of Secondary Education. He has 15 years of rich experience in cotton ginning and spinning industry. He was actively involved with in the affairs of the Vivekanand Cotspin LLP as a partner since 2015 prior to the conversion into Vivekanand Cotspin Limited. He has been instrumental in shaping the company’s growth, implementing advanced manufacturing processes, and ensuring high standards in cotton production. He possesses expertise in quality production, manpower management, machine processes, and machine-making. Known for solving complex machine issues and ensuring efficient operations, Bharatbhai Patel is committed to driving excellence in every aspect of business operations.

Vishnubhai Prahaladdas Patel

Vishnubhai Prahaladdas Patel, aged 58 years is Non-Executive Director and Promoter our Company. He was appointed on the Board on August 05, 2024 as an Executive Director and resigned from the post of Executive Director on January 17, 2025 and reappointed as a Non-Executive Director on the same day. He was the designated partner in Vivekanand Cotspin LLP since incorporation and was actively involved in the affairs of the LLP prior to the conversion. He holds degree of Secondary Education. He has 15 years of rich experience in cotton ginning and spinning industry. With years of experience in the textile sector, he has been instrumental in driving the company’s strategic direction and overseeing its growth in the highly competitive cotton industry.

His expertise lies in quality control, production optimization, and process management, which has enabled Vivekanand Cotspin to maintain high standards in its operations.

Rohit Khandelwal

Rohit Khandelwal, aged 36 years is Non-Executive and Independent Director of our Company. He was appointed on the Board as Independent Director w.e.f. April 16, 2026 for a period of 5 years and shall not be liable to retire by rotation. He is a commerce graduate and a multi-qualified professional with experience of more than 6 years in finance, valuation, and corporate advisory. He is a Fellow Member of the Institute of Chartered Accountants of India (ICAI), an Associate Member of the Institute of Company Secretaries of India (ICSI), and a Registered Valuer under the Securities or Financial Assets category with the Insolvency and Bankruptcy Board of India (IBBI). He is also a regular speaker at various professional forums for members and students of Chartered Accountants and Company Secretaries. He is currently practicing as a Chartered Accountant and Registered Valuer and serves as a Working Partner at SPARK & Associates Chartered Accountants LLP, where he leads the Corporate Consultancy division. His professional experience combines strong legal expertise and corporate governance knowledge, making him an invaluable asset to the company's board.

Bhavika Sanghani

Bhavika Sanghani, aged 34 years is Non-Executive and Independent Director of our Company. She was appointed on the Board as Independent Director w.e.f. April 16, 2026 for a period of 5 years and shall not be liable to retire by rotation. She holds a degree of Bachelor of Business Administration (BBA) and Associate Member of the Institute of Company Secretaries of India (ICSI). She has more than 6 years of experience in the secretarial functions and corporate governance. Possesses deep expertise in the Companies Act, 2013, listing regulations and allied legal compliances and agreements. Demonstrated track record of ensuring regulatory compliance while effectively supporting board-level decision-making and governance processes. In her role as an independent director, she is responsible for ensuring that the Company adheres to high standards of corporate governance, transparency, and regulatory compliance. Her contributions include providing unbiased opinions on the company's strategic decisions, risk management policies, and financial oversight.

COMPENSATION AND BENEFITS TO THE MANAGING DIRECTOR AND WHOLE TIME DIRECTORS AS FOLLOWS

The compensation payable to our Managing Director and Whole-time Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director and Whole Time Director:

Particulars	Nirav Bharatbhai Patel	Jasmin Visnubhai Patel
Re-Appointment / Change in Designation	January 17, 2025	January 17, 2025
Designation	Chairman and Managing Director	Whole Time Director
Term of Appointment	For a period of 5 Years from January 17, 2025 to January 16, 2030.	For a period of 5 Years from January 17, 2025 to January 16, 2030.
Salary	Upto ₹30 Lakhs per annum	Upto ₹30 Lakhs per annum
Bonus	NA	NA
Perquisite/Benefits	In addition to the salary, he shall be eligible for the following perquisites which shall not be included in the computation of the ceiling on remuneration specified hereinabove: (i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. (ii) Gratuity payable at a rate not	In addition to the salary, he shall be eligible for the following perquisites which shall not be included in the computation of the ceiling on remuneration specified hereinabove: (i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. (ii) Gratuity payable at a rate not

Particulars	Nirav Bharatbhai Patel	Jasmin Visnubhai Patel
	exceeding half month's salary for each completed year of service. (iii) Encashment of leave at the end of the tenure.	exceeding half month's salary for each completed year of service. (iii) Encashment of leave at the end of the tenure.
Commission	NA	NA
Remuneration paid for Year 2025-26	NIL	NIL

**Our company does not have any Subsidiary Company.*

BONUS OR PROFIT SHARING PLAN FOR OUR DIRECTORS

We have no bonus or profit-sharing plan for our Directors.

SITTING FEE PAYABLE TO NON-EXECUTIVE DIRECTORS

The Articles of Association of our Company provides that payment of sitting fees to Directors (other than Managing Director & Whole-Time Directors) for attending a meeting of the Board or a Committee thereof shall be decided by the Board of Directors from time to time within the applicable maximum limits. Our Board of Directors has resolved in their meeting dated April 16, 2026 for payment to all Non-Executive Independent Directors for attending each such meeting of the Board or Committee thereof.

CONTINGENT AND/OR DEFERRED COMPENSATION PAYABLE TO OUR DIRECTORS

There are no contingent or deferred compensation payable to our Directors which does not form part of his remuneration.

SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

S. No.	Name of Director	No. of Shares held	Holding in %
1.	Nirav Bharatbhai Patel	32,50,000	20.00
2.	Jasmin Visnubhai Patel	32,50,000	20.00
3.	Bharatbhai Prahaladbhai Patel	32,49,784	20.00
4.	Vishnubhai Prahladdas Patel	32,49,784	20.00

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Red Herring Prospectus.

Our Articles of Association do not require our directors to hold any qualification Equity Shares in the Company.

INTEREST OF DIRECTORS

All the Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board of Directors or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer- "Compensation of our Managing Director a Whole Time Directors" above, under chapter titled *"Our Management"* beginning on page 194 of this Red Herring Prospectus.

Our directors may also be regarded as interested to their shareholding and dividend payable thereon, if any, Our Directors are also interested to the extent of Equity Shares, if any held by them in our Company or held by their relatives.

Further our director may also be interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as Directors/Members/Partners. Further our directors may also be interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners.

All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any Company in which they hold Directorships or any partnership firm in which they are partners.

Except as stated in this section *"Our Management"* or the section titled *"Restated Financial Statement - Related Party Transactions"* beginning on page 194 and 221 respectively of this Red herring Prospectus, and except to the extent of shareholding in our Company, our directors do not have any other interest in our business.

Interest in the property of Our Company

Except as disclosed above and in the chapters titled *"Business Overview" and "Restated Financial Statements –Related Party Transactions"* and *"History and Corporate Structure"* on pages 157, 221 and 190 respectively of this Red Herring Prospectus, our Directors do not have any interest in any property acquired two years prior to the date of this Red Herring Prospectus.

Interest as Creditor of our Company

Except as stated in the chapter of *"Statement of Financial Indebtedness"* of this Red Herring Prospectus beginning on page 224, our company has not availed loans from Directors of our Company as on the date of this Red Herring Prospectus.

Further, Our Directors i.e. Nirav Bharatbhai Patel, Jasmin Visnubhai Patel, Bharatbhai Prahaladbhai Patel and Vishnubhai Prahladdas Patel have provided personal guarantees to secure our existing borrowings from our lenders.

Interest in the business of our Company

Further, save and except as stated otherwise in *"Statement of Related Parties' Transactions"* in the chapter titled *"Restated Financial Statements"* of this Red Herring Prospectus, our directors do not have any other interests in our Company as on the date of this Red Herring Prospectus. Our directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue, or any such intermediaries registered with SEBI.

Other Interests

Except as stated under *"Restated Related Party Transactions"* under Chapter titled "*Restated Financial Statements"* on page 221 of this Red Herring Prospectus, our company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of this Red Herring Prospectus in which our directors are interested.

Except as stated above, none of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company. No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our directors or to the firms or companies in which they are interested as a member by any person either to induce him to become, or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or Company in which he is interested, in connection with the promotion or formation of our Company.

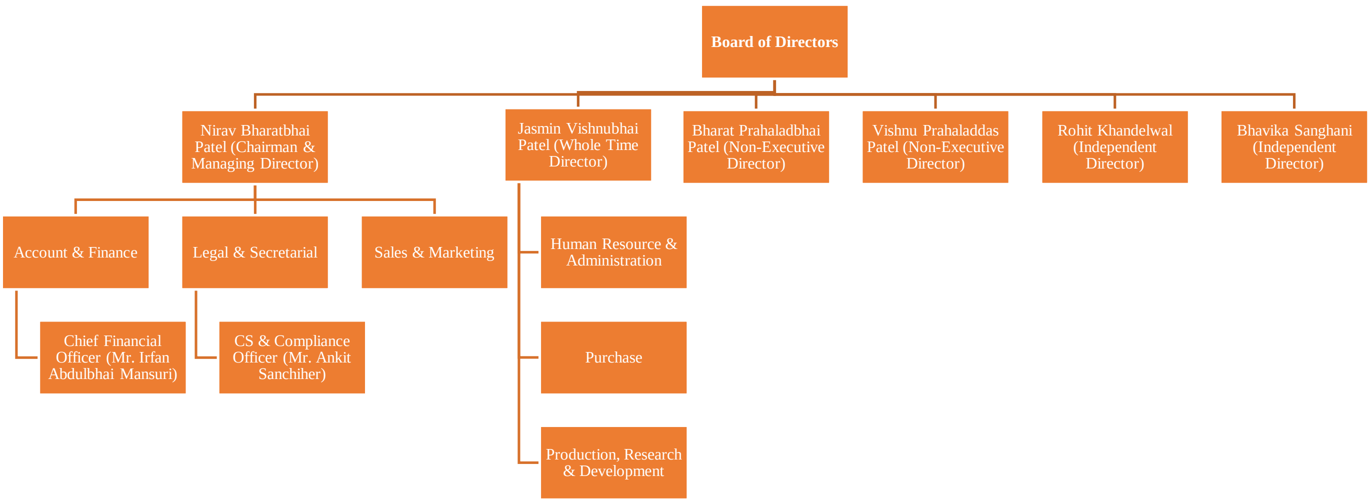
CHANGES IN BOARD OF DIRECTORS IN LAST 3 YEARS

S. No.	Name	Date & Nature of Change	Reasons for Change
1.	Nirav Bharatbhai Patel	Appointed as Chairman & Managing Director w.e.f. January 17, 2025	To ensure better Corporate Governance
2.	Jasmin Visnubhai Patel	Appointed as an Additional Director w.e.f. November 15, 2024. Appointed as Whole Time Director w.e.f. January 17, 2025	To ensure better Corporate Governance
3.	Bharatbhai Prahaladbhai Patel	Appointed as an Additional Director on January 17, 2025	To ensure better Corporate Governance
		Regularisation as Non- Executive Director w.e.f. January 17, 2025	
4.	Vishnubhai Prahladdas Patel	Cessation from the post of Executive Director w.e.f January 17, 2025	Resignation
		Appointed as an Additional Director on January 17, 2025	To ensure better Corporate Governance
		Regularisation as Non- Executive Director w.e.f. January 17, 2025	
5.	Sandeep Kumar Likhamania	Appointed as an Additional Director w.e.f. January 17, 2025	To ensure better Corporate Governance
		Regularisation as Non-Executive Independent Director w.e.f. January 17, 2025	
		Cessation from the post of Directorship w.e.f December 09, 2025	

S. No.	Name	Date & Nature of Change	Reasons for Change
6.	Neha Agarwal	Appointed as an Additional Director w.e.f. January 17, 2025 Regularisation as Non-Executive Independent Director w.e.f. January 17, 2025 Cessation from the post of Directorship w.e.f December 09, 2025	The office of director was vacate on account of her respective resignations due to personal reasons and other professional commitments.
7.	Amitaben Hiteshbhai Patel	Appointed as an Additional Director w.e.f. December 09, 2025 Regularisation as Non-Executive Independent Director w.e.f. December 17, 2025 Cessation from the post of Directorship w.e.f April 09, 2026	The office of director was vacate on account of her respective resignations due to personal reasons and other professional commitments.
8.	Himul Dasharathabhai Patel	Appointed as an Additional Director w.e.f. December 09, 2025 Regularisation as Non-Executive Independent Director w.e.f. December 17, 2025 Cessation from the post of Directorship w.e.f April 09, 2026	The office of director was vacate on account of her respective resignations due to personal reasons and other professional commitments.
9.	Rohit Khandelwal	Appointed as an Additional Director w.e.f. April 16, 2026 Regularisation as Non-Executive Independent Director w.e.f. April 23, 2026	To ensure better Corporate Governance
10.	Bhavika Sanghani	Appointed as an Additional Director w.e.f. April 16, 2026 Regularisation as Non-Executive Independent Director w.e.f. April 23, 2026	To ensure better Corporate Governance

MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:



CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and SEBI (ICDR) Regulations, 2018 in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME Platform of BSE Limited. The requirements pertaining to constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees have been complied with.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of Six (6) directors of which two (2) are Independent Directors (as defined under Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Our Company has constituted the following committees:

1. Audit Committee:

Our Company has constituted an Audit Committee ("Audit Committee"), vide Board Resolution dated April 16, 2026 as per the applicable provisions of the Section 177 of the Companies Act, 2013 and also to comply with Regulation 18 of SEBI Listing Regulations, 2015 applicable upon listing of the Company's Equity shares on SME platform of Bombay Stock Exchange Limited, the constituted Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Rohit Khandelwal	Chairman	Non-Executive Independent Director
Bhavika Sanghani	Member	Non-Executive Independent Director
Nirav Bharatbhai Patel	Member	Chairman and Managing Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

A. Tenure: The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B. Meetings of the Committee: The committee shall meet at least four times in a year and not more than 120 days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two independent members at each meeting.

C. Role and Powers: The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 as amended and Companies Act, 2013 shall be as under:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;
    - 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;
    - changes, if any, in accounting policies and practices and reasons for the same;
    - major accounting entries involving estimates based on the exercise of judgment by management;
    - significant adjustments made in the financial statements arising out of audit findings;
    - compliance with listing and other legal requirements relating to financial statements;
    - disclosure of any related party transactions;
    - modified opinion(s) in the draft audit report;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds 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;

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
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 review the functioning of the whistle blower mechanism;
22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
23. Audit committee shall oversee the vigil mechanism.
24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

a) Management discussion and analysis of financial condition and results of operations;
b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
d) Internal audit reports relating to internal control weaknesses; and
e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
f) Statement of deviations:

- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per the applicable provisions of the Section 178 of the Companies Act, 2013 and also to comply with Regulation 20 of SEBI Listing Regulations, 2015 as amended vide Resolution dated April 16, 2026. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Bhavika Sanghani	Chairman	Non-Executive Independent Director
Rohit Khandelwal	Member	Non-Executive Independent Director
Nirav Bharatbhai Patel	Member	Chairman and Managing Director
Jasmin Vishnubhai Patel	Member	Whole-Time Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

A. **Tenure:** The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.
B. **Meetings:** The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.

C. **Terms of Reference:** Redressal of shareholders' and investors' complaints, including and in respect of:

- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
- Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Regulation 19 of SEBI Listing Regulations, 2015 as amended vide Resolution dated April 16, 2026. The Nomination and Remuneration Committee comprise the following:

Name of the Director	Status in Committee	Nature of Directorship
Bhavika Sanghani	Chairman	Non-Executive Independent Director
Rohit Khandelwal	Member	Non-Executive Independent Director
Bharatbhai Prahaladbhai Patel	Member	Non-Executive Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

A. Tenure: The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

B. Meetings: The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders queries; however, it shall be up to the chairperson to decide who shall answer the queries.

C. Role of Terms of Reference:

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;

- 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;
- Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole Time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
- To formulate and administer the Employee Stock Option Scheme.

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME platform of BSE Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

POLICY FOR DETERMINATION OF MATERIALITY & MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS

The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on listing of Equity Shares on the SME platform of BSE Limited. The Board of Directors at their meeting held on January 18, 2025 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

Our Company is supported by a well-laid team having good exposure to various operational aspects of our line of business. A brief about the Key Managerial Personnel of our Company is given below:

Other than Nirav Bharatbhai Patel, Chairman & Managing Director and Jasmin Visnubhai Patel, Whole-Time Director whose details are provided above, the details of our Key Managerial Personnel of our Company are as follows:

Name, Designation & Educational Qualification	Age (Year)	Date of joining as KMP	Compensation paid for the F.Y ended 2026 (in ₹ Lakhs)	Over all experience (in years)	Previous employment
Name: Irfan Abdulbhai Mansuri **Designation:** Chief Financial Officer **Qualification:** Chartered Accountant	38	Chief Financial Officer w.e.f January 17, 2025	9.60	13 Years in the field of accounting and finance related work	M.M.Group of Companies
Name: Ankit Sanchiher **Designation:** Company Secretary & Compliance Officer **Qualification:** Company Secretary and B.com	36	Company Secretary w.e.f June 29, 2026	NA	More than 3 Years in the field of secretarial and corporate law compliances	GTPL Hathway Limited

The Senior Management of the Company are as follows:

Name, Designation & Educational Qualification	Age (Year)	Date of joining as KMP	Compensation paid for the F.Y ended 2026 (in ₹ Lakhs)	Over all experience (in years)	Previous employment
Name: Anish Koundanya **Designation:** Vice President-Global Markets **Qualification:** B.com, Post Graduate Diploma in Management and Graduate in Cotton Studies – ACSA International Cotton Institute	43	Vice President-Global Markets w.e.f. July 01, 2024	12.00	18 years in the field of marketing, sales, sourcing of raw cotton and cotton yarn across global markets.	Global Business Solutions

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

Irfan Abdulbhai Mansurie

Irfan Abdulbhai Mansuri, aged 38 Years, is the Chief Financial Officer of our Company. He is the member of The Chartered Accountant of India. He was appointed as Chief Financial Officer of our Company on January 17, 2025. He has experience of 13 years in the field of accounting and finance related work. He is responsible for overseeing all finance-related functions within the company, ensuring effective financial management and reporting. His role encompasses managing financial operations, budgeting, and compliance, contributing to the company's financial stability and strategic planning.

Ankit Sanchiher

Ankit Sanchiher, aged 36 Years is the Company Secretary and Compliance Officer of our Company. He is a qualified Company Secretary. He was appointed as Company Secretary and Compliance Officer of our Company on June 29, 2026. He has experience of more than 3 years in the field of secretarial and corporate law compliances. He plays a critical role in overseeing the company's corporate governance and ensuring adherence to regulatory requirements. He is responsible for managing all aspects of secretarial compliance and corporate governance, contributing to the company's adherence to legal and regulatory standards.

Anish Koundanya

Anish Koundanya, aged 43 years is the Vice President-Global Markets of our Company. He holds a post graduate diploma in Finance & Marketing and Bachelors of Commerce degree. He was appointed as Vice President-Global Markets of our Company on July 01, 2024. He has experience of around 18 years across the IT and textile industries, also having global exposure and has played a pivotal role in expanding Indian cotton yarn exports to emerging markets. He leads sourcing, marketing, and consulting services for textile raw materials, including raw cotton fiber and cotton yarn. He will be instrumental in driving the Company's raw material sourcing strategy, strengthening global supplier relationships, ensuring quality standards, and expanding international market presence.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

None of the KMP of the Company are related to each other as per Sec 2 (77) of Companies Act, 2013.

BONUS OR PROFIT-SHARING PLAN FOR THE KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Currently, our Company does not have any bonus or profit-sharing plan for our Key Managerial personnel or Senior Management. In future, discretionary bonus may be paid as may be decided by Nomination and Remuneration Committee/Board of Directors, depending upon the performance and other relevant factors subject to maximum of annual salary within the limits laid down under Para A of Section II of Part II of Schedule V of the Companies Act, 2013.

CHANGES IN THE KEY MANAGERIAL PERSONNEL IN LAST THREE YEARS

There have been no changes in the Key Managerial Personnel of our Company during the last three years except as stated below:

S. No.	Name	Designation	Date of Appointment/	Reasons

			Cessation/Promotion/ Transfer	
1.	Nirav Bharatbhai Patel	Chairman and Managing Director	Appointed as Chairman and Managing Director w.e.f. January 17, 2025	To ensure better Corporate Governance
2.	Jasmin Visnubhai Patel	Whole Time Director	Appointed as Whole Time Director w.e.f. January 17, 2025	To ensure better Corporate Governance
3.	Irfan Abdulbhai Mansuri	Chief Financial Officer	Appointed as Chief Financial Officer w.e.f., January 17, 2025	To ensure better Corporate Governance
4.	Komal Vijaybhai Chauhan	Company Secretary & Compliance Officer	Appointed as Company Secretary & Compliance Officer w.e.f January 17, 2025	To ensure better Corporate Governance
5.	Komal Vijaybhai Chauhan	Company Secretary & Compliance Officer	Cessation as Company Secretary & Compliance Officer w.e.f June 29, 2026	The office of director was vacate on account of her respective resignations due to personal reasons and other professional commitments.
6.	Ankit Sanchiher	Company Secretary & Compliance Officer	Appointed as Company Secretary & Compliance Officer w.e.f June 29, 2026	To ensure better Corporate Governance

EMPLOYEE STOCK OPTION SCHEME/EMPLOYEE STOCK PURCHASE SCHEME/ STOCK APPRECIATION RIGHTS

As on the date of filing of this Red Herring Prospectus, our Company does not have any ESOP/ESPS/SAR Scheme for its employees.

INTEREST OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT IN OUR COMPANY

Apart from shares held in the Company, and to the extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our Key Managerial Personal and Senior Management are interested in our Company.

Except as provided in this Red Herring Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Red Herring Prospectus in which the Key Managerial Personnel and Senior Management are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

For the details unsecured loan taken from or given to our Directors/KMPs/SMPs and for details of transaction entered by them in the past please refer chapter *"Restated Financial Statements"* on page 221 of this Red Herring Prospectus.

PAYMENT OF BENEFIT TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

Except the statutory payments made by our Company, in the last two years preceding the date of this Red Herring Prospectus, our company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/ rewards and has not paid any non-salary amount or benefit to any of its officers.

Notes:

- All the key managerial personnel and Senior Management mentioned above are on the payrolls of our Company as permanent employees;
- There is no arrangement / understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned personnel have been recruited;
- None of our Key Managerial Personnel/ Senior Management has been granted any benefits in kind from our Company, other than their remuneration;
- None of our Key Managerial Personnel/ Senior Management has entered into any service contracts with our Company. No benefits are granted upon their termination from employment other than statutory benefits provided by our company and Our company has not executed any formal service contracts; although they are abide by their terms of appointments.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

There is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management which forms part of their remuneration.

OTHER BENEFITS TO OUR KEY MANAGERIAL PERSONNEL

Except as stated in this Red Herring Prospectus, there are no other benefits payable to our Key Managerial Personnel.

OUR PROMOTERS & PROMOTER GROUP

OUR PROMOTERS

The Promoters of our Company are Nirav Bharatbhai Patel, Jasmin Vishnubhai Patel, Bharatbhai Prahaladbhai Patel, Vishnubhai Prahaladdas Patel, Gautam Bharatkumar Patel, B P Patel Family Trust, V P Patel Family Trust, Ranjanben Bharatbhai Patel and Kapilaben Vishnubhai Patel are the promoters of our Company.

As on the date of this Red Herring Prospectus, Our Promoters, collectively holding 1,62,49,892 Equity Shares which constitute 100% of the issued and paid-up Equity Share capital of our Company. For details see *"Capital Structure"*, on page 84 of this Red Herring Prospectus.

Details of our Individual Promoters:

Nirav Bharatbhai Patel, Chairman & Managing Director

Nirav Bharatbhai Patel, aged 40 years, is the Chairman & Managing Director of our Company.

For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see *"Our Management"* on page 194.

Other ventures of our Promoters - Except as set out in this chapter under heading *"Other ventures of our Promoters"* and the chapter titled *"Our Management"*, our Promoters are not involved with any other venture, as a shareholder/stakeholder, proprietor, partner, promoter or director.

His Permanent Account Number is AYEPP6780A. For details of his shareholding, please see *"Capital Structure"* on page 84.

Jasmin Visnubhai Patel, Whole Time Director

Jasmin Visnubhai Patel, aged 33 years, is the Whole Time Director of our Company.

For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see *"Our Management"* on page 194.

Other ventures of our Promoters - Except as set out in this chapter under heading *"Other ventures of our Promoters"* and the chapter titled *"Our Management"*, our Promoters are not involved with any other venture, as a shareholder/stakeholder, proprietor, partner, promoter or director.

His Permanent Account Number is BPEPP7506N. For details of his shareholding, please see *"Capital Structure"* on page 84.

Bharatbhai Prahaladbhai Patel, Non- Executive Director

Bharatbhai Prahaladbhai Patel, aged 64 years, is the Non-Executive Director of our Company.

For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see *“Our Management”* on page 194.

Other ventures of our Promoters - Except as set out in this chapter under heading *“Other ventures of our Promoters”* and the chapter titled *“Our Management”*, our Promoters are not involved with any other venture, as a shareholder/stakeholder, proprietor, partner, promoter or director.

His Permanent Account Number is ABRPP7924N. For details of his shareholding, please see *“Capital Structure”* on page 84.

Vishnubhai Prahaladdas Patel, Non-Executive Director

Vishnubhai Prahaladdas Patel, aged 58 years, is the Non-Executive Director of our Company.

For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see *“Our Management”* on page 194.

Other ventures of our Promoters - Except as set out in this chapter under heading *“Other ventures of our Promoters”* and the chapter titled *“Our Management”*, our Promoters are not involved with any other venture, as a shareholder/stakeholder, proprietor, partner, promoter or director.

His Permanent Account Number is ABRPP8467G. For details of his shareholding, please see *“Capital Structure”* on page 84.

Gautam Bharatkumar Patel	
Qualification	Higher Secondary Education (12^{th})
Date of Birth	07/01/1984
Age	42 Years
Address	12, Mahalaxmi Society, Karannagar Road, Kadi, Mahesana, Gujarat- 382715
Experience	9 Years of experience in Textile Industry
Occupation	Business
Permanent Account Number	AMZPP8947J
No. of Equity Shares held in VCL [% of Shareholding (Pre Issue)]	32,50,000 Equity Shares of ₹ 10 each; 20 % of Pre-Issue Paid Up Capital
DIN	02027640
Other Interests	Companies/LLP: Truepay Finance Private Limited (*Formerly known as Jain Finscap Private Limited)* Partnership Firm(s): Balaji Oil Mill Ginning & Pressing Factory HUF: Patel Prahladbhai Chimanlal HUF Trust: B P Patel Family Trust (Beneficiary)

Ranjanben Bharatbhai Patel	
Qualification	No such qualification
Date of Birth	01/06/1964
Age	62 Years
Address	12, Mahalaxmi Society, Karannagar Road, Kadi, Mahesana, Gujarat- 382715
Experience	-
Occupation	Homemaker
Permanent Account Number	ABRPP8457E
No. of Equity Shares held in VCL [% of Shareholding (Pre Issue)]	108 Equity Shares of ₹ 10 each; 0.00% of Pre-Issue Paid Up Capital
DIN	-
Other Interests	Companies/LLP: a. Truepay Finance Private Limited (*Formerly known as Jain Finscap Private Limited)* b. Ambica Cotseeds Limited Partnership Firm(s): a. Balaji Oil Mill Ginning & Pressing Factory b. Vivekanand Industries HUF: Patel Prahladbhai Chimanlal HUF Trust: B P Patel Family Trust (Trustee)

Kapilaben Vishnubhai Patel	
Qualification	Senior Secondary
Date of Birth	24/07/1971
Age	55 Years
Address	12, Mahalaxmi Society, Karannagar Road, Kadi, Mahesana, Gujarat- 382715
Experience	-
Occupation	Homemaker
Permanent Account Number	ABRPP8466H
No. of Equity Shares held in VCL [% of Shareholding (Pre Issue)]	Nil
DIN	08569568
Other Interests	Companies/LLP: a. Truepay Finance Private Limited (*Formerly known as Jain Finscap Private Limited)* b. Ambica Cotseeds Limited Partnership Firm(s):a. Balaji Oil Mill Ginning & Pressing Factory b. Vivekanand Industries c. Avadh Cotton Industries HUF: Patel Prahladbhai Chimanlal HUF Trust: V P Patel Family Trust (Trustee)

Details of Trust(s):

1. **B P Patel Family Trust**

Particulars	Details
Date of Creation of Trust	December 17, 2024
Date of Trust Deed	Trust Deed dated December 17, 2024

Name of the Beneficiaries	1. Ranjanben Patel; 2. Nirav Patel; 3. Kinjal Patel; 4. Rivan Patel; 5. Tirth Patel; 6. Gautam Patel; 7. Rutu Patel; 8. Mantra Patel; 9. Khushi Patel; 10. Any Lineal Descendent/s of Mr. Bharatbhai Prahaladbhai Patel
Name of the Trustees	Bharatbhai Patel; Ranjanben Patel.
Name of the Settlor	Bharatbhai Patel
Reason for formation of the trust	Clause 4 of the Trust Deed provides for the objects for which the settlor has set up this trust and those are as follows: 4.1.1. To hold, invest and manage the Trust property in trust for the sole benefit of the Beneficiaries; 4.1.2. To ensure that the Trust Property is properly managed and administered in accordance with the provisions of this Deed; 4.1.3. To make distributions of Income and Capital that comprises the Trust Property received by the Trustees in accordance with the provisions of this deed and in order to provide for different needs, expenses, requirements and contingencies of the Beneficiaries; 4.1.4. To carry on any other business activities with an objective of accretion to the Trust Property for the benefit of the Beneficiaries; 4.1.5. To set-up or invest in any new business venture, as may be agreed by the Trustees; and 4.1.6. To ensure a seamless inter-generational transfer and/or transmission of the Trust Property among the Beneficiaries by providing, *inter alia,* a suitable succession planning structure amongst the Beneficiaries who are family members.

2. V P Patel Family Trust

Particulars	**Details**
Date of Creation of Trust	December 17, 2024
Date of Trust Deed	Trust Deed dated December 17, 2024
Name of the Beneficiaries	1. Kapilaben Patel; 2. Jasmin Patel; 3. Mansi Patel; 4. Avyan Patel; 5. Preetbhai Patel; 6. Himani Patel; 7. Any Lineal Descendent/s of Mr. Vishnubhai Prahaladdas Patel.
Name of the Trustees	Vishnubhai Patel; Kapilaben Patel.
Name of the Settlor	Mr. Vishnubhai Patel
Reason for formation of the trust	Clause 4 of the Trust Deed provides for the objects for which the settlor has set up this trust and those are as follows: 4.1.7. To hold, invest and manage the Trust property in trust for the sole benefit of the Beneficiaries; 4.1.8. To ensure that the Trust Property is properly managed and administered in accordance with the provisions of this Deed; 4.1.9. To make distributions of Income and Capital that comprises the Trust Property received by the Trustees in accordance with the provisions of this deed and in order to provide for different needs, expenses, requirements and contingencies of the Beneficiaries;

Particulars	Details
	4.1.10. To carry on any other business activities with an objective of accretion to the Trust Property for the benefit of the Beneficiaries; 4.1.11. To set-up or invest in any new business venture, as may be agreed by the Trustees; and 4.1.12. To ensure a seamless inter-generational transfer and/or transmission of the Trusst Property among the Beneficiaries by providing, *inter alia,* a suitable succession planning structure amongst the Beneficiaries who are family members.

Declaration

Our Company confirm that the Permanent Account Number, Bank Account Number, Aadhar Card Number, Passport Number and Driving License of the Promoters which are available have been submitted to BSE at the time of filing of Red Herring Prospectus with them.

Other ventures of our Promoters

Save and except as disclosed in this section titled *"Body corporates, partnership firms forming part of the Promoter Group"* under the chapter titled *"Our Promoters & Promoter Group"* and the chapter titled *"Our Management"*, on page 209 and 194 of this Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

Change in control of our Company

Except as stated in the chapter titled *"Our Management"* on page 194 of this Red Herring Prospectus, there has not been any change in the control of our Company in the five years immediately preceding the date of this Red Herring Prospectus.

Interest of our Promoters

Interest in promotion and shareholding of Our Company

Our Promoters are interested in the promotion of our Company to the extent (i) that they have promoted our Company; (ii) their shareholding and the shareholding of their relatives in our Company; (iii) the dividends payable thereon; and (iv) any other distributions in respect of their shareholding in our Company. For further details, please refer to the chapter titled *"Capital Structure"* on page 84.

Additionally, our Promoters may be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) controlled by our Promoters. For details of the Promoters' shareholding in our Company, see *"Capital Structure"* on page 84.

Our Promoters have majority shareholdings in the entities form part of our Promoter Group of our Company. For risks relating to the same, please refer to *"Risk Factors"* at page 19 and *"Restated Financial Statements"* on page 221.

Interest in the property of Our Company

Except as stated in the section *"Business Overview"* and *"Restated Financial Statements"*, on pages 157 and 221, respectively, our Promoters do not have any interest in any property acquired by our Company in the three years preceding the date of this Red Herring Prospectus or proposed to be acquired by our Company or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery, other than in the normal course of business.

Interest in our Company arising out of being a member of a firm or company

Our Promoters are not interested as a member of a firm or a company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person either to induce any of our Promoters to become, or qualify them as a directors, 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.

Other Interests in our Company

The Promoters of our Company are also interested in our Company to the extent of directorship and managerial position held by them and may be deemed to be interested in the remuneration payable to them, where applicable, and the reimbursement of expenses incurred by them in their capacity as the Director. For further details, see *"Our Management"* on page 194.

For transactions in respect of loans and other monetary transactions entered in past please refer forming part of *"Restated Financial Statements"* on page 221 of this Red Herring Prospectus.

Further, our Promoters have given personal guarantees respectively, towards financial facilities availed from the Bankers of our Company, therefore, they are interested to the extent of the said guarantees. Further, they have also extended unsecured loans and are therefore also interested in the extent of the said loans. For further information, see *"Statement Financial Indebtedness"* on page 193 and *"Restated Financial Statements"* on page 221.

Payment of Amount or Benefits to our Promoters and Promoter Group during the last 2 years

Except as disclosed herein and as stated in *"Restated Financial Statements"* on page 221 there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Red Herring Prospectus.

The remuneration to the Promoters is being paid in accordance with the respective terms of appointment, for further details see *"Our Management"* on page 194.

Companies/ Firms with which our Promoters have disassociated in the last (3) three years

Our promoters have not disassociated themselves from any of the Company, Firms or other entities during the last three years preceding the date of this Red Herring Prospectus.

Experience of our Promoters in the business of our Company

Our Promoters are experienced in the line of business in which our Company operates. For details in relation to experience of our Promoters in the business of our Company, see *"Our Management"* and *"Our Promoters & Promoters Group"* on page 194 and 209, respectively.

Material Guarantees to third parties with respect to the Equity Shares

Our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Red Herring Prospectus.

Litigation Details pertaining to our Promoters

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled *"Outstanding Litigations and Material Developments"* on page 238 of this Red Herring Prospectus.

Other confirmations

Our Promoters and members of our Promoter Group have not been declared Willful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters or fraudulent borrowers issued by Reserve Bank of India or any other government authority. Further, there are no violations of securities laws committed by our Promoters and members of the Promoter Group in the past, and no proceedings for violation of securities laws are pending against them.

Our Promoters and members of our Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not and have never been promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters and members of our Promoter Group have not been declared Fugitive Economic Offenders under section 12 of the Fugitive Economic Offender Act, 2018.

Except as mentioned below, none of our Promoters or individuals forming part of our Promoter Group are appearing in the list of directors of struck-off (Voluntary) companies by the ROC or the MCA under Section 248 of the Companies Act.

Name of Promoters/Promoter Group	Designation	Name of Disassociating Entities	Date of Disassociation	Reason for Disassociation
Preet Vishnubhai Patel	Executive Director	Sun Ambica Energy Private Limited	February 19, 2024	Company have been struck off from the Register of ROC.
Nirav Bharatbhai Patel	Executive Director			

There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoters and Company promoted by the promoters during the past three years.

OUR PROMOTER GROUP

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

Natural Persons who are part of the Promoter Group

As per Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters), other than the Promoters, are as follows:

Relationship	NIRAV BHARATBHAI PATEL	VISHNUBHAI PRAHALADDAS PATEL
Father	Bharatbhai Prahaladbhai Patel	Late Prahaladbhai Chimanlal Patel
Mother	Ranjanben Bharatbhai Patel	Kantaben Prahaladbhai Patel
Spouse	Kinjal N Patel	Kapilaben Vishnubhai Patel
Brother	Gautam Bharatkumar Patel	Bharatbhai Prahaladbhai Patel
Sister	-	Renukaben D Patel
Son	Rivan Niravkumar Patel Tirth Niravkumar Patel	Jasmin Vishnubhai Patel Preet Vishnubhai Patel
Daughter	-	-
Spouse's Father	Jayntibhai Vitthaldas Patel	Late Maganbhai Ambalal Patel
Spouse's Mother	Madhukantaben Ambalal Patel	Pashiben Maganbhai Patel
Spouse's Brother	Niraj Patel	Amrutlal Maganlal Patel Late Bharatbhai Manganlal Patel
Spouse's Sister	Jayshree Patel	Ranjanben Bharatbhai Patel Jyotsanaben Dashrathbhai Patel Hansaben Patel Sudhaben Patel

Relationship	BHARATBHAI PRAHALADBHAI PATEL	JASMIN VISNUBHAI PATEL
Father	Late Prahaladbhai Chimanlal Patel	Vishnubhai Prahaladdas Patel
Mother	Kantaben Prahaladbhai Patel	Kapilaben Vishnubhai Patel
Spouse	Ranjanben Bharatbhai Patel	Mansi Jasmin Patel
Brother	Vishnubhai Prahaladdas Patel	Preet Vishnubhai Patel
Sister	Renukaben D Patel	-
Son	Nirav Bharatbhai Patel Gautam Bharatkumar Patel	Avyan Jasminbhai Patel
Daughter	-	-
Spouse's Father	Late Maganbhai Ambalal Patel	Vallabhbhai Maneklal Patel
Spouse's Mother	Pashiben Maganbhai Patel	Diptiben Patel
Spouse's Brother	Amrutlal Maganlal Patel Late Bharatbhai Manganlal Patel	Kanish Vallabhbhai Patel
Spouse's Sister	Kapilaben Vishnubhai Patel Jyotsanaben Dashrathbhai Patel Hansaben Patel Sudhaben Patel	-

Relationship	RANJANBEN BHARATBHAI PATEL	KAPILABEN VISHNUBHAI PATEL
Father	Late Maganbhai Ambalal Patel	Late Maganbhai Ambalal Patel
Mother	Pashiben Maganbhai Patel	Pashiben Maganbhai Patel
Spouse	Bharatbhai Prahaladbhai Patel	Vishnubhai Prahaladdas Patel
Brother	Amrutlal Maganlal Patel Late Bharatbhai Manganlal Patel	Amrutlal Maganlal Patel Late Bharatbhai Manganlal Patel
Sister	Kapilaben Vishnubhai Patel Jyotsanaben Dashrathbhai Patel Hansaben Patel	Ranjanben Bharatbhai Patel Jyotsanaben Dashrathbhai Patel Hansaben Patel Sudhaben Patel
Son	Nirav Bharatbhai Patel Gautam Bharatkumar Patel	Jasmin Vishnubhai Patel Preet Vishnubhai Patel
Daughter	-	-
Spouse's Father	Late Prahaladbhai Chimanlal Patel	Late Prahaladbhai Chimanlal Patel
Spouse's Mother	Kantaben Prahaladbhai Patel	Kantaben Prahaladbhai Patel
Spouse's Brother	Vishnubhai Prahaladdas Patel	Bharatbhai Prahaladbhai Patel
Spouse's Sister	Renukaben D Patel	Renukaben D Patel

Relationship	GAUTAM BHARATKUMAR PATEL
Father	Bharatbhai Prahaladbhai Patel
Mother	Ranjanben Bharatbhai Patel
Spouse	Rutu Gautambhai Patel
Brother	Nirav Bharatbhai Patel
Sister	-
Son	Mantra Gautam Patel
Daughter	Khushi Gautam Patel
Spouse's Father	Manubhai Vitthaldas Patel
Spouse's Mother	Kokilaben Manubhai Patel
Spouse's Brother	Pratik Manubhai Patel
Spouse's Sister	Darshita Vipulkumar Patel

Body corporates, partnership firms forming part of the Promoter Group (other than our Promoter):

S. No.	Nature of Relationship	Entities
1.	Any Body Corporate (other than Subsidiary & Associate) in which 20% or more of the share capital is held by the Promoter or an immediate relative of the Promoter or a firm in which the Promoter or any one or more of his immediate relatives is a member;	1. Ambica Cotseeds Limited 2. Giocert Ventures and Innovations Private Limited 3. Truepay Finance Private Limited (Formerly known as Jain Finscap Private Limited) 4. Shantam Buildcon 5. Altevia Hospitality Private Limited
2.	Any Body Corporate in which a body corporate as provided in (1) above holds 20% or more, of the equity share capital; and	Nil
3.	Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 20%	1. Balaji Oil Mill Ginning & Pressing Factory 2. Patel Prahaladbhai Chimanlal HUF 3. Vivekanand Industries 4. Avadh Cotton Industries

Other persons included in Promoters Group:

None of other persons forms part of promoters group for the purpose of shareholding of the Promoters Group under Regulation 2(1)(pp)(v) of SEBI (ICDR) Regulations 2018.

INFORMATION WITH RESPECT TO GROUP COMPANIES

As per the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group companies with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and other Companies as considered material by our Board.

Further, pursuant to a resolution of our Board dated April 20, 2026 for the purpose of disclosure in relation to Group companies in connection with the Issue, a company shall be considered material and disclosed as a Group company if such company fulfills both the below mentioned conditions:

a) the companies with which there were related party transactions (in accordance with AS-18), as disclosed in the Restated Financial Statements *("Restated Financial Statements")*; and

b) if such company fulfils both the below mentioned conditions:

i. Such company that forms part of the Promoter Group of the Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018; and
ii. The Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the Company as per Restated Financial Statements.

Except as stated below, there are no companies/entities falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group companies/entities:

1. Ambica Cotseeds Limited;
2. Ambica Cotseeds Pte Limited;
3. Truepay Finance Private Limited (Earlier known as Jain Finscap Private Limited);

DETAILS OF OUR GROUP COMPANIES

Financial Information of Group Companies

In terms of the SEBI ICDR Regulations, the following information based on the audited financial statements, in respect of Group Companies, for the last three years shall be hosted on the website of our Company - www.vcottonexport.com.

- Reserves (excluding revaluation reserve);
- Sales;
- Profit after tax;
- Basic earnings per share;
- Diluted earnings per share and;
- Net asset value.

1. Ambica Cotseeds Limited:

Ambica Cotseeds Limited, was incorporated on April 28, 2011 under the Companies Act, 1956 pursuant to certificate of incorporation issued by Registrar of Companies, Ahmedabad Gujarat.

CIN	U15142GJ2011PLC065187
Main Object	To carry on the business to manufacture, de-lint, hull, produce, import, export, buy, sell, process, prepare, crush, refine, blend, filter, deodorize, disintegrate, clean, recover, amalgamate, mix, convert, purify, commercialize, grade, compound, disinfect, derive, excavate, explore, refine and extract all kinds of edible oil, vegetable oils, refined oils, bleached and deodorized oils, hydrogenated oils, rice bran oils, deoiled cakes, poultry feeds, vegetable ghee, its derivatives, by-products, substances, ingredients, solvent extractions and residues from all types of oil seeds such as cotton seeds, soyabeans, ground nuts, castors, linseeds, sunflower, coconut, rapeseed, almond, sesamam, mustard, sea seed, grapeseed, mahuha, sal, ricebran ghani and its derivatives, husks and other allied materials.
Registered Office	SF 12 Parmanand Plaza, opp. Fire Station Nagar Palika, Village: Kadi, Taluka: Kadi, Mahesana, Gujarat-382715, India
Equity Capital	As on the date of this Red Herring Prospectus, the Authorised capital of Ambica Cotseeds Limited is ₹ 7,00,00,000 and the Paid-up Capital is ₹ 6,50,00,000.

2. Ambica Cotseeds PTE Limited:

Ambica Cotseeds PTE Limited, was incorporated on September 12, 2023 under the Companies Act, 1967 (Incorporated in the Republic of Singapore under the Companies Act Cap. 50) pursuant to certificate of incorporation issued by Accounting and Corporate Regulatory Authority.

UEN	202336733E.
Main Object	Wholesale on a fee or commission basis (Excluding online market places)
Registered Office	111 North Bridge Road, #07-09 Peninsula Plaza Singapore 179098.
Share Capital	As on the date of this Red Herring Prospectus, the Issue Capital is Singapore Dollar 1,000.

3. Truepay Finance Private Limited (Earlier known as Jain Finscap Private Limited):

Truepay Finance Private Limited (Earlier known as Jain Finscap Private Limited), was incorporated on June 22, 1995 under the Companies Act, 1956 pursuant to certificate of incorporation issued by Registrar of Companies, Ahmedabad Gujarat.

CIN	U65910GJ1995PTC026442
Main Object	To provide financeon lease, hire or upon hypothecation or pledge of shares debentures securities, promissory notes, bills of exchange or other valuable and negotiable instruments of financial indstrument and generally to act as securities related services, securities, invesements, securities finance company, and housing finance and all other business of finance.
Registered Office	Office No. 604, 6th Floor, Fortune Business Hub, Nr. Satyamev Elysiym, Sola, Ahmedabad, Daskroi, Gujarat, India, 380060
Equity Capital	As on the date of this Red Herring Prospectus, the Authorised capital of Truepay Finance Private Limited is ₹ 6,50,00,000 and the Paid-up Capital is ₹ 6,30,00,000.

Other Confirmations

a) Our Group Companies are not listed on any stock exchange nor the Group Company has made any public and/or rights issue of securities in the preceding three years;
b) Our Group Companies are not in defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against the Group company;
c) Our Group Companies have not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities;
d) Our Group Companies have not been identified as a Wilful Defaulter or fraudulent borrower;
e) Our Group Companies do not hold any Equity Shares, warrants/convertible securities in our Company as of the date of this Red Herring Prospectus.

LITIGATIONS

Except as disclosed in the chapter titled *"Outstanding Litigations and Material developments"* on page 238 of this Red Herring Prospectus, there is no other pending litigations against our Group Companies which can have a material impact on our Company.

COMMON PURSUITS

Our Group Companies are engaged in similar line of business as that our Company. As on the date of this Red Herring Prospectus, our company has entered into non-compete agreement with our Group Company for risks relating to the same, please see *"Risk Factors"* on page 19.

RELATED BUSINESS TRANSACTIONS WITHIN OUR GROUP COMPANIES AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY

Except as disclosed in the Related Party Transactions in the chapter titled "*Restated Financial Statements*" on page 221 of this Red Herring Prospectus, there are no other related business transactions between Group Companies and our company.

BUSINESS INTEREST

Except as disclosed in the Related Party Transactions in the chapter titled "*Restated Financial Statements*" on page 221 of this Red Herring prospectus, our Group Companies do not have any business interest in our company.

NATURE AND EXTENT OF INTEREST OF GROUP COMPANIES

a) In the promotion of our Company:

Our Group Companies does not have any interest in the promotion of our Company.

b) In the properties acquired or proposed to be acquired by our Company in the past three years before filing the Red Herring Prospectus with stock exchange:

Our Group Companies does not have any interest in the properties acquired or proposed to be acquired by our Company in the past three years before filing the Red Herring Prospectus with Stock Exchange.

c) In transactions for acquisition of land, construction of building and supply of machinery:

Our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery.

UNDERTAKING / CONFIRMATIONS BY OUR GROUP COMPANIES

None of our Promoters or Promoter Group or Group company or person in control of our Company has been

i. Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or
ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company or have ever been a Promoter, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group companies/Promoter Group entities have been declared as a wilful defaulter or economic offender by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

The information as required by the SEBI ICDR Regulations with regards to the Group companies, is also available on the website of our company i.e. www.vcottonexport.com.

DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

The Company has not paid any dividend since its incorporation. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in the future. For details in relation to the risk involved, please refer section titled *"Risk Factors"* on page 19 of this Red Herring Prospectus. The dividend history in the past is not necessarily indicative of our dividend amounts, if any, in the future.

SECTION VIII – FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

Independent Auditor's Examination report on
Restated Standalone Financial Information of Vivekanand Cotspin Limited

To,
The Board of Directors
VIVEKANAND COTSPIN LIMITED,
S/No 181/1, 182/1, At Rangpurda, Kadi,
Mehsana, Gujarat, India, 382715

Dear Sirs,

1. We have examined the attached Restated Standalone Financial Information of **VIVEKANAND COTSPIN LIMITED** (the "Company" or the "Issuer") (formed by conversion of a limited liability partnership i.e. "M/s Vivekanand Cotspin LLP", under the provisions of Companies Act, 2013 on August 05, 2024), comprising the Restated Statement of Assets and Liabilities as at March 31, 2026, 2025, August 04 2024, and March 31, 2024 the Restated Statements of Profit and Loss , the Restated Cash Flow Statement for the financial year and period ended on March 31, 2026, 2025, August 04, 2024, and March 31, 2024, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Standalone Financial Information"), as approved by the Board of Directors of the Company at their meeting held on May 30, 2026 for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus / Prospectus (Here-in Offer Documents) prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO").

2. These restated Summary Statement have been prepared in terms of 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 Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

3. The Company's Board of Directors is responsible for the preparation of the Restated Standalone Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, Registrar of Companies, Gujarat and the BSE SME in connection with the proposed IPO. The Restated Standalone Financial Information have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Standalone Financial Information. The Board of Directors' responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

4. We have examined such Restated Standalone Financial Information taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated April 02, 2026 in connection with the proposed IPO of equity shares of the Issuer;

   b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

5. These Restated Standalone Financial Information have been compiled by the management from:

The Audited Financial Statements of the Company for the financial year and period ended on March 31, 2026, 2025, August 4, 2024 and 2024 which has been approved by the Board of Directors.

a) We have relied upon Standalone Audited Financial Statements of the Company as at and the financial year and period ended on March 31, 2026, 2025, August 4, 2024 and 2024 prepared in accordance with the Indian GAAP (also referred as 'AS') which have been approved by the Board of Directors at their meeting held April 20, 2026, August 25, 2025, January 25, 2025 and May 30, 2024 respectively.

6. For the purpose of our examination, we have relied on:

a) Auditors' Report issued by statutory auditor dated April 20, 2026, August 25, 2025, January 25, 2025 and May 30, 2024 respectively on the financial statements of the company for the financial year and period ended on March 31, 2026, 2025, August 4, 2024 and 2024 as referred in Paragraph 5(a) above.

The audits for the financial year and period ended on March 31, 2026, 2025, August 4, 2024 and 2024 were conducted by the Company's statutory auditors, **Mistry & Shah LLP** Chartered Accountants, and accordingly reliance has been placed on the restated statement of assets and liabilities and the restated statements of profit and loss and cash flow statements, the Summary Statement of Significant Accounting Policies, and other explanatory information and collectively, the " Restated Financial Information" examined by them for the said years.

7. Based on our examination and according to the information and explanations given to us, we report that:

a) The **"Restated Summary Statement of Assets and Liabilities"** as set out in **Annexure I** to this report, of the Company as at and for the financial year and period ended on March 31, 2026, 2025, August 4, 2024 and 2024 are prepared by the Company and approved by the Board of Directors. These Restated Standalone Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more. These fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV and V** to this Report.

b) The **"Restated Summary Statement of Profit and Loss"** as set out in **Annexure II** to this report, of the Company as at and for the financial year and period ended on March 31, 2026, 2025, August 04, 2024, and March 31, 2024 are prepared by the Company and approved by the Board of Directors. These Restated Standalone Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV and V** to this Report.

c) The **"Restated Summary Statement of Cash Flow"** as set out in **Annexure III** to this report, of the Company as at and for the financial year and period ended on March 31, 2026, 2025, August 04, 2024, and March 31, 2024 are prepared by the Company and approved by the Board of Directors. These Restated Standalone Summary Statement of Cash Flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV and V** to this Report.

d) The Restated Standalone Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

e) The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;

f) The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments;

g) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;

h) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial year and period ended on March 31, 2026, 2025, August 4, 2024 and 2024 which would require adjustments in this Restated Financial Statements of the Company;

i) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in **Annexure IV and V** to this report;

j) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements

k) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;

l) The company has not proposed any dividend in past effective for the said period.

8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the financial year and period ended on March 31, 2026, 2025, August 04, 2024, and March 31, 2024 proposed to be included in the Offer Documents.

Annexure No.	Particulars
I.	**Restated Statement of Assets & Liabilities**
1	Restated Statement of Share Capital
2	Restated Statement of Reserves & Surpluses
3	Restated Statement of Long-Term Borrowings
4	Restated Statement of Deferred Tax Liabilities
5	Restated Statement of Long-Term provision
6	Restated Statement of Short-Term Borrowings
7	Restated Statement of Trade Payables
8	Restated Statement of Other Current Liabilities
9	Restated Statement of Short-Term Provisions
10	Restated Statement of Property Plants & Equipment’s
11	Restated Statement of Non-Current Investments

Annexure No.	Particulars
12	Restated Statement of Deferred Tax Assets
13	Restated Statement of Long-Term Loans and Advances
14	Restated Statement of Non-Current Assets
15	Restated Statement of Inventories
16	Restated Statement of Trade Receivable
17	Restated Statement of Cash & Cash Equivalent
18	Restated Statement of Short-Term Loans and Advances
19	Restated Statement of Other-Current Assets
II.	**Restated Statement of Profit & Loss**
20	Restated Statement of Revenue from operations
21	Restated Statement of Other Income
22	Restated Statement of Cost of Material Consumed
23	Restated Statement of Purchase of Stock - In - Trade
24	Restated Statement of Changes in Inventories of finished goods and work-in-progress
25	Restated Statement of Employees Benefit Expenses
26	Restated Statement of Finance Cost
10	Restated Statement of Depreciation and Amortization expenses
27	Restated Statement of Other Expenses
28	Restated Statement of Exceptional Item
29	Restated Statement of Earnings Per Share
Other Annexures:	
III	Statement of Cash Flows
IV	Statement of Significant Accounting Policies
V	Notes to the Re-stated Financial Statements
VI	Statement of Accounting & Other Ratios, As Restated
VII	Statement of Capitalization, As Restated
VIII	Statement of Tax Shelter, As Restated
IX	Restated Financial Information

9. We, M/s. S V J K and Associates., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the **"Peer Review Board"** of the ICAI which is valid till November 30, 2026.

10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Standalone audited financial statements mentioned in paragraph 5 above.

11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, the stock exchanges and Registrar of Companies, Gujarat in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume

any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For, S V J K and Associates
Chartered Accountants
Firm Reg. No: 135182W
PRC No: 014698

Sd/
Reeturaj Verma
Partner
Membership No: 193591
UDIN: 26193591DJJKFV9861

Place: Ahmedabad
Date: 30th May, 2026

VIVEKANAND COTSPIN LIMITED
(Formerly known as VIVEKANAND COTSPIN PRIVATE LIMITED)
CIN: U13111GJ2024PLC154066
ANNEXURE - I
STATEMENT OF ASSETS & LIABILITIES, AS RESTATED

(₹ in Lakhs)

	Particulars	Note	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
I	**EQUITY AND LIABILITIES**					
	1. Shareholders' funds					
	(a) Share Capital/ Partners Capital	1	1,625.00	1,500.00	1,500.00	1,500.00
	(b) Reserves and surplus	2	1,268.57	226.46	845.16	562.49
	2. Non-current liabilities					
	(a) Long-term borrowings	3	1,258.69	2,948.94	1,812.14	1,786.79
	(b) Other Non-current liabilities		-	-	-	-
	(c) Deferred Tax Liability (Net)	4	470.48	464.76	620.07	605.90
	(d) Long term provisions	5	48.35	39.60	32.89	29.24
	3. Current liabilities					
	(a) Short-term borrowings	6	3,240.83	2,526.97	1,443.97	2,214.78
	(b) Trade payables	7				
	i) Total outstanding dues of micro enterprises and small enterprises;		39.97	63.24	260.77	247.14
	ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		147.23	552.38	856.26	1,219.71
	(c) Other current liabilities	8	236.16	294.66	164.62	224.30
	(d) Short-term provisions	9	149.77	136.14	87.17	92.80
	TOTAL		**8,485.05**	**8,753.15**	**7,623.05**	**8,483.14**
II.	**ASSETS**					
	1. Non-current assets					
	(a) Property Plant & Equipments and Intangible Assets					
	(i) Property Plant & Equipments	10	4,253.95	4,555.83	4,898.11	5,140.82
	(ii) Intangible Assets		5.33	5.93	-	-
	(b) Non Current Investment	11	-	-	0.00	0.00
	(c) Deferred tax asstes(Net)	12	-	-	-	-
	(d) Long-term loans and advances	13	-	-	-	-
	(e) Other Non Current Assets	14	80.76	198.73	193.85	186.17
	2. Current assets					
	(a) Inventories	15	2,440.57	1,789.47	1,991.76	2,494.56
	(b) Trade receivables	16	1,176.73	1,522.16	40.25	230.83
	(c) Cash and cash equivalents	17	29.75	23.16	11.99	10.40
	(d) Short-term loans and advances	18	136.84	388.99	28.72	24.79
	(e) Other Current Assets	19	361.12	268.88	458.37	395.57
	TOTAL		**8,485.05**	**8,753.15**	**7,623.05**	**8,483.14**

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached

For S V J K and Associates
Chartered Accountants
Firm's Registration No: 135182W

Reeturaj Verma
Partner
M No: 193591
UDIN: 26193591DJJKFV9861

Place: Ahmedabad
Date : 30th May, 2026

For and on behalf of the Board of Directors
VIVEKANAND COTSPIN LIMITED
(Formerly known as VIVEKANAND COTSPIN PRIVATE LIMITED)

Nirav Patel
Managing Director
DIN: 02055489

Vishnubhai Patel
Director
DIN:00375791

Irfan Abdulbhai Mansuri
Chief Financial Officer

Komal Vijaybhai Chauhan
Company Secretary

Place: Kadi
Date : 30th May, 2026

VIVEKANAND COTSPIN LIMITED
(Formerly known as VIVEKANAND COTSPIN PRIVATE LIMITED)
CIN: U13111GJ2024PLC154066
ANNEXURE - II
STATEMENT OF PROFIT & LOSS, AS RESTATED

(₹ in Lakhs)

	Particulars	Note	For the year ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the year ended March 31, 2024
I	Revenue from operations	20	40,801.01	29,046.69	7,546.69	35,738.81
II	Other Income	21	131.14	47.06	10.80	62.81
III	**Total Income (I+II)**		**40,932.15**	**29,093.76**	**7,557.49**	**35,801.62**
	Expenses:					
	(a) Cost of materials consumed	22	23,732.07	15,288.98	5,258.54	20,506.34
	(b) Purchases of stock-in-trade	23	13,341.37	12,059.62	380.65	12,754.25
	(c) Changes in inventories of finished goods and work-in- progress	24	666.46	(430.73)	888.63	(1,213.88)
	(d) Employee benefits expense	25	415.45	277.90	110.93	418.12
	(e) Finance costs	26	556.81	260.91	182.92	440.04
	(f) Depreciation and amortisation expense	10	570.77	387.90	211.41	557.99
	(g) Other expenses	27	1,136.35	910.37	389.57	1,814.51
IV	**Total expenses**		**40,419.27**	**28,754.95**	**7,422.65**	**35,277.38**
V	**Profit /(Loss) before tax and Exceptional Items (III-IV)**		**512.87**	**338.81**	**134.84**	**524.24**
VI	**Exceptional Items**	28	-	15.91	-	-
VII	**Profit /(Loss) before tax (V-VI)**		**512.87**	**322.90**	**134.84**	**524.24**
VIII	**Tax expense:**					
	(a) Current tax expense		138.37	70.83	33.76	89.03
	(b) Deferred tax charge/(credit)		5.72	(155.31)	14.17	99.88
	(c) Prior Period Taxes		-	-	-	-
			144.09	**(84.48)**	**47.93**	**188.91**
IX	**Profit after tax for the year (VII-VIII)**		**368.78**	**407.38**	**86.90**	**335.33**
XII	**Earnings per share (face value of ₹ 10/- each): (Considering Bonus impact with retrospective effect)**	29				
	(a) Basic (in ₹)		2.45	2.72	0.58	2.24
	(b) Diluted (in ₹)		2.45	2.72	0.58	2.24

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached

For S V J K and Associates
Chartered Accountants
Firm's Registration No: 135182W

Reeturaj Verma
Partner
M No: 193591
UDIN: 26193591DJJKFV9861

Place: Ahmedabad
Date : 30th May, 2026

For and on behalf of the Board of Directors
VIVEKANAND COTSPIN LIMITED
(Formerly known as VIVEKANAND COTSPIN PRIVATE LIMITED)

Nirav Patel
Managing Director
DIN: 02055489

Vishnubhai Patel
Director
DIN:00375791

Irfan Abdulbhai Mansuri
Chief Financial Officer

Komal Vijaybhai Chauhan
Company Secretary

Place: Kadi
Date : 30th May, 2026

VIVEKANAND COTSPIN LIMITED
(Formerly known as VIVEKANAND COTSPIN PRIVATE LIMITED)
CIN: U13111GJ2024PLC154066
ANNEXURE - III
STATEMENT OF CASH FLOW, AS RESTATED

(₹ in Lakhs)

Particulars	For the period ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the period ended March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Exceptional Items	512.87	338.81	134.84	524.24
Adjustment For:				
(a) Depreciation and Amortization	570.77	387.90	211.41	557.99
(b) Prior period adjustment in Reserves and surplus	(1.67)	(180.92)	-	-
(c) Interest Income	(23.48)	(32.63)	(3.77)	(9.98)
(d) Finance Cost	556.81	260.91	182.92	440.04
Operating Profit before Working Capital Changes	**1,615.30**	**774.07**	**525.40**	**1,512.30**
Adjustment For :				
(a) (Increase)/Decrease in Trade Receivables	345.43	(1,481.91)	190.58	745.78
(b) (Increase)/Decrease in Loans & Advances & Other Assets	159.91	(170.78)	(66.73)	(184.95)
(c) Increase /(Decrease) in Trade Payables & Other Liabilities	(486.93)	(371.36)	(409.50)	1,378.90
(d) (Increase)/Decrease in Inventories	(651.10)	202.29	502.80	(923.68)
(e)Increase /(Decrease) in Short Term Provisions	13.63	48.97	(5.63)	10.65
(f)Increase /(Decrease) in Long Term Provisions	8.75	6.71	3.65	(9.93)
CASH GENERATED FROM OPERATIONS	1,005.01	(992.02)	740.56	2,529.07
Less : Direct Taxes paid	(138.37)	(70.83)	(33.76)	(89.03)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	**866.64**	**(1,062.85)**	**706.80**	**2,440.04**
Exceptional Items	-	(15.91)	-	-
NET CASH FROM OPERATING ACTIVITIES (A)	**866.64**	**(1,078.76)**	**706.80**	**2,440.04**
B. **CASH FLOW FROM INVESTING ACTIVITIES**				
(a) Sales / (Addition) in Fixed Assets & WIP	(268.29)	(51.55)	31.29	(1,531.63)
(b) (Increase) / Decrease in Investment	-	0.00	-	-
(c) (Increase)/Decrease in Other Non Current Assets	117.97	(4.88)	(7.68)	(22.24)
(d) Interest received	23.48	32.63	3.77	9.98
NET CASH FROM INVESTING ACTIVITIES (B)	**(126.84)**	**(23.80)**	**27.39**	**(1,543.89)**
C. **CASH FLOW FROM FINANCING ACTIVITIES**				
(a) Proceeds from Issue of Share Capital	800.00	-	-	-
(b) Proceeds/(Repayment) from Long Term Borrowings	(1,690.25)	291.63	25.35	779.39
(c) Proceeds/(Repayment) from Short Term Borrowings	713.86	1,083.01	(770.81)	38.70
(d) Interest Paid	(556.81)	(260.91)	(182.92)	(440.04)
(e) Increase/(Decrease) in Partner's Capital	-	-	195.77	(1,366.85)
NET CASH FLOW IN FINANCING ACTIVITIES (C)	**(733.20)**	**1,113.73**	**(732.61)**	**(988.79)**
NET INCREASE IN CASH & CASH EQUIVALENTS (A)+(B)+(C)	6.59	11.17	1.58	(92.64)
OPENING BALANCE – CASH & CASH EQUIVALENT	**23.16**	**11.99**	**10.40**	**103.04**
CLOSING BALANCE - CASH & CASH EQUIVALENT	**29.75**	**23.16**	**11.99**	**10.40**

As per our report of even date attached

For S V J K and Associates
Chartered Accountants
Firm's Registration No: 135182W

For and on behalf of the Board of Directors
VIVEKANAND COTSPIN LIMITED
(Formerly known as VIVEKANAND COTSPIN PRIVATE LIMITED)

Reeturaj Verma
Partner
M No: 193591
UDIN: 26193591DJJKFV9861

Nirav Patel
Managing Director
DIN: 02055489

Vishnubhai Patel
Director
DIN:00375791

Irfan Abdulbhai Mansuri
Chief Financial Officer

Komal Vijaybhai Chauhan
Company Secretary

Place: Ahmedabad
Date : 30th May, 2026

Place: Kadi
Date : 30th May, 2026

VIVEKANAND COTSPIN LIMITED
(Formerly known as VIVEKANAND COTSPIN PRIVATE LIMITED)
CIN: U13111GJ2024PLC154066
ANNEXURE - IV

ANNEXURE IV: CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

1 CORPORATE INFORMATION:

Vivekanand Cotspin Limited (formerly Vivekanand Cotspin LLP and subsequently Vivekanand Cotspin Private Limited) is a public company incorporated under the Companies Act, 2013 with Corporate Identification Number U13111GJ2024PLC154066. The entity was originally formed as a Limited Liability Partnership on July 21, 2015, converted into a private company on August 5, 2024, and thereafter into a public company on December 16, 2024 .The registered office of the Company is situated at S/No 181/1, 182/1, At Rangpurda, Kadi, Mahesana-382715, Gujarat, India.The principal business activities of Vivekanand Cotspin Limited encompass the ginning of cotton, spinning of cotton yarn, and trading in cotton bales, and cotton yarn.

2 RESTATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:

The accounting policies set out below have been applied consistently to the year presented in these financial statements.

a) Basis of Preparation of Restated Financial Statements:

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, as applicable. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

The Financial Statements are prepared on accrual basis, in accordance with the accounting standards prescribed by the Institute of Chartered Accountants of India. However, the insurance claims and other than cash compensatory Incentives are accounted based on the receipt. The company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis, except in case of significant uncertainties relating to income.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/noncurrent classification of assets and liabilities.

b) Use of estimates and judgements

The presentation of financial statements in conformity with the GAAP requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates
is recognized in the period in which the results are known / materialized.

c) Current versus non-current classification

Property Plant &Equipment are stated at Cost or at Revalued Amount, net of GST Credit less Accumulated Depreciation. All costs including financing costs till commencement of commercial production and Exchange rate variations relating to the Borrowing are capitalized / adjusted to the Property Plant &Equipment

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs that are directly attributable to the acquisition / construction of the qualifying asset are capitalized as part of the cost of such asset, up to the date of acquisition / completion of construction.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. The company identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the remaining life.

e) Depreciation and amortization

Depreciation has been provided on the Fixed Asset on the WDV method and in accordance with the useful life of the Asset as prescribed under Schedule II of the Companies Act, 2013.
The useful life of the Assets has been taken as below;

Type of Assets	Useful Life
Buildings	30 Years
Plant and Equipment	15 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Office equipment	5 Years
Computers	3 Years

f) Impairment of assets

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognised as income in the statement of profit and loss.

g) Leases

Assets taken on lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating leases. Lease rentals under operating leases are recognised in the statement of profit and loss on a straight-line basis.

h) Investment

Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long-term investments, comprising investments in mutual funds, government securities and bonds are stated at the lower of cost and fair value.

i) Inventories

Raw materials are carried at the lower of cost and net realisable value. Cost is determined on a FIFO (First In First Out) basis. Purchased goods-in-transit are carried at cost. Work-in-progress is carried at cost . Stores and spare parts are carried at cost . Finished goods produced or purchased by the Company are carried at lower of cost and net realisable value. Cost includes direct material and labour cost and a proportion of manufacturing overheads.

j) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

k) Revenue recognition

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods. Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery of goods, based on contracts with the customers. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract. Other operating income is accounted on accrual basis as and when the right to receive arises.

a) Dividend income is recognized when the right to receive is established.

b) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.

c) Interest received on delayed payment is accounted on accrual basis.

d) All benefits, claims, entitlements etc. under Goods & Service Tax, Government Textile Policy Benefits are recognized as per the terms of the scheme and on accrual basis.

l) Employee Benefits

Post-employment benefit plans

Contributions to defined contribution retirement benefit schemes are recognised as expense when employees have rendered services entitling them to such benefits.

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in the statement of profit and loss for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, or amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

m) Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue

n) Foreign currency transactions

Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities other than net investments in non-integral foreign operations are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses are recognised in the statement of profit and loss. Exchange difference arising on a monetary item that, in substance, forms part of an enterprise's net investments in a non-integral foreign operation are accumulated in a foreign currency translation reserve.

o) Taxation

Current income tax expense comprises taxes on income from operations in India. Income taxpayable in India is determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax expense or benefit is recognised on timing differences being the difference between the carrying amounts of assets and liabilities in the balance sheet and their tax bases, where such differences are expected to reverse in one or more future periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

p) Earnings Per Shares

Basic earning per share is computed by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earning per share is computed by taking into account the weighted average number of equity shares outstanding during the period and the weighted average number of equity shares which would be issued on conversion of all dilutive potential equity shares into equity shares.

q) Provisions, Contingent liabilities and Contingent assets

A provision is recognised when the Company has a present obligation 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 reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

VIVEKANAND COTSPIN LIMITED
(Formerly known as VIVEKANAND COTSPIN PRIVATE LIMITED)
CIN: U13111GJ2024PLC154066
ANNEXURE - V

1 **Restated Statement of Share Capital** (₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Authorised Capital				
No. of Equity Shares of ₹ 10/- each	2,50,00,000	2,50,00,000	-	-
Authorised Equity Share Capital In Rs.	2,500.00	2,500.00	-	-
Issued, Subscribed & Fully Paid up				
No. of Equity Shares of ₹ 10/- each	1,62,50,000	1,50,00,000	-	-
Issued, Subscribed & Fully Paid up Share Capital In Rs.	1,625.00	1,500.00	-	-
Partner's Fixed Capital Account	-	-	1,500.00	1,500.00
Total	1,625.00	1,500.00	1,500.00	1,500.00

Note: The Company has been formed by conversion of a limited liability partnership i.e. "**M/s Vivekanand Cotspin LLP**", under the provisions of Companies Act, 2013. 1,50,00,000 equity shares of face value ₹10.00 each were allotted to the erstwhile partners in lieu of their fixed capital balances aggregating ₹15,00,00,000 and no cash consideration was additionally received by the company for such issue. The Firm was converted to a private limited company with effect from August 5,2024 and subsequently converted into Public Limited Company on December 16, 2024.

Reconciliation of the number of shares outstanding is set out below:-

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
	Number of Shares	Number of Shares	Number of Shares	Number of Shares
Shares outstanding at the beginning of the year	1,50,00,000	-	-	-
Add:-Shares Issued during the year				
Fresh Issue	-	-	-	-
Right Shares Issued	12,50,000	-	-	-
shares issued to partners on conversion from Partners Capital account	-	1,50,00,000	-	-
Less:Shares bought back during the year				
Other Changes (give details)	-	-	-	-
Shares outstanding at the end of the year	**1,62,50,000**	**1,50,00,000**	-	-

The Company issued 12,50,000 equity shares under a rights issue to existing shareholders at the ratio of 1 share for every 12 fully paid-up equity shares held, at a face value of ₹10 per share and a premium of ₹54 per share, on 25 March 2026.

Details of Shareholders holding more than 5 % shares:-

Name of Shareholder	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Nirav Bharatbhai Patel				
Number of Shares	32,50,000	30,00,000	NA	NA
% of Holding	20.00%	20.00%	NA	NA
Vishnubhai Prahladdas Patel				
Number of Shares	32,49,784	29,99,800	NA	NA
% of Holding	19.99%	19.99%	NA	NA
Jasmin Vishnubhai Patel				
Number of Shares	32,50,000	30,00,000	NA	NA
% of Holding	20.00%	20.00%	NA	NA
Gautam Bharatkumar Patel				
Number of Shares	32,50,000	30,00,000	NA	NA
% of Holding	20.00%	20.00%	NA	NA
Bharatbhai Prahaladbhai Patel				
Number of Shares	32,49,784	29,99,800	NA	NA
% of Holding	19.99%	19.99%	NA	NA

Details of promoters holding shares:-

Name of Shareholder	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Nirav Bharatbhai Patel (P)				
Number of Shares	32,50,000	30,00,000	NA	NA
% of Holding	20.00%	20.00%	NA	NA
Vishnubhai Prahladdas Patel (P)				
Number of Shares	32,49,784	29,99,800	NA	NA
% of Holding	19.99%	19.99%	NA	NA
Jasmin Vishnubhai Patel (P)				
Number of Shares	32,50,000	30,00,000	NA	NA
% of Holding	20.00%	20.00%	NA	NA
Gautam Bharatkumar Patel (P)				
Number of Shares	32,50,000	30,00,000	NA	NA
% of Holding	20.00%	20.00%	NA	NA
Bharatbhai Prahaladbhai Patel (P)				
Number of Shares	32,49,784	29,99,800	NA	NA
% of Holding	19.99%	19.99%	NA	NA
B P Patel Family Trust (P)				
Number of Shares	108	100.00	NA	NA
% of Holding	0.01%	0.01%	NA	NA
V P Patel Family Trust (P)				
Number of Shares	108	100.00	NA	NA
% of Holding	0.01%	0.01%	NA	NA
Mr. Preet Vishnubhai Patel (PG)				
Number of Shares	108	100.00	NA	NA
% of Holding	0.01%	0.01%	NA	NA
Mrs. Ranjanben Bharatbhai Patel (PG)				
Number of Shares	108	100.00	NA	NA
% of Holding	0.01%	0.01%	NA	NA

P - Promoter
PG-Promoter Group

VIVEKANAND COTSPIN LIMITED
(Formerly known as VIVEKANAND COTSPIN PRIVATE LIMITED)
CIN: U13111GJ2024PLC154066

2 Restated Statement of Reserves And Surplus (₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
a. Securities Premium				
Opening Balance	-	-	-	-
Add: Issue of Shares	675.00	-	-	-
Closing Balance	**675.00**	-	-	-
b. Surplus in Statement of Profit &				
Opening balance	226.46	-	-	-
(+) Net Profit For the current yea	368.78	407.38	-	-
(-) Adjustment (prior year tax)	(1.67)	(180.92)	-	-
Net Surplus in Statement of Profit and Loss	**593.57**	**226.46**	-	-
c. Partner's Current Capital Account				
Opening balance	-	-	**562.49**	**1,655.05**
Adjustment for provision of Depreciation (adj. for earlier years since incorporation)	-	-	-	(61.04)
Net Profit as per Restated Financial Statements	-	-	86.90	335.33
Net Addition /(withdrawals)	-	-	195.77	(1,366.85)
Closing Balance	-	-	**845.16**	**562.49**
Total	**1,268.57**	**226.46**	**845.16**	**562.49**

3 Restated Statement of Long Term Borrowings (₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Secured Borrowing				
a) From Bank and other				
Working Capital	-	-	-	-
Term Loan	1,087.23	1,577.48	2,015.43	1,998.77
Vehicle Loan	-	-	-	64.78
b) Bonds/ Debentures	-	-	-	-
c) From Other	-	-	-	-
Less: Current Maturities of Long Term Borrowing	490.25	490.25	601.36	636.06
	596.98	**1,087.23**	**1,414.07**	**1,427.49**
Unsecured Borrowing				
a) From Bank and other				
b) Bonds/ Debentures	-	-	-	-
c) From Directors and	661.71	1,861.71	29.07	-
d) From Related Parties	-	-	2.00	2.00
e) From others	-	-	367.00	357.31
Less: Current Maturities of Long Term Borrowing				
Long term maturities of finance lease obligations	-	-	-	-
	661.71	**1,861.71**	**398.07**	**359.31**
Total	**1,258.69**	**2,948.94**	**1,812.14**	**1,786.79**

Note: Additional information to Long term Borrowings - Secured

Lender	Nature of Loan	Rate of Interest per annum	Sanction Amount (₹ in Lakhs)	Period of Repayment	Outstanding Balance as on 31.03.2026 (₹ in Lakhs)	Primary Security	Collateral Security
Bank Of Baroda	Term Loan	8.15%	875.00	60 Months	853.90	Solar PV Ground Mounted Power Plant For 4 MWp	NA
Bank Of Baroda	Term Loan	9.25%	253.00	36 Months	233.33	Exclusive 1st Charge by the way of Hypothecation of entire Raw materials,stock in process,stores & Spares,packing material,finished goods and book debts of the company , both present & future.	1. Equitable mortgage of immovable properties :- R S No 30, R S No 29, R S No 25/1 (All the properties in the name of Ranjanben Bhartibhai Patel and Kapilaben Vishnubhai Patel). & 2. Equitable mortgage of factory land and building situated at Revenue survey no 181/1 (New R S No 577). 182/1 Rangpurda, Taluka: Kadi, Dist: Mehsana, in the name of M/s Avadh Cotton Industries and leased to M/s Vivekanand Cotspin Ltd. & 3. Equitable mortgage of factory land and building situated at Revenue survey no 187/1 (New R S No 895). At: Rangpurda, Taluka: Kadi, Dist: Mehsana, in the name of Bharatbhai Patel and Vishnubhai Patel and leased to M/s Vivekanand Cotspin Ltd. & 4. Personal guarantee of all the directors & promoters of the company

Additional information to Long term Borrowings-From Directors and Partners

(₹ in Lakhs)

Lender	Nature of Loan	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Bharatbhai Patel	Unsecured	147.83	326.53	-	-
Gautam Bharatbhai Patel	Unsecured	119.44	263.89	20.07	-
Jasmin Vishnubhai Patel	Unsecured	239.89	397.39	9.01	-
Nirav Patel	Unsecured	144.63	719.43	-	-
Vishnubhai Patel	Unsecured	9.92	154.47	-	-
Total		**661.71**	**1,861.71**	**29.07**	**-**

Additional information to Long term Borrowings - Unsecured - From Related Parties

(₹ in Lakhs)

Lender	Nature of Loan	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Preet Vishnubhai Patel	Unsecured	-	-	2.00	2.00
Total		**-**	**-**	**2.00**	**2.00**

Additional information to Long term Borrowings - Unsecured loans from other parties

(₹ in Lakhs)

Lender	Nature of Loan	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Ashmita Rameshbhai Patel	Unsecured	-	-	15.76	15.19
Babulal Parsottamdas Patel	Unsecured	-	-	131.96	128.76
Chirag Babulal Patel	Unsecured	-	-	105.57	103.01
Darshita Vipulkumar Patel	Unsecured	-	-	4.70	4.56
Jyotsanaben Ghanshyambhai Patel	Unsecured	-	-	14.19	14.19
Popatlal Girdharlal Company	Unsecured	-	-	31.17	30.23
Popatlal Girdharlal Cotton Company	Unsecured	-	-	63.65	61.37
Total				**367.00**	**357.31**

4 Restated Statement of Deferred Tax Liability

(₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Deferred Tax Liabilities	470.48	464.76	620.07	605.90
Total	**470.48**	**464.76**	**620.07**	**605.90**

(₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Deferred Tax Liability				
Difference between WDV as per books and WDV as per Income	490.37	482.21	633.50	**617.65**
Gross Deferred Tax Liability (A)	**490.37**	**482.21**	**633.50**	**617.65**
Deferred Tax Asset				
Timing Difference due to provision	(14.22)	(11.29)	(13.05)	(11.75)
Expenses provided but allowable in Income tax on Payment basis	(1.88)	(1.11)	(0.38)	-
Preliminary Exps	(3.79)	(5.05)	-	-
Gross Deferred Tax Asset (B)	**(19.89)**	**(17.45)**	**(13.43)**	**(11.75)**
Total	**470.48**	**464.76**	**620.07**	**605.90**

5 Restated Statement Long Term Provisions

(₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Provision for employee benefits	48.35 -	39.60 -	32.89	29.24
Total	**48.35**	**39.60**	**32.89**	**29.24**

6 Restated Statement of Short Tem Borrowings (₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Current Maturity of secured long term debt	490.25	490.25	601.36	636.06
Secured Loans				
From banks : Cash Credit	2,750.58	2,036.72	842.60	1,578.72
Unsecured Loans				
From Directors/Partners	-	-	-	-
From Others	-	-	-	-
Total	**3,240.83**	**2,526.97**	**1,443.97**	**2,214.78**

Note: Additional information to From banks : Cash Credit

Lender	Nature of Loan	Rate of Interest per annum	Sanction Amount (₹ in Lakhs)	Period of Repayment	Outstanding Balance as on 31.03.2026 (₹ in Lakhs)	Primary Security	Collateral Security
Bank Of Baroda	Cash Credit	8.40%	3,600.00	Repayable on Demand	2,403.59	Exclusive 1st Charge by the way of Hypothecation of entire Raw materials,stock in process,stores & Spares,packing material,finished goods and book debts of the company , both present & future.	NA
State Bank of India	Cash Credit	8.90%	1,200.00	Repayable on Demand	346.85	1st Pari passu Charge over Stock, Book debts and other current assetes.	1. Line on Deposits of Rs. 300.00 lakhs & 2. Personal Guarantee of Directors and Promoters
State Bank of India	Export Packing Credit	8.90%		Repayable on Demand	0.13		

7 Restated Statement of Trade Payable (₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Micro, Small and Medium Enterprises	39.97	63.24	260.77	247.14
Others	147.23	552.38	856.26	1,219.71
Total	**187.19**	**615.62**	**1,117.03**	**1,466.85**

Ageing of Trade Payables (₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
(i) Undisputed - Micro enterprises and small enterprises				
Less than 1 year	39.58	63.03	43.02	247.67
1-2 years	0.30	0.29	1.07	0.77
2-3 years	0.08	-	-	-
More than 3 years	-	-	-	-
Total	**39.97**	**63.32**	**44.09**	**248.45**
(ii) Undisputed - other than micro enterprises and small enterprises				
Outstanding for following periods from due date of payment				
Less than 1 year	147.23	527.90	1,071.60	1,216.74
1-2 years	-	23.45	0.22	0.55
2-3 years	-	-	0.17	0.17
More than 3 years	-	0.95	0.95	0.95
Total	**147.23**	**552.30**	**1,072.94**	**1,218.40**
(iii) Disputed Dues MSME	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-
Total	**187.19**	**615.62**	**1,117.03**	**1,466.85**

8 Restated Statement of Other Current Liabilities (₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Salaries and wages payable	28.60	30.01	27.38	70.57
Advances from customers	118.05	196.33	129.11	37.17
Statutory Dues	89.51	68.32	8.13	116.55
Total	**236.16**	**294.66**	**164.62**	**224.30**

9 Restated Statement Short Term Provisions (₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Provision for Gratuity	8.16	5.28	4.44	4.38
Provision for Income tax	60.59	47.73	66.55	43.76
Provision for Expenses	81.01	83.12	16.18	44.66
Total	**149.77**	**136.14**	**87.17**	**92.80**

VIVEKANAND COTSPIN LIMITED
(Formerly known as VIVEKANAND COTSPIN PRIVATE LIMITED)
CIN: U13111GJ2024PLC154066

10 Restated Statement of Property Plant & Equipments and Intangible Assets

(₹ in Lakhs)

	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1st April 2025	Additions	Disposals	Balance as at 31st March, 2026	Balance as at 1st April 2025	Depreciation charge for the year	On disposals	Balance as at 31st March, 2026	Balance as at 31st March, 2026	Balance as at 31st March, 2025
I.	**Property Plant & Equipment**										
	Building	1,614.63	-	-	1,614.63	868.50	70.91	-	939.41	675.22	746.13
	Computers	18.08	1.71	0.18	19.61	17.18	0.59	0.03	17.74	1.87	0.89
	Electrical Installations And Equipment	236.99	-	-	236.99	215.60	5.54	-	221.13	15.86	21.40
	Furniture and Fixtures	6.91	2.61	-	9.52	6.08	0.72	-	6.80	2.72	0.83
	Office equipment	18.31	5.33	-	23.63	15.63	1.99	-	17.61	6.02	2.68
	Plant and Equipment	8,876.47	258.80	-	9,135.26	5,139.99	475.77	-	5,615.76	3,519.50	3,736.47
	Vehicles	99.61	-	-	99.61	52.19	14.66	-	66.85	32.76	47.42
	Total Property Plant & Equipment	**10,870.99**	**268.44**	**0.18**	**11,139.25**	**6,315.17**	**570.16**	**0.03**	**6,885.30**	**4,253.95**	**4,555.83**
II.	**Intangible Assets**										
	Software	5.93	-	-	5.93	-	0.60	-	0.60	5.33	5.93
	Total Intangible Assets	**5.93**	**-**	**-**	**5.93**	**-**	**0.60**	**-**	**0.60**	**5.33**	**5.93**
II.	**Capital Work In Progress**	-	-	-	-	-	-	-	-	-	
	Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total	**10,876.92**	**268.44**	**0.18**	**11,145.18**	**6,315.17**	**570.77**	**0.03**	**6,885.90**	**4,259.28**	**4,561.76**

(₹ in Lakhs)

	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 04th August ,2024	Additions	Disposals	Balance as at 31st March, 2025	Balance as at 04th August ,2024	Depreciation charge for the year	On disposals	Balance as at 31st March, 2025	Balance as at 31st March, 2025	Balance as at 04th August ,2024
I.	**Property Plant & Equipment**										
	Building	1,614.63	-	-	1,614.63	817.19	51.31	-	868.50	746.13	797.43
	Computers	18.08	-	-	18.08	17.18	0.01	-	17.18	0.89	0.90
	Electrical Installations And Equipment	236.99	-	-	236.99	210.70	4.89	-	215.60	21.40	26.29
	Furniture and Fixtures	6.91	-	-	6.91	5.89	0.19	-	6.08	0.83	1.02
	Office equipment	18.31	-	-	18.31	14.89	0.74	-	15.63	2.68	3.42
	Plant and Equipment	8,876.47	-	-	8,876.47	4,821.06	318.94	-	5,139.99	3,736.47	4,055.41
	Vehicles	53.99	45.62	-	99.61	40.36	11.83	-	52.19	47.42	13.63
	Total Property Plant & Equipment	**10,825.37**	**45.62**	**-**	**10,870.99**	**5,927.26**	**387.90**	**-**	**6,315.17**	**4,555.83**	**4,898.11**
II.	**Intangible Assets**										
	Software	-	5.93	-	5.93	-	-	-	-	5.93	-
	Total Intangible Assets	**-**	**5.93**	**-**	**5.93**	**-**	**-**	**-**	**-**	**5.93**	**-**
II.	**Capital Work In Progress**	-	-	-	-	-	-	-	-	-	
	Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total	**10,825.37**	**51.55**	**-**	**10,876.92**	**5,927.26**	**387.90**	**-**	**6,315.17**	**4,561.76**	**4,898.11**

(₹ in Lakhs)

	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1st April 2024	Additions	Disposals	Balance as at 04th August ,2024	Balance as at 1st April 2024	Depreciation charge for the year	On disposals	Balance as at 04th August ,2024	Balance as at 04th August ,2024	Balance as at 31 March 2024
I.	**Property Plant & Equipment**										
	Building	1,614.63	-	-	1,614.63	790.15	27.05	-	817.19	797.43	824.48
	Computers	18.08	-	-	18.08	17.18	-	-	17.18	0.90	0.65
	Electrical Installations And Equipment	236.99	-	-	236.99	208.12	2.58	-	210.70	26.29	28.87
	Furniture and Fixtures	6.91	-	-	6.91	5.79	0.10	-	5.89	1.02	1.12
	Office equipment	17.53	0.78	-	18.31	14.50	0.39	-	14.89	3.42	3.03
	Plant and Equipment	8,874.74	1.73	-	8,876.47	4,642.59	178.47	-	4,821.06	4,055.41	4,232.15
	Vehicles	160.54	0.21	106.75	53.99	110.28	2.82	72.74	40.36	13.63	50.26
	Total Property Plant & Equipment	**10,929.41**	**2.72**	**106.75**	**10,825.37405**	**5,788.59**	**211.41**	**72.74**	**5,927.26**	**4,898.11**	**5,140.57**
II.	**Intangible Assets**										
	Software	-	-	-	-	-	-	-	-	-	-
	Total Intangible Assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
II.	**Capital Work In Progress**	-	-	-	-	-	-	-	-	-	-
	Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total	**10,929.41**	**2.72**	**106.75**	**10,825.37**	**5,788.59**	**211.41**	**72.74**	**5,927.26**	**4,898.11**	**5,140.57**

(₹ in Lakhs)

	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1st April 2023	Additions	Disposals	Balance as at 31st March, 2024	Balance as at 1st April 2023	Depreciation charge for the year	On disposals	Balance as at 31st March, 2024	Balance as at 31st March, 2024	Balance as at 31 March 2023
I.	**Property Plant & Equipment**										
	Building	1,614.63	-	-	1,614.63	703.56	86.58	-	790.15	824.48	911.06
	Computers	18.08	-	-	18.08	17.18	-	-	17.18	0.90	0.90
	Electrical Installations And Equipment	236.99	-	-	236.99	198.04	10.08	-	208.12	28.87	38.96
	Furniture and Fixtures	6.91	-	-	6.91	5.40	0.39	-	5.79	1.12	1.51
	Office equipment	16.62	0.91	-	17.53	13.54	0.96	-	14.50	3.03	3.08
	Plant and Equipment	7,344.02	1,550.31	19.59	8,874.74	4,205.44	437.15	-	4,642.59	4,232.15	3,138.58
	Vehicles	160.54		-	160.54	87.45	22.83	-	110.28	50.26	73.09
	Total Property Plant & Equipment	**9,397.78**	**1,551.21**	**19.59**	**10,929.41**	**5,230.60**	**557.99**	**-**	**5,788.59**	**5,140.82**	**4,167.18**
II.	**Intangible Assets**										
	Software	-	-	-	-	-	-	-	-	-	-
	Total Intangible Assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
II.	**Capital Work In Progress**	-	-	-	-					-	
	Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total	**9,397.78**	**1,551.21**	**19.59**	**10,929.41**	**5,230.60**	**557.99**	**-**	**5,788.59**	**5,140.82**	**4,167.18**

11 Restated Statement of Non Current Investment (₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Unquoted Other Investments in Equity Instruments	-	-	0.00	0.00
Total	**-**	**-**	**0.00**	**0.00**

11.1 Disclosure Regarding Investment (₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Kalupur commercial cooperative bank limited				
No of Shares	-	-	10.00	10.00
Face Value (In Rs)	-	-	10.00	10.00
Unquoted rate (In Rs)	-	-	10.00	10.00
Value of Investment (In Rs)	-	-	100.00	100.00

12 Restated Statement of Deferred Tax Assets (₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Deferred Tax Assets				
On account of timing difference expenses disallowed U/s.of IT Act,1961	-	-	-	-
Total	**-**	**-**		**-**

13 Restated Statement of Long Term Loans and Advances (₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Loan and Advances	-	-	-	-
Total	**-**	**-**		**-**

14 Restated Statement of Other Non Current Assets (₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Security Deposits	38.85	38.85	36.94	36.94
Bank Deposit having maturity of greater than 12 months	41.91	159.88	156.91	149.23
Total	**80.76**	**198.73**	**193.85**	**186.17**

15 Restated Statement of Inventories (Valued at Cost or NRV which ever is lower) (₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
a. Raw Materials and components	1,409.85	135.44	823.81	437.98
b. Work-in-progress	209.24	148.51	112.92	128.70
c. Finished goods	657.99	1,066.59	990.03	1,862.88
d. Stock-in-trade	-	318.58	-	-
e.Stores and spares	163.49	120.35	65.00	65.00
Total	**2,440.57**	**1,789.47**	**1,991.76**	**2,494.56**

16 Restated Statement of Trade receivables (₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Trade Receivables, Unsecured	1,176.73	1,522.16	40.25	230.83
Total	**1,176.73**	**1,522.16**	**40.25**	**230.83**

Ageing of Trade receivables (₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Undisputed				
Trade receivables - Considered good				
Outstanding for following periods from due date of payment				
Less than 6 months	1,175.76	1,516.53	39.65	230.83
6 months -1 year	0.34	5.02	0.60	-
1-2 years	0.63	0.61	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-
Disputed				
Trade receivables - Considered good	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-
Total	**1,176.73**	**1,522.16**	**40.25**	**230.83**

17 Restated Statement of Cash and Bank Balance (₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Cash and Cash Equivalents				
Balances with banks in current accounts	1.90	15.80	-	-
Bank Deposit having maturity of less than 3 months	10.72	-	-	-
Cash on Hand	17.13	7.36	11.99	10.40
Total	**29.75**	**23.16**	**11.99**	**10.40**

18 Restated Statement of Short Term Loans And Advances (₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Loan and Advance to Employees	-	0.25	-	-
Loan and Advance to Other	-	-	-	1.50
Advances to suppliers	136.84	388.74	28.72	23.29
Total	**136.84**	**388.99**	**28.72**	**24.79**

19 Restated Statement of Other current assets (₹ in Lakhs)

Particulars	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Prepaid Expenses	5.03	6.73	28.85	4.23
Forward Exchange Contract	4.62	-	-	-
Interest accrued	2.11	2.56	3.40	7.68
Balances with Government Authorities	5.44	-	-	-
Duty Drawback Receivable	28.33	9.79	7.92	7.92
Export GST Credit Receivable	71.05	38.42	6.62	-
GST Credit	39.40	6.42	220.35	270.04
Rodtep Scrip	60.11	22.30	1.78	-
TDS receivable	-	0.04	6.94	0.01
Yarn VAT Subsidy Receivable	145.03	182.62	182.49	105.71
Other receivable	-	-	0.03	-
Total	**361.12**	**268.88**	**458.37**	**395.57**

20 Restated Statement of Revenue from operations (₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the year ended March 31, 2024
Revenue From Operations				
Sale of products	40,397.70	28,900.01	7,467.46	35,294.91
Sale of services	-	-	-	93.00
Other operating revenues	403.31	146.68	79.22	350.89
Total	**40,801.01**	**29,046.69**	**7,546.69**	**35,738.81**

Product wise Reveune Bifurcation (₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the year ended March 31, 2024
Cotton Bales	15,650.16	16,095.92	2,769.81	21,041.68
Cotton Seed	2,709.63	2,852.21	1,100.69	3,375.51
Cotton Yarn	21,080.23	9,353.64	3,243.40	9,742.95
Cotton Yarn Waste	930.30	592.45	346.06	1,117.61
Job Work Income	-	-	-	93.00
Kapas	-	0.63	-	-
Waste	27.38	5.16	7.50	17.16
Total	**40,397.70**	**28,900.01**	**7,467.46**	**35,387.91**

Geographicalwise Revenue Bifurcation (₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the year ended March 31, 2024
Within India	36,260.70	28,131.71	7,335.02	32,196.77
Outside India	4,137.00	768.30	132.45	3,191.14
Total	**40,397.70**	**28,900.01**	**7,467.46**	**35,387.91**

Statewise Revenue Bifurcation (₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the year ended March 31, 2024
Andhra Pradesh	193.19	-	-	-
Gujarat	32,808.01	27,419.37	7,297.51	31,635.27
Haryana	21.69	-	-	24.59
Himachal Pradesh	149.60	-	-	-
Madhya Pradesh	1,325.15	43.66	5.23	61.49
Maharashtra	614.11	116.60	-	415.55
Punjab	6.41	15.64	-	-
Rajasthan	91.66	15.98	-	59.88
Tamil Nadu	788.10	520.47	32.28	-
West Bengal	262.78	-	-	-
Total	**36,260.70**	**28,131.71**	**7,335.02**	**32,196.77**

***Countrywise Revenue Bifurcation** (₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the year ended March 31, 2024
India	36,260.70	28,131.71	7,335.02	32,196.77
Bangladesh	465.25	612.48	-	3,130.49
China	2,572.58	-	-	-
Indonesia	98.77	-	-	-
Portugal	93.92	-	-	60.65
South Africa	407.59	-	-	-
Vietnam	498.88	155.82	132.45	-
Total	**40,397.70**	**28,900.01**	**7,467.46**	**35,387.91**

***Other operating revenues** (₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the year ended March 31, 2024
Export Duty Draw Back	80.42	7.53	0.66	16.70
Rodtep Scrip	120.63	22.13	1.78	29.04
Yarn Vat Subsidy	202.26	117.02	76.79	305.16
Total	**403.31**	**146.68**	**79.22**	**350.89**

21 Restated Statement of Other income (₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the year ended March 31, 2024
Interest Income	3.35	14.41	3.77	9.98
Interest on Late receipt	20.13	18.22	-	-
Foreign Exchange Gain	99.83	9.81	1.05	26.43
Commission Income	6.15	2.53	4.14	1.84
Professional Tax Written off	-	-	-	11.93
Actuarial Gain	-	-	-	7.16
Other Income	1.68	2.09	1.85	5.48
Total	**131.14**	**47.06**	**10.80**	**62.81**

22 Restated Statement of Cost of materials consumed (₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the year ended March 31, 2024
Raw Material Consumed				
Inventories at the beginning of the year	135.44	823.81	437.98	783.18
Add: Purchases during the year	24,794.69	14,423.01	5,567.56	19,842.97
Less: Closing stock at the end of the year	(1,409.85)	(135.44)	(823.81)	(437.98)
	23,520.28	15,111.38	5,181.73	20,188.17
Stores & Spares Consumed				
Inventories at the beginning of the year	120.35	65.00	65.00	10.00
Add: Purchases during the year	254.93	232.95	76.81	373.17
Less: Closing stock at the end of the year	(163.49)	(120.35)	(65.00)	(65.00)
	211.79	177.59	76.81	318.17
Cost of materials consumed	**23,732.07**	**15,288.98**	**5,258.54**	**20,506.34**

23 Restated Statement of Purchases of stock-in-trade (₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the year ended March 31, 2024
Purchases of stock-in-trade	13,341.37	12,059.62	380.65	12,754.25
Purchases of stock-in-trade	**13,341.37**	**12,059.62**	**380.65**	**12,754.25**

24 Restated Statement of Changes in inventories of finished goods and work-in-progress (₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the year ended March 31, 2024
Inventories at the end of the year:				
Finished goods	657.99	1,066.59	990.03	1,862.88
Work-in-progress	209.24	148.51	112.92	128.70
Stock-in-trade	-	318.58	-	-
	867.22	**1,533.68**	**1,102.95**	**1,991.58**
Inventories at the beginning of the year:				
Finished goods	1,066.59	990.03	1,862.88	670.71
Work-in-progress	148.51	112.92	128.70	106.99
Stock-in-trade	318.58	-	-	-
	1,533.68	**1,102.95**	**1,991.58**	**777.70**
Net (increase) / decrease	**666.46**	**(430.73)**	**888.63**	**(1,213.88)**

25 Restated Statement of Employee benefits expense (₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the year ended March 31, 2024
Salaries and wages	382.46	259.37	105.47	406.23
Contribution to provident and other funds	3.95	2.69	1.33	4.55
Gratuity Expenses	11.64	7.55	3.71	-
Staff Welfare Expenses	17.40	8.29	0.42	7.34
Total	**415.45**	**277.90**	**110.93**	**418.12**

26 Restated Statement of Finance costs (₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the year ended March 31, 2024
Interest Expense	507.68	231.51	128.06	236.25
Interest on Partners' Capital	-	-	54.28	179.59
Other borrowing costs and bank Charges	49.13	29.40	0.58	24.19
Total	**556.81**	**260.91**	**182.92**	**440.04**

27 Restated Statement of Other expenses (₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the year ended March 31, 2024
Audit Fees	4.13	2.47	-	0.40
Administrative expenses	34.76	21.50	2.06	11.94
Advertisement	-	0.54	2.10	0.56
Commission Expenses	50.07	38.03	2.10	130.31
Consumption of stores and spare parts	-	-	-	0.77
Donation	0.05	0.13	3.49	4.00
Freight	173.62	131.68	6.55	135.19
Independent Director's Sitting fees	2.20	-	-	-
Insurance Expenses	25.00	9.32	5.60	10.43
Loss on sale of rodtep	1.46	0.03	-	0.21
Labour Charges	87.39	42.43	20.71	31.88
Legal and Professional Charges	29.88	32.93	2.55	8.70
Manufacturing Expense	-	-	-	6.23
Miscellaneous Expenses	14.34	6.40	3.70	8.33
Other Solar related Expense	21.34	-	-	-
Power and Fuel Expenses	580.72	530.53	314.74	1,178.69
ROC Conversion Expenses	-	25.21	-	-
Rent Expenses	7.20	4.80	4.20	6.70
Rates & Taxes	24.30	23.11	0.26	1.79
Repairs and Maintenance Expenses	62.57	26.61	15.77	262.79
Security Expenses	15.26	10.11	5.24	13.71
Travelling Expenses	2.06	4.54	0.51	1.87
Total	**1,136.35**	**910.37**	**389.57**	**1,814.51**
(i) Payments to the auditors comprises				
- As Auditors	4.13	2.47	-	0.40
Total	**4.13**	**2.47**	**-**	**0.40**

28 Restated Statement of Exceptional Item (₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the year ended March 31, 2024
Loss on account of destruction of property, plant and equipment (net of insurance)	-	15.91	-	-
Total	**-**	**15.91**	**-**	**-**

29 Restated Statement of Earning Per Equity Share

Particulars	For the year ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the year ended March 31, 2024
Before Exceptional Itmes				
1.Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. in Lakhs)	368.78	407.38	86.90	335.33
2. Weighted Average number of equity shares*	1,50,23,973	1,50,00,000	1,50,00,000	1,50,00,000
2. Weighted Average number of equity shares used as denominator for calculating EPS (Considering Bonus impact with retrospective effect)	1,50,23,973	1,50,00,000	1,50,00,000	1,50,00,000
3. Basic and Diluted Earning per Share (On Face value of Rs. 10/ per share)	**2.45**	**2.72**	**0.58**	**2.24**

30 **Restated Statement of Contingent Liabilities**

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the year ended March 31, 2024
Contingent Liabilities	54.37	424.78	259.01	259.01
Total	**54.37**	**424.78**	**259.01**	**259.01**

1. GST demand of Rs. 54,37,428 for FY 2020-21, pertaining to the period prior to conversion of Vivekanand Cotspin LLP into the company, is under dispute and pending before the Appellate Tribunal.
2.The Advance License remains active , and the pending obligation of duty saved as of 31st March 2025 has been included in the above figures.

VIVEKANAND COTSPIN LIMITED
(Formerly known as VIVEKANAND COTSPIN PRIVATE LIMITED)
CIN: U13111GJ2024PLC154066
ANNEXURE –V

30 Notes to the Re-stated Financial Statements:

(a) Details of crypto currency or virtual currency
The Company has neither traded nor invested in Crypto currency or Virtual Currency during the year ended March 31, 2026, 2025, 2024. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

(b) Undisclosed income
During the Period, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(c) Relationship with struck off companies
The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended on March 31, 2026, 2025, 2024.

(d) Compliance with numbers of layers of companies
The Company is in compliance with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the year ended on March 31, 2026, 2025, 2024.

(e) Utilisation of borrowed funds and share premium
During the year ended on March 31, 2026, 2025, 2024 the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

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.

For the year ended on March 31, 2026, 2025, 2024. the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
ii) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

(f) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(g) No proceeding have been initiated nor pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act,1988 (45 of 1988) and rules made thereunder.

I. Non-adjustment Items:
No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

II. Material Regroupings:
Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

III. Material Adjustments in Restated Profit & Loss Account:

(₹ in Lakhs)

Particulars	For the Period Ended			
	31-03-2026	31-03-2025	04-08-2024	31-03-2024
Profit After Tax as per audited financial statements	**375.55**	**225.88**	**103.49**	**366.39**
Adjustments to net profit as per audited financial statements				
Adjustment for provision of Depreciation	-	-	-	57.43
Adjustment for provision of Gratuity	-	-	-	7.16
Adjustment for provision of Income Tax	1.78	20.99	(22.79)	0.01
Adjustment for provision of Deferred Tax	(8.55)	160.51	10.43	(99.88)
Adjustment for Prepaid Insurance	-	-	(4.23)	4.23
Profit After Tax as per Restated	**368.78**	**407.38**	**86.91**	**335.33**

Material Adjustments in Restated Property Plant & Equipments :

(₹ in Lakhs)

Particulars	For the Period Ended			
	31-03-2026	31-03-2025	04-08-2024	31-03-2024
Property Plant & Equipments as per audited financial statements	**4,259.28**	**4,561.76**	**4,898.11**	**5,144.43**
Adjustment for provision of Depreciation (Adj. for earlier years since incorporation)	-	-	-	(61.04)
Adjustment for provision of Depreciation	-	-	-	57.43
Adjustment for sale of Asset	-	-	-	-
Property Plant & Equipments as per Restated	**4,259.28**	**4,561.76**	**4,898.11**	**5,140.82**

Material Adjustments in Restated Depreciation :

(₹ in Lakhs)

Particulars	For the Period Ended			
	31-03-2026	31-03-2025	04-08-2024	31-03-2024
Depreciation as per audited financial statements	**570.77**	**387.90**	**211.41**	**615.42**
Adjustment for provision of Depreciation*	-	-	-	(57.43)
Depreciation as per Restated	**570.77**	**387.90**	**211.41**	**557.99**

*Note: Depreciation in Audited Financial Statements provided as per Income Tax Act,1961 However for Restatement of Fianncial Statements Depreciation considered as per companies Act, 2013

Material Adjustments in Restated Partner's Current Capital Account:*

(₹ in Lakhs)

Particulars	For the Period Ended				
	31-03-2026	31-03-2025	04-08-2024	31-03-2024	31-03-2023
Partner's Current Capital Account as per audited financial statements*	**1,625.00**	**1,500.00**	**1,027.02**	**1,201.39**	**2,201.85**
Add/Less: Carry Forward Impact of previous year					
Adjustment for Profit and Loss Account	-	-	-	-	
Adjustment for Prepaid Insurance	-	-	-	4.23	
Adjustment for provision of Income Tax	-	-	(22.78)	0.01	
Adjustment for provision of Deferred Tax	-	-	(159.07)	(605.90)	(506.01)
Adjustment for provision of Gratuity	-	-	-	(33.62)	(40.79)
Adjustment for Opening Balance Due to Depreciation impact of earlier years	-	-	-	(3.62)	-
Partner's Current Capital Account as per Restated	**1,625.00**	**1,500.00**	**845.16**	**562.49**	**1,655.05**

Material Adjustments in Restated Reserves and surplus:*

(₹ in Lakhs)

Particulars	For the Period Ended			
	31-03-2026	31-03-2025	04-08-2024	31-03-2024
Reserves and surplusAccount as per audited financial statements*	**1,276.42**	**225.88**		
Add/Less: Carry Forward Impact of previous year				
Adjustment for Profit and Loss Account	-	-	-	-
Adjustment for provision of Prepaid Expense	-	-	-	-
Adjustment for provision of Income Tax	22.77	20.99	-	-
Adjustment for provision of Deferred Tax	151.96	160.51	-	-
Adjustment for provision of Income Tax (prior year)	(23.52)	(21.84)	-	-
Adjustment for provision of Deferred Tax (prior year)	(159.07)	(159.07)	-	-
Adjustment for provision of Gratuity	-	-	-	-
Adjustment for Opening Balance Due to Depreciation impact of earlier years	-	-	-	-
Reserves and surplus Account as per Restated	**1,268.57**	**226.46**	**-**	**-**

Material Adjustments in Restated Partner's Loan Account:*

(₹ in Lakhs)

Particulars	For the Period Ended			
	31-03-2026	31-03-2025	04-08-2024	31-03-2024
Partner's Loan Account as per audited financial statements*	**661.71**	**1,861.71**	**29.07**	**-**
Add/Less: Carry Forward Impact of previous year	-	-	-	
Adjustment for Profit and Loss Account	-	-	-	-
Adjustment for provision of Income Tax	-	-	-	-
Adjustment for provision of Deferred Tax	-	-	-	-
Adjustment for Opening Balance Due to Depreciation impact of earlier years	-	-	-	-
Partner's Loan Account as per Restated	**661.71**	**1,861.71**	**29.07**	**-**

Notes on Material Adjustments pertaining to prior years

(1) Adjustment for provision of Depreciation: In Audited Financials the Depreciation was charged as per the Income Tax Act in the books of Partnership Firm but while doing restatement, the Depreciation is charged as per the method specified in Schedule III of companies Act.

(2)Adjustment for provision of Gratuity: Adjustment relates to provision for gratuity liability based on actuarial valuation as per AS 15, reducing reported profits to arrive at restated profits.

(3) Adjustment for provision of Income Tax: The taxable income for the corresponding years has been considered after taking into the impact of the above adjustments to the audited financial statements, the tax has been calculated taking into consideration the restated profit.

(4) Adjustment for provision of Deferred Tax: Deferred tax is calculated on the difference of WDV as per Companies Act & income tax Act and the gratuity provision made in Restated financials but in Audited financials the same has not been considered as the same was Limited Liability Partnership.

(5) Adjustment for Prepaid Insurance: As part of the restatement of the financial statements, prepaid insurance expenses that were wrongly accounted in corresponding year are now rectified in the statement of profit and loss to the corresponding previous years.

Note: The Company has been formed by conversion of a limited liability partnership i.e. "M/s Vivekanand Cotspin LLP", under the provisions of Companies Act, 2013. The Firm was converted to a private limited company with effect from August 5,2024 and subsequently converted into Public Limited Company on December 16, 2024. The Company has issued 1,50,00,000 number of shares to partners on conversion from Partners Capital account.

IV. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Based on the information available with the Company in respect of MSME (as defined in the Micro, Small and Medium Enterprises Development Act, 2006) there are no delays in payment of dues to such enterprise during the year**.**

The identification of Micro, Small and Medium Enterprises Suppliers as defined under "The Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the management. As certified by the management, the amounts overdue as for the period ended March 31, 2026, 2025, 2024 to Micro, Small and Medium Enterprises on account of principal amount together

I. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

II.The balance of Sundry Creditors, Sundry Debtors, Loans Advances, Unsecured Loans, and Current Liabilities are subject to confirmation and reconciliation.

V. As required under SEBI (ICDR) Regulations, the statement of assets and liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived atafter such deductions.

VI. Provision for Gratuity

As per provision of Gratuity Act, the Company had not crossed the thereshold limit for deducting Gratuity and therefore the said provisions are not applicable till date.

VII. Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits

Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.

VIII. Re-grouping/re-classification of amounts

The figures have been grouped and classified wherever they were necessary.

IX. Examination of Books of Accounts & Contingent Liability

The list of books of accounts maintained is based on information provided by the assessee and is not exhaustive. The information in audit report is based on our examination of books of accounts presented to us at the time of audit and as per the information and explanation provided by the assessed at the time of audit.

X. Director Personal Expenses

There are no direct personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

XI. Deferred Tax Asset / Liability: [AS-22]

The company has created Deferred Tax Asset / Liability as required by Accounting Standard (AS) - 22.

XII. Corporate Social Responsibility (CSR) is not applicable to the Company and hence details not provided.

XIII. Disclosure under AS - 15 Employee Benefits

The benefits payable under this plan are govemed by "Gratuity Act 1972". Under the Act, employee who has compleled five years of service is ertitled to specific benefit. The level of benefit provided depends on the member's length of services and salary at retirement age.

The following tables summarise the components of net benefit expense recognised in the summary statement of profit or loss and the funded status and amounts recognised in the statement ofassets and liabilities for thc respective plans:

Changes in the present value of the defined benefit obligation **(₹ in Lakhs)**

Particulars	For the Period Ended			
	31-03-2026	31-03-2025	04-08-2024	31-03-2024
Defined Benefit Obligation at beginning of the year	44.88	37.33	33.62	40.79
Current Service Cost	13.44	6.52	2.71	7.20
Interest Cost	2.83	1.48	0.78	2.96
Actuarial (Gain) / Loss	(4.64)	(0.46)	0.22	(17.32)
Defined Benefit Obligation at year end	**56.52**	**44.88**	**37.33**	**33.625**

Fair value of plan assets as at the end of the year	-	-	-	-

Reconciliation of present value of defined benefit obligation and fair value of assets

Particulars	For the Period Ended			
	31-03-2026	31-03-2025	04-08-2024	31-03-2024
Present value obligation as at the end of the year	56.52	44.88	37.33	33.625
Amount classified as:				
Short term provision	8.16	5.28	4.44	4.380
Long term provision	48.35	39.60	32.89	29.245

Expenses recognized in Profit and Loss Account

Particulars	For the Period Ended			
	31-03-2026	31-03-2025	04-08-2024	31-03-2024
Current service cost	13.44	6.52	2.71	7.20
Interest cost	2.83	1.48	0.78	2.96
Net actuarial loss/(gain) recognized during the year	(4.64)	(0.46)	0.22	(17.32)
Total expense recognised in Profit and Loss	**11.64**	**7.55**	**3.71**	**(7.16)**

Principle actuarial assumptions

Particulars	For the Period Ended			
	31-03-2026	31-03-2025	04-08-2024	31-03-2024
Discount Rate	7.15% p.a.	6.70% p.a.	6.80% p.a.	7.20% p.a.
Expected Return on Plan Assets	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Salary Growth Rate	7.00% p.a.	7.00% p.a.	7.00% p.a.	7.00% p.a.
Withdrawal Rates	Age 25 & Below : 20 % p.a.	Age 25 & Below : 20 % p.a.	Age 25 & Below : 20 % p.a.	Age 25 & Below : 20 % p.a.
	25 to 35 : 15 % p.a.	25 to 35 : 15 % p.a.	25 to 35 : 15 % p.a.	25 to 35 : 15 % p.a.
	35 to 45 : 10 % p.a.	35 to 45 : 10 % p.a.	35 to 45 : 10 % p.a.	35 to 45 : 10 % p.a.
	45 to 55 : 5 % p.a.	45 to 55 : 5 % p.a.	45 to 55 : 5 % p.a.	45 to 55 : 5 % p.a.
	55 & above : 1 % p.a.	55 & above : 1 % p.a.	55 & above : 1 % p.a.	55 & above : 1 % p.a.
Mortality Age Rates				
20	0.000900	0.000900	0.000900	0.000900
30	0.001000	0.001000	0.001000	0.001000
40	0.001700	0.001700	0.001700	0.001700
50	0.004400	0.004400	0.004400	0.004400
60	0.011200	0.011200	0.011200	0.011200

General Description of the Plan

Disclosure Requirement as per AS-15 (Revised 2005) "Employee Benefits" notified under section 133 of the Companies Act, 2013. Retirement Benefits of the employee is carried out based on the actuarial valuation report. The valuation of the same has been earned out using the Project Unit Credit Method as per AS 15 (refer paragraph 65 of AS 15) to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable.Past service cost.

XIV. Disclosures Regarding Foreign Currency Transaction and Balances:

Additional Information pursuant to paragraph 5 to Part II of Schedule III of the Companies Act 2013

Value of imports calculated on CIF basis by the Company during the financial year in respenct of : **(Rs. In Lakhs)**

Particulars	For the Period Ended			
	31-03-2026	31-03-2025	04-08-2024	31-03-2024
Raw Material & Spareparts	-	-	-	70.17
Imported	2,709.24	4,246.48	-	-
Indigineous	-	-	-	-
TOTAL	**2,709.24**	**4,246.48**	**-**	**70.17**

(Rs. In Lakhs)

Particulars	For the Period Ended			
	31-03-2026	31-03-2025	04-08-2024	31-03-2024
a) CIF Value of Imports (On Accrual Basis)				
Import of goods	2,709.24	4,246.48	-	-
Import Of Spareparts	-	-	-	70.17
(b) Expenditure in Foreign Currency	2,816.59	4,255.68	-	173.58
(c) Earnings in Foreign Currency				
Export of Services/Goods	4,137.00	810.34	132.45	3,191.14

VIVEKANAND COTSPIN LIMITED

(Formerly known as VIVEKANAND COTSPIN PRIVATE LIMITED)

CIN: U13111GJ2024PLC154066

ANNEXURE –VI

Statement of Accounting & Other Ratios, As Restated

Particulars		As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
Net Profit as Restated	**(A)**	368.78	407.38	86.90	335.33
Add: Depreciation		570.77	387.90	211.41	557.99
Add: Interest on Loan		556.81	260.91	182.92	440.04
Add: Exceptional item		-	15.91	-	-
Add: Income Tax/ Deferred Tax		144.09	(84.48)	47.93	188.91
Less: Other Income		131.14	47.06	10.80	62.81
EBITDA		1,509.31	940.56	518.36	1,459.46
EBITDA Margin (%)		3.70%	3.24%	6.87%	4.08%
Net Worth as Restated	**(B)**	2,893.57	1,726.46	2,345.16	2,062.49
Return on Net worth (%) as Restated	**(A/B)**	15.96%	20.01%	3.94%	11.72%
Equity Share at the end of year (in Nos.)	**(C)**	1,62,50,000	1,50,00,000	-	-
Weighted No. of Equity Shares	**(C)**	1,50,23,973	1,50,00,000	1,50,00,000	1,50,00,000
Basic & Diluted Earnings per Equity Share as Restated	**(A/C)**	**2.45**	**2.72**	**0.58**	**2.24**
Equity Share at the end of year (in Nos.)	**(F)**	1,62,50,000.00	1,50,00,000.00	1,50,00,000.00	1,50,00,000.00
Net Asset Value per Equity share as Restated	**(B/C)**	**17.81**	**11.51**	**15.63**	**13.75**

Note: The Company has been formed by conversion of a limited liability partnership i.e. "M/s Vivekanand Cotspin LLP", under the provisions of Companies Act, 2013.The Firm was converted to a private limited company with effect from August 5,2024 and subsequently converted into Public Limited Company on December 16, 2024 and Company has issued 1,50,00,000 equity shares of face value ₹10.00 each were allotted to the erstwhile partners in lieu of their fixed capital balances aggregating ₹15,00,00,000 and no cash consideration was additionally received by the company for such issue.

Note:-
EBITDA Margin = EBITDA/Total Revenues
Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year
Return on Net worth (%) = Restated Profit after taxation / Net worth x 100
Net asset value/Book value per share (₹) = Net worth / No. of equity shares
The Company does not have any revaluation reserves or extra-ordinary items.

Sr. No.	Ratio	As At March 31, 2026	As At March 31, 2025	As At August 04, 2024	As At March 31, 2024
1	Current Ratio	1.09	1.12	0.90	0.79
2	Debt-Equity Ratio	1.56	3.17	1.39	1.94
3	Debt Service Coverage Ratio	1.57	1.29	0.67	1.41
4	Return on Equity (ROE)(%)	15.96%	20.01%	3.94%	11.72%
5	Inventory Turnover Ratio	17.84	14.24	2.91	15.77
6	Trade receivables turnover ratio	30.24	37.18	55.68	59.20
7	Trade payables turnover ratio	95.31	30.64	4.65	38.40
8	Net capital turnover ratio	12.62	14.26	6.01	19.06
9	Net profit ratio(%)	0.90%	1.40%	1.15%	0.94%
10	Return on capital employed (ROCE)(%)	13.14%	7.98%	4.92%	13.41%
11	Return on investments(%)	7.99%	9.01%	2.40%	6.68%

Note- Ratio for march 31, 2025 and August 04, 2024 is not annualised.

VIVEKANAND COTSPIN LIMITED
(Formerly known as VIVEKANAND COTSPIN PRIVATE LIMITED)
CIN: U13111GJ2024PLC154066

ANNEXURE VII - Capitalisation Statement

(Rs in lakhs)

The following table sets forth our Company’s capitalisation as at March 31, 2026, on the basis of the Restated Financial Statements, and as adjusted for the Offer. This table should be read in conjunction with the sections titled “Risk Factors”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations" respectively.

Particulars	Pre offer as at March 31, 2026	As adjusted for the proposed Offer*
Borrowings:		
Long term borrowings (a)	1,258.69	[.]
Short term borrowings (b) (Includes current maturities of long term borrowings)	3,240.83	[.]
Total borrowings (c= a+b)	**4,499.52**	[.]
Equity:		
Equity share capital/ Partner's Capital	1625.00	[.]
Reserves and surplus	1268.57	[.]
Total equity (d)	**2893.57**	[.]
Ratio : Short term borrowing(b)/ Total equity (d)	**1.12**	[.]
Ratio: Total borrowings (c)/ Total equity (d)	**1.56**	[.]

*The Corresponding post IPO capitalisation data for each of the accounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement.

VIVEKANAND COTSPIN LIMITED

(Formerly known as VIVEKANAND COTSPIN PRIVATE LIMITED)

CIN: U13111GJ2024PLC154066

ANNEXURE –VIII

Statement of Tax Shelter, As Restated **(₹ in Lakhs)**

Particulars	For the year ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the year ended March 31, 2024
Profit Before Tax as per books of accounts (A)	**512.87**	**322.90**	**134.84**	**524.24**
-- Normal Tax rate	25.17%	25.17%	34.94%	34.94%
-- Alternative Minimum Tax rate	17.16%	17.16%	21.55%	21.55%
Permanent differences				
Other adjustments	-	1.57	(3.88)	(7.52)
Personal Expenditure	0.29	17.05	3.49	4.87
Total (B)	**0.29**	**18.63**	**(0.39)**	**(2.65)**
Timing Differences				
Depreciation as per Books of Accounts	570.77	387.90	211.41	557.99
Depreciation as per Income Tax	563.74	491.21	256.77	836.67
Difference between tax depreciation and book depreciation	7.03	(103.31)	(45.36)	(278.67)
Other adjustments	14.44	30.93	4.80	-
Deduction under chapter VI-A	(5.02)	-	(1.16)	(1.26)
Total (C)	**16.45**	**(72.38)**	**(41.71)**	**(279.93)**
Net Adjustments (D = B+C)	**16.74**	**(53.75)**	**(42.10)**	**(282.58)**
Total Income (E = A+D)	**529.61**	**269.15**	**92.74**	**241.66**
Brought forward losses set off (Depreciation)	-	-	-	-
Tax effect on the above (F)	-	-	-	-
Taxable Income/ (Loss) for the year/period (E+F)	**529.61**	**269.15**	**92.74**	**241.66**
Tax Payable and Interest for the year	138.37	70.83	33.76	89.03
Tax payable as per MAT/AMT	91.00	46.00	20.00	52.00
Tax expense recognised	**138.37**	**70.83**	**33.76**	**89.03**
Tax payable as per normal rates or MAT (whichever is higher)	**Income Tax**	**Income Tax**	**Income Tax**	**Income Tax**

VIVEKANAND COTSPIN LIMITED
(Formerly known as VIVEKANAND COTSPIN PRIVATE LIMITED)
CIN: U13111GJ2024PLC154066

Annexure IX - Restated Financial Information

Statement of Related Party & Transactions :

(a) Related parties

Sr No	Name of the party	Nature of relationship
1	Bharatbhai Patel	Director
2	Gautam Bharatbhai Patel	Promoter
3	Jasmin Vishnubhai Patel	Whole-time director
4	Nirav Patel	Chairman and Managing Director
5	Vishnubhai Patel	Director
6	Rohit Khandelwal	Independent Director
7	Bhavika Sanghani	Independent Director
8	Neha Agarwal	Independent Director
9	Sandeep Kumar Likhamania	Independent Director
10	Irfan Abdulbhai Mansuri	Chief Financial Officer
11	Komal Vijaybhai Chauhan	Company Secretary
12	Truepay Finance Private Limited (Formerly known as Jain Finscap Private Limited)	Entity over which promoter/director exercise significant influence
13	Ambica Cotseeds Limited	
14	Ambica Cotseeds PTE Limited	
15	Avadh Cotton Industries	
16	Vivekanand Industries	
17	Giocert Ventures and Innovations Private Limited	
18	Ranjan Patel	Relative of Director
19	Preet Vishnubhai Patel	
20	Kapilaben Vishnubhai Patel	
21	Kantaben Prahladbhai Patel	
22	Prahladbhai Patel	

	Particulars	For the year ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2024	For the year ended March 31, 2024
b)	**Transactions during the year:**				
	Director Remuneration				
	Nirav Patel	-	4.00	-	-
	Salary				
	Irfan Abdulbhai Mansuri	9.60	4.00	-	-
	Komal Vijaybhai Chauhan	5.42	1.08	-	-
	Sitting fees				
	Neha Agarwal	1.10	-	-	-
	Sandeep Kumar Likhamania	1.10	-	-	-
	Transfer of Company Loan to Director				
	Jasmin Vishnubhai Patel	-	8.62	-	-
	Unsecured Loan				
	Truepay Finance Private Limited (Formerly known as Jain Finscap Private Limited)	-	42.00	-	-
	Jasmin Vishnubhai Patel	-	397.93	9.01	-
	Nirav Patel	-	719.43	-	-
	Gautam Bharatbhai Patel	-	264.81	20.07	-
	Vishnubhai Patel	-	154.47	-	-
	Bharatbhai Patel	-	326.53	-	-
	Repayment of Unsecured Loan				
	Truepay Finance Private Limited (Formerly known as Jain Finscap Private Limited)	-	42.00	-	-
	Vishnubhai Patel	160.50	-	-	-
	Nirav Patel	607.90	-	-	-
	Jasmin Vishnubhai Patel	198.54	0.54	-	-
	Gautam Bharatbhai Patel	171.70	0.92	-	-
	Bharatbhai Patel	212.42	-	-	-
	Preet Vishnubhai Patel	-	2.00	-	-
	Interest on Loan				
	Vishnubhai Patel	17.72	-	-	-
	Nirav Patel	36.78	-	-	-
	Jasmin Vishnubhai Patel	45.60	-	-	-
	Gautam Bharatbhai Patel	30.28	-	-	-
	Bharatbhai Patel	37.47	-	-	-
	Commission Expenses				
	Ambica Cotseeds PTE Limited	-	6.23	-	-
	Lease Expense				
	Vishnubhai Patel	1.20	1.00	-	-
	Bharatbhai Patel	1.20	1.00	-	-
	Ranjan Patel	1.20	1.20	-	0.35
	Kapilaben Vishnubhai Patel	1.20	1.20	-	0.35
	Kantaben Prahladbhai Patel	-	-	-	1.20
	Avadh Cotton Industries	2.40	4.97	-	4.80
	Purchase				
	Ambica Cotseeds Limited	-	531.56	13.22	3,663.11
	Vivekanand Industries	-	519.15	759.28	1,886.44
	Ambica Cotseeds PTE Limited	-	1,847.64	-	-
	Avadh Cotton Industries	-	-	-	139.90
	Kapilaben Vishnubhai Patel	-	-	-	3.65
	Kantaben Prahladbhai Patel	-	-	-	3.62
	Bharatbhai Patel	-	-	-	3.36
	Sales				
	Ambica Cotseeds Limited	1,310.63	7,096.25	3,564.34	13,743.42
	Vivekanand Industries	1,339.17	3,354.08	1,745.21	9,870.98
	Capital Contribution				
	Bharatbhai Patel	-	-	25.38	218.25
	Gautam Bharatbhai Patel	-	-	100.15	3.75
	Jasmin Vishnubhai Patel	-	-	188.74	53.00
	Nirav Patel	-	-	194.14	171.00
	Vishnubhai Patel	-	-	18.08	60.96

	Capital Withdrawl				
	Bharatbhai Patel	-	-	31.24	287.01
	Gautam Bharatbhai Patel	-	-	30.64	464.37
	Jasmin Vishnubhai Patel	-	-	43.99	359.82
	Nirav Patel	-	-	158.64	774.99
	Vishnubhai Patel	-	-	49.49	136.81
	Interest on Capital				
	Bharatbhai Patel	-	-	9.39	18.56
	Gautam Bharatbhai Patel	-	-	11.57	49.07
	Jasmin Vishnubhai Patel	-	-	13.31	39.82
	Nirav Patel	-	-	10.68	47.74
	Vishnubhai Patel	-	-	9.33	24.40
c)	**Closing Balance**				
	Unsecured Loan				
	Bharatbhai Patel	147.83	326.53	-	-
	Gautam Bharatbhai Patel	119.44	263.89	20.07	-
	Jasmin Vishnubhai Patel	239.89	397.39	9.01	-
	Nirav Patel	144.63	719.43	-	-
	Vishnubhai Patel	9.92	154.47	-	-
	Sundry Creditors				
	Vivekanand Industries	-	153.07	272.34	-
	Advance From Customer				
	Vivekanand Industries	-	-	27.66	-
	Ambica Cotseeds Limited	-	-	33.89	-
	Partner's Current Account				
	Bharatbhai Patel	-	-	166.78	238.28
	Gautam Bharatbhai Patel	-	-	245.33	238.28
	Jasmin Vishnubhai Patel	-	-	322.31	238.28
	Nirav Patel	-	-	149.43	248.28
	Vishnubhai Patel	-	-	142.17	238.28

Other Statutory Information

(i) The Company do not have any Benami property and no proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company is in process of registering all its charges or satisfaction with ROC .

(iii) The Company is not required to transferred, to the Investor Education and Protection Fund by the Company.

(iv) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

(v) The Company did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses.

(vi) Regulations of Employees Provident Fund, ESIC and Gratuity is not applicable to the Company as work is done using contract labours and outsourcing. Therefore no disclosure in this respect is given.

As per our report of even date attached

For S V J K and Associates
Chartered Accountants
Firm's Registration No: 135182W

For and on behalf of the Board of Directors
VIVEKANAND COTSPIN LIMITED
(Formerly known as VIVEKANAND COTSPIN PRIVATE LIMITED)

Reeturaj Verma
Partner
M No: 193591
UDIN: 26193591DJJKFV9861

Nirav Patel
Managing Director
DIN: 02055489

Vishnubhai Patel
Director
DIN:00375791

Irfan Abdulbhai Mansuri
Chief Financial Officer

Komal Vijaybhai Chauhan
Company Secretary

Place: Ahmedabad
Date : 30th May, 2026

Place: Kadi
Date : 30th May, 2026

OTHER FINANCIAL INFORMATION

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are set out below:

(Amount in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 31st March 2024
Net Worth (A)	2,893.57	1,726.46	2,062.49
Average Net Worth (B)	2,310.02	1,894.47	2,861.77
Profit Attributable to the Owners of the Company (C)	368.78	494.29	335.33
For Basic Earnings Per Share (D)	1,62,50,000	1,50,00,000	1,50,00,000
For Diluted Earnings Per Share (E)	1,62,50,000	1,50,00,000	1,50,00,000
Weighted Number of Shares Outstanding at the End of the Period/Year (Post Bonus) (F)	1,50,23,973	1,50,00,000	1,50,00,000
Restated Basic Earnings Per Share (INR) (C/F)	**2.45**	**3.30**	**2.24**
Restated Diluted Earnings Per Share (INR) (C/F)	**2.45**	**3.30**	**2.24**
Return on Average Net Worth (%) (C/B)	15.96%	26.09%	11.72%
Net Assets Value Per Share Post Bonus of INR 10/- Each (A/F)	17.81	11.51	13.75
Face Value (INR)	10	10	10
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) (Rs. In Lakhs)	1,509.31	1,458.92	1,459.46

Notes

The ratios have been computed as below:

1. **Basic earnings per share (INR) =** Net profit after tax attributable to owners of the Company, as restated **/** Weighted Average number of Equity Shares outstanding at the end of the year / period after taking effect of bonus and split of shares.
2. **Diluted earnings per share (INR) =** Net profit after tax attributable to owners of the Company, as restated **/** Weighted Average number of Equity Shares outstanding at the end of the year / period after taking effect of bonus and split of shares.
3. **Return on average net worth (%) =** Net profit after tax attributable to owners of the Company, as restated / Average net worth as restated.
4. **Net asset value per share (INR) =** Net Asset Value per Equity Share (NAV) is computed as the closing net worth (sum of equity share capital, Reserve & surplus and minority interest) divided by the weighted average number of equity shares outstanding at the end of the year / period after taking effect of bonus and split of shares
5. **Earnings before interest, tax, depreciation and amortisation (EBITDA)** is as per restated consolidated statement of profit and loss of the Company for respective reported period/years.
   EBITDA = Profit before tax + depreciation & amortization expense + finance cost - Other Income

CAPITALISATION STATEMENT

Statement of Capitalization

(₹ in lakhs)

Particulars	Pre-Issue as at March 31, 2026	As adjusted for the proposed Issue*
Borrowings		
Long term borrowings (a)	1,258.69	[●]
Short term borrowings (b) (Includes current maturities of long term borrowings)	3,240.83	[●]
Total borrowings (c= a+b)	**4,499.52**	[●]
Equity:		
Equity share capital/ Partner's Capital	1625.00	[●]
Reserves and surplus	1268.57	[●]
Total equity (d)	**2893.57**	[●]
Ratio : Short term borrowing(b)/ Total equity (d)	**1.12**	[●]
Ratio: Total borrowings (c)/ Total equity (d)	**1.56**	[●]

Note:

1. *The above has been computed on the basis of the Restated Statements of Assets and Liabilities of the Company as at 31st March, 2026.*
2. *Short term debt is considered as borrowing due within 12 months from the balance sheet date and excludes instalment of term loan payable with 12 months*
3. *Long term debt is considered as borrowing due within more than 12 months from the balance sheet date but includes instalment of term loans repayable within 12 months grouped under short term borrowings.*
4. *The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.*

STATEMENT OF FINANCIAL INDEBTEDNESS

Company utilizes various credit facilities from various banks for conducting its business.

Set forth below is a brief summary of all the borrowings of our Company as on April 30, 2026 together with a brief description of certain significant terms of such financing arrangements.

(₹ in Lakhs)

Nature of Borrowings	Amount
I. SECURED BORROWINGS	
• Cash Credit	4135.08
• Term Loan	1046.37
II. UNSECURED BORROWINGS	
• Banks	-
• Related Parties	661.71
Total	**5842.87**

I. SECURED BORROWINGS

(₹ in Lakhs)

S. No	Name of the Lender	Date of Sanction letter	Loan Account Number	Nature of loan	Purpose	Amount sanctioned	Amount O/s as on 30th Apr, 2026	Interest Rate	Tenure	Remaining Tenure as on April 30, 2026
1	Bank of Baroda	27.03.2026	ROMEHS/CMO/2025-26/15	Cash Credit	Working Capital Requirement	3600	3141.11	8.40% (BRLLR 5.25% +base spread 2.65% + Strategic Premium 0.25%)	-	-
				Term loan - II	AWCTL under BGECLS Ext -1.0	253	213.88	9.25%	36 Months	11 months
				Term Loan - III	For installation of solar plant for captive Consumption	875	832.49	8.15% (BRLLR 5.25%+ base spread 2.65% +Strategic Pre 0.25%)	60 Months	39 Months
2	State Bank of India	23.01.2026	CLCC_003975_25-26_055	Cash Credit (Incl. Sublimit EPC, LC, CEL)	Working capital Requirement	1200	993.97	8.90%	-	-
	Total					**5,928.00**	**5,181.45**			

Primary & Collateral Security:

Note 1 (Bank of Baroda)

Security Details	Description of Property	Security Provider	Facility Secured	Nature of Charge
Current Assets	Including raw materials, stock-in-process, stores and spares, finished goods, book debts and other current assets, both present and future.	Vivekanad Cotspin Limited	Cash Credit	1st Pari-Passu charge
Movable Assets	Including plant and machinery, electrical installations, solar plant, furniture and fixtures, vehicles, office equipment and other movable fixed assets, both present and future.	Vivekanad Cotspin Limited	Term Loan	Exclusive Charge
Immovable properties	(a) Land bearing R.S. No. 30, admeasuring 28,227 sq. mtrs., situated at Taluka Sami, District Patan, Gujarat. (b) Land bearing R.S. No. 29, admeasuring 24,888 sq. mtrs., situated at Taluka Sami, District Patan, Gujarat. (c) Land bearing R.S. No. 25/1, admeasuring 26,001 sq. mtrs., situated at Taluka Sami, District Patan, Gujarat.	Ranjanben Bharatbhai Patel and Kapilaben Vishnubhai Patel	Term Loan	Exclusive Charge
	(d) Industrial land and building situated at Revenue Survey No. 181/1 (New R.S. No. 577) and 182/1, Rangpurda, Taluka Kadi, District Mehsana, admeasuring 28,632 sq. mtrs.,	Owner M/s Avadh Cotton Industries and leased to M/s Vivekanand Cotspin Limited	Term Loan	Exclusive Charge
	(e) Industrial land and building situated at Revenue Survey No. 187/1 (New R.S. No. 895), Rangpurda, Taluka Kadi, District Mehsana, admeasuring 11,736 sq. mtrs	Owner Mr. Bharatbhai Prahladbhai Patel and Mr. Vishnubhai Prahladbhai Patel and leased to M/s Vivekanand Cotspin Limited	Term Loan	Exclusive Charge
Guarantors (Personal Guarantee)	Mr. Nirav Bharatbhai Patel, Mr. Vishnubhai Prahladdas Patel, Mr. Bharatbhai Prahladbhai Patel, Mr. Gautam Patel and Mr. Jasmin Vishnubhai Patel			

Note -2 (State bank of India)

Security Details	Description of Property	Security Provider	Facility Secured	Nature of Charge
Current Assets	Including Stocks, book debts and other current assets	Vivekanad Cotspin Limited	Cash Credit (Incl. sub Limits EPC, LC, CEL)	1st Paripassu Charge
Movable Assets	Lien on deposits amounting to ₹300.00 Lakhs.			
Guarantors (Personal Guarantee)	Mr. Nirav Bharatbhai Patel, Mr. Vishnubhai Prahladdas Patel, Mr. Bharatbhai Prahladbhai Patel, Mr. Gautam Patel and Mr. Jasmin Vishnubhai Patel.			

II. UNSECURED BORROWINGS

The Company have also availed certain Unsecured Borrowings from Related Party. Set forth below is a brief summary of Unsecured Borrowings as on April 30, 2026:

Name of Related Party	Relationship	Amount (In Rs. Lakhs)
Bharatbhai Patel	Director	147.83
Gautam Bharatbhai Patel	Promoter	119.44
Jasmin Vishnubhai Patel	Director	239.89
Nirav Patel	Director	144.63
Vishnubhai Patel	Director	9.92

Total		**661.71**

III. BORROWINGS PAYABLE ON DEMAND AS A PERCENTAGE OF TOTAL BORROWINGS:

Sr. No.	Particulars	Amount (₹ in Lakhs)
1.	Total Borrowings as on April 30th, 2026:	5,842.87
2.	Borrowing payable on demand	
	▪ Unsecured loans from Directors and Relatives	661.71
	▪ Working Capital Loan	4,135.08
	Total	**4,796.79**
	Percentage of borrowings payable on demand	**82.09%**

IV. The movement in Long-Term Borrowings during the review period is primarily attributable to the conversion of the Issuer from a Limited Liability Partnership ("LLP") into a private limited company, subsequent capital restructuring.

Long Term Borrowing Bifurcation	As at 31.03.2026	As at 31.03.2025	As at 04.08.2024	As at 31.03.2024
Bank Finance – Term Loan	596.88	1,087.23	1,414.07	1,427.49
Unsecured Loans from Directors, Shareholders & Related Parties	661.71	1,861.71	31.07	2.00
Unsecured Loans from Others	-	-	367.00	357.31
Total Long-Term Borrowings	1,258.59	2,948.94	1,812.14	1,786.79

The increase in Long-Term Borrowings as on March 31, 2025 was primarily on account of the conversion of the erstwhile LLP into a private limited company with effect from August 5, 2024. Pursuant to such conversion, the balances standing in the partners' capital accounts were restructured. Out of the aggregate balance, ₹1,500 lakh was appropriated towards Share Capital and the remaining balance was reclassified as Unsecured Loans from Directors, Shareholders and Related Parties. Consequently, unsecured loans increased from ₹31.07 lakh as on August 4, 2024 to ₹1,861.71 lakh as on March 31, 2025.

Further, during FY 2025, the promoters also extended temporary unsecured financial assistance of approximately ₹400 lakh to support the Company's working capital requirements and business operations. The increase in unsecured loans was therefore primarily driven by the restructuring consequent to LLP conversion and promoter support, and not due to any financial stress or borrowing from external lenders.

During FY 2026, the Company strengthened its capital base through further capital contribution by the promoters aggregating approximately ₹800 lakh, which was appropriated towards Share Capital and Other Equity (Reserves & Surplus). Simultaneously, the Company repaid a substantial portion of the promoter unsecured loans from internal accruals and improved operating cash flows. As a result, unsecured loans from Directors, Shareholders and Related Parties reduced significantly from ₹1,861.71 lakh as at March 31, 2025 to ₹661.71 lakh as at March 31, 2026.

Further, the outstanding Bank Term Loan also reduced from ₹1,087.23 lakh to ₹596.88 lakh during FY 2026 due to scheduled repayments. Consequently, the total Long-Term Borrowings declined from ₹2,948.94 lakh as at March 31, 2025 to ₹1,258.59 lakh as at March 31, 2026.

Accordingly, the movement in Long-Term Borrowings reflects the impact of the LLP conversion, promoter-led capital restructuring and subsequent balance sheet strengthening, rather than any increase in external indebtedness. The reduction in borrowings during FY 2026 demonstrates the Company's focus on improving its capital structure, reducing leverage and enhancing its overall financial position. The Company has remained regular in servicing all its borrowing obligations and there has been no default or delay in repayment of principal or payment of interest to any lender during the review period.

V. The movement in Short-Term Borrowings during the review period is primarily attributable to the utilization of the Company's working capital facilities in line with the growth in business operations and seasonal working capital requirements.

Particulars	As at 31.03.2026	As at 31.03.2025	As at 04.08.2024	As at 31.03.2024
Current Maturity of Secured Long-Term Debt	490.25	490.25	601.36	636.06
Cash Credit from Bank	2,750.58	2,036.72	842.60	1,578.72
Total Short-Term	3,240.83	2,526.97	1,443.96	2,214.78

Borrowings				

The Company's short-term borrowings primarily comprise Cash Credit facilities sanctioned by banks for meeting working capital requirements and the current maturities of long-term borrowings.

The working capital borrowings are supported by current assets, including inventories and trade receivables, as summarized below:

Particulars (₹ in Lakhs)	**As at 31.03.2026**	**As at 31.03.2025**	**As at 31.03.2024**
Inventory	2,440.57	1,789.47	2,494.56
Trade Receivables	1,176.73	1,522.16	230.83
Total (Inventory + Trade Receivables)	3,617.30	3,311.63	2,725.39

As evident from the above, the Company's investment in inventories and trade receivables has remained significant and has increased overall in line with the operational requirements of the business. The enhanced working capital facilities have therefore been utilized to finance these current assets and support the Company's day-to-day operations.

Further, the current maturity of secured long-term debt has remained broadly stable during the review period and represents the scheduled repayment obligations of term loans.

The Merchant Banker confirms that the increase in short-term borrowings is purely business-driven and relates to normal working capital requirements. The Company has remained regular in servicing its working capital facilities and term loans, and there has been no default or delay in repayment of principal or payment of interest to any lender during the review period.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial position and results of operations together with our Restated Financial Information, including the schedule, notes and significant accounting policies thereto, included in the chapter titled "Restated Financial Statements" beginning on page 221 of this Red Herring Prospectus. You should also read the chapter entitled "Risk Factors" beginning on page 19 and "Forward Looking Statements" beginning on page 1, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations.

The following discussion and analysis of our financial position and results of operations is based on our Restated Financial Statements for the financial years ended March 31, 2026, 2025 and 2024 including the related notes and reports, included in this Red Herring Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective period and years. Accordingly, the degree to which our Restated Financial Information will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under chapter titled "Risk Factors" and "Forward Looking Statements" on pages 19 and 1, respectively, and elsewhere in this Red Herring Prospectus. Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.

BUSINESS OVERVIEW

Our Company was originally formed and registered as Limited Liability Partnership Firm under the name and style of "*Vivekanand Cotspin LLP*" pursuant to provisions of Limited Liability Partnership Act, 2008 ("LLP Act"), bearing registration no. AAE-4147 pursuant to Certificate of Incorporation dated July 21, 2015 issued by Registrar, Gujarat, Dadra and Nagar Havelli. Thereafter, it was converted in to a Private Limited company in the name and style of *"Vivekanand Cotspin Private Limited"* pursuant to the provisions of Companies Act, 2013 and fresh a certificate of Incorporation dated August 5, 2024 was issued by Registrar of Companies, Central Registration Centre bearing CIN No. U13111GJ2024PTC154066. Subsequently our Company was converted into Public Limited Company pursuant to a resolution passed by our Shareholders at an Extra Ordinary General Meeting held on December 2, 2024 and consequently the name of our company was changed from "*Vivekanand Cotspin Private Limited*" to "*Vivekanand Cotspin Limited*" vide fresh certificate of incorporation dated December 16, 2024 issued by the Registrar of Companies, Central Processing Centre. The Corporate Identity Number of our Company is U13111GJ2024PLC154066

Our registered office and manufacturing unit is situated at S. No. 181/1, 182/1, at Rangpurda, Kadi, Mahesana-382715, Gujarat, India.

Our company is engaged in the business of cotton processing and yarn manufacturing, comprising ginning of raw cotton (kapas) into cotton bales and cotton seed, and spinning of cotton bales into cotton yarn. In addition to its manufacturing activities, the Company also undertakes trading of cotton bales and cotton yarn in the ordinary course of business to meet customer requirements and optimize business opportunities. The products manufactured at our Company include Cotton bales, Cotton Seeds and Cotton Yarn. The company operates in two primary areas: cotton ginning and spinning. In the ginning process, it separates cotton fibers from seeds, which is the first step in preparing raw cotton for textile production. Following this, the company focuses on spinning, where the clean cotton fibers are turned into yarn. This yarn, produced in various counts and quality grades, is used by textile mills for weaving and knitting fabrics.

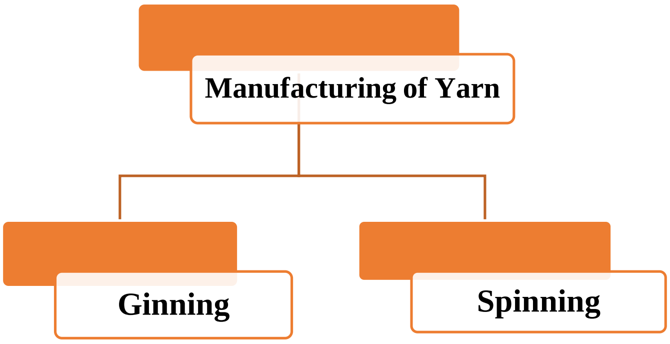
The company's product range is centered on cotton yarn, including carded and combed yarn, which caters to both domestic and international markets. Our Company serves a wide array of industries that require high-quality yarn for fabric production, and its reach extends beyond India, with exports to other countries. The company operates spinning mills, utilizing machinery to ensure efficient production while maintaining quality control.

The manufacturing facility of our Company is situated at Rangpurda, Kadi of Mahesana District in Gujarat state which is close to the rich cotton growing areas of Maharashtra and Saurashtra region of Gujarat. The company has established a production capacity of approximately 4,551 MT of Cotton Yarn and 8,000 MT of Cotton Bales annually. Our plant is equipped with plant and machinery. The level of advancement determines the productivity of machines and labor, which in turn, determines the production of our Company. Our technical team in spinning is well equipped with modern spinning technology and processing techniques by virtue of which we are able to ensure quality yarn. Technology is a crucial aspect of the cotton yarn industry.

The Promoters of our Company, Nirav Bharatbhai Patel, Jasmin Visnubhai Patel, Bharatbhai Prahaladbhai Patel, Vishnubhai Prahaladdas Patel and Gautam Bharatkumar Patel have 15, 06, 15, 15 and 09 years of experience in the cotton textile industry. Our Promoters have sound knowledge of manufacturing process, marketing, finance and all kind of other commercial activities related to the cotton textile industry including but not limited to manufacturing and marketing of Raw Cotton, Cotton Bales, Cotton Seeds, Yarn and by-products. Under the leadership of our promoters, we have been able to maintain cordial customer relationship and generate repeated order flows.

OUR MANUFACTURING PROCESS

Our Manufacturing Process involves two processes i.e., Ginning and Spinning:



KEY PERFORMANCE

(₹ In Lakhs except percentages and ratios)

Particulars	For the year ended		
	March 31, 2026	**March 31, 2025**	**March 31, 2024**
Revenue from operations[1]	40,801.01	29,046.69	35,738.81
Growth in Revenue from Operations[2]			
EBITDA[3]	1,509.31	1,458.92	1,459.46
EBITDA Margin (%) [4]	3.70%	3.99%	4.08%
PAT[7]	368.78	407.38	335.33
PAT Margin(%)[8]	0.90%	1.40%	0.94%
Total debt[9]	4,499.52	5,475.91	4,001.57
Net Worth[10]	2,893.57	1,726.46	2,062.49
RONW (%)[11]	15.96%	26.09%	11.72%
ROCE (%) [12]	13.14%	12.16%	14.09%
EPS[13]	2.45	2.72	2.24
Book Value per share[14] (Post Bonus)	17.81	11.51	13.75
Debt To Equity or Leverage Ratio[15]	1.56	3.17	1.94
Notes:			
(1) Revenue from operation means revenue from sales;			
(2) Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period;			
(3) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income			
(4) EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations;			
(5) EBIT is calculated as Restated profit/ (loss) for the period/ year + Tax expense/(benefit) + Interest expense - Other Income.			
(6) EBIT Margin is calculated as EBIT divided by Revenue from Operations.			
(7) PAT is calculated as Profit before tax – Taxes;			
(8) PAT Margin is calculated as PAT for the period/year divided by revenue from operations.			
(9) Total debt = Non-current borrowing + current borrowing			
(10) Net Worth = Equity share capital + Reserves & Surplus - Accumulated Losses & Miscellaneous Expenditure not written off			
(11) RONW/ROE= Net profit after tax / Average Shareholders funds			
*(12) ROCE = Profit before tax and finance cost / Average Capital employed**			

**Average Capital employed = Total Equity +Non-current borrowing + Current Borrowing +Deferred Tax liabilities - Deferred Tax Assets – Intangible Assets.*
(13) EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average number of equity shares outstanding during the year after considering bonus and split of shares.
(14) Book Value per share (Post Bonus)= (Shareholders Equity – Preferred Equity)/(Total Outstanding shares post bonus)
*(15) Debt To Equity or Leverage Ratio = *Total Debt/ Total Shareholder Equity* **Total Debts = Long Term Borrowing + Short Term Borrowing*

After the date of last Audited accounts i.e., March 31, 2026, the Directors of our Company confirm that, there have not been any significant material development.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer Restated Financial Statements under chapter titled *"Restated Financial Statements"* beginning on page 221 of this Red Herring Prospectus.

Significant Developments after March 31, 2026 that may affect our Future Results of Operations

The Directors confirm that there have been no events or circumstances since the date of the last financial statements as disclosed in the Red Herring Prospectus which materially or adversely affect or is likely to affect the profitability of our Company, or the value of our assets, or our ability to pay liabilities within next twelve months.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the chapter titled *"Risk Factors"* beginning on page 19 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Sourcing and Supplier Relationships;
- Inventory Management;
- Cotton Price Risk;
- Credit worthiness of our customers;
- Customer spending, demographics and general economic and market conditions in India;
- Competition;
- COVID-19 Pandemic;
- Natural Calamities e.g., Tsunami;
- Political Stability of the Country;
- Our dependence on limited number of customers for a significant portion of our revenues;
- Any failure to comply with the financial and restrictive covenants under our financing arrangements;
- Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;
- The performance of the financial markets in India and globally;
- Our ability to expand our geographical area of operation;
- Concentration of ownership among our Promoters.

BRIEF FINANCIALS OF OUR COMPANY

(₹ in Lakhs)

Particulars	For the year ended March 31,							
	2026		2025				2024	
	Amount	% of Total Income	Amount (For period ended March 31, 2025)	Total Income % of	Amount (For the period ended August 04, 2024)	% of Total Income	Amount	% of Total Income
Revenue from operations	40,801.01	99.68%	29,046.69	99.84%	7546.69	99.86%	35,738.81	99.82%
Other Income	131.14	0.32%	47.06	0.16%	10.80	0.14%	62.81	0.18%
Total Income	**40,932.15**	**100.00%**	**29,093.76**	**100.00%**	**7557.49**	**100.00%**	**35,801.62**	**100.00%**
EXPENDITURE								
Cost of materials Consumed	23,732.07	57.98%	15,288.98	52.55%	5258.54	69.58%	20,506.34	57.28%
Purchases of stock-in-trade	13,341.37	32.59%	12,059.69	41.45%	380.65	5.04%	12,754.25	35.62%
Changes in inventories	666.46	1.63%	(430.73)	-1.48%	888.63	11.76%	(1,213.88)	-3.39%
Employee benefit expenses	415.45	1.01%	277.90	0.96%	110.93	1.47%	418.12	1.17%
Finance costs	556.81	1.36%	260.91	0.90%	182.92	2.42%	440.04	1.23%
Depreciation and amortization	570.77	1.39%	387.90	1.33%	211.41	2.80%	557.99	1.56%
Other Expenses	1,136.35	2.78%	910.37	3.13%	389.57	5.15%	1,814.51	5.07%
TOTAL EXPENSES	**40,419.27**	**98.75%**	**28,754.95**	**98.84%**	**7422.65**	**98.22%**	**35277.38**	**98.54%**
Profit/(Loss) Before Exceptional & extraordinary items & Tax (3-5)	512.87	1.25%	338.81	1.16%	134.84	1.78%	524.24	1.46%
Exceptional and Extra-ordinary items	-	-	15.91	0.05%	-	-	-	-
Profit Before Tax	**512.87**	**1.25%**	**322.90**	**1.11%**	**134.84**	**1.78%**	**524.24**	**1.46%**
Tax Expenses								
Current Tax	138.37	0.34%	70.83	0.24%	33.76	0.45%	89.03	0.25%
Deferred Tax	5.72	0.01%	(155.31)	-0.53%	14.17	0.19%	99.88	0.28%
Short/(Excess) Provision of Earlier Year	-	-	-	-	-	-	-	-
Profit After Tax	**368.78**	**0.90%**	**407.38**	**1.40%**	**86.90**	**1.15%**	**335.33**	**0.94%**

Comparison of Financial Performance of Fiscal 2026 with Fiscal 2025

1. INCOME:

Total Revenue: During FY 2025-26, the company's total revenue increased to ₹ 40,932.15 Lakhs, from the amount of ₹ 36,651.25 Lakhs recorded in FY 204-2025.

Revenue from Operations: During FY 2025–26, revenue from operations increased to ₹40,801.01 lakhs from ₹36,593.38 lakhs in FY 2024–25. The growth in sales during the year was primarily driven by a significant increase in export revenue. Exports contributed 10.24% of the total revenue in FY 2025–26, as compared to 2.48% in FY 2024–25. Revenue from Operations increased by 11.50%, from ₹36,593.38 lakhs in Fiscal 2025 to ₹40,801.01 lakhs in Fiscal 2026. The increase was primarily driven by a significant growth in export sales. Export revenue contributed 10.24% of Revenue from Operations in Fiscal 2026 as compared to 2.48% in Fiscal 2025, along with sustained domestic demand.

Other Income: Other income for FY 2025-26 increased to ₹131.14 Lakhs from ₹ 57.87 Lakhs in FY 2024-25, during the previous financial year. The growth in Other Income is due to increase in Foreign Exchange Gain, as exports increased in FY 2025-26. The said increase was primarily attributable to a higher foreign exchange gain of ₹99.83 lakhs, resulting from increased export sales during the year as compared to FY 2024–25.

2. EXPENSES:

Total Expenses: The total expenditure for FY 2025-26 increased to ₹ 40,419.27 lakhs as against ₹ 36,177.60 Lakhs in FY 2024-25. The increase in expenses was mainly on account of higher raw material consumption and employee benefit expenses, which were incurred to support higher production volumes and increased sales activity during the year.

Raw Material Consumption: The cost of Raw materials consumed for FY 2025-26 increased to ₹ 37,739.90 Lakhs from ₹ 33,445.68 Lakhs in FY 2024-25. This increase was primarily attributable to higher sales volumes during the year, which necessitated increased procurement of raw materials to support the Company's expanded production and order execution requirements.

Employee Benefits Expense: The employee benefits expense for FY 2025-26increased to ₹ 415.45 Lakhs from ₹ 388.83 Lakhs in FY 2024-25. The increase was mainly due to remuneration to directors, along with increments in salaries and wages and staff welfare expenses.

(₹ in Lakhs)

Employee Benefits Expense	2026	2025
Salary & Wages	382.46	364.84
Contribution to Provident & Pension/Other Funds	3.95	4.02
Gratuity Expense	11.64	11.26
Staff welfare Expenses	17.40	8.71
Total	**415.45**	**388.83**

Finance Cost: Finance cost for FY 2025-26 increased to ₹ 556.81 Lakhs from ₹ 443.83 Lakhs in FY 2024-25. The increase was mainly due to higher utilization of working capital borrowings.

Depreciation and Amortization Expense: The Depreciation and Amortization Expenses for FY 2025-26 have decreased to ₹ 570.77 Lakhs, from the amount of ₹ 599.31 Lakhs in FY 2024-25.

Other Expenses: The Other Expenses for the FY 2025-2026 has decreased to ₹ 1,136.35 Lakhs from ₹ 1,299.94 Lakhs in FY 2024-25. The decrease was mainly due to decrease in power and fuel expenses.

3. EBITDA and EBITDA Margin

EBITDA increased primarily due to higher sales volumes and improvement in operating efficiencies. The EBITDA margin improved mainly on account of higher contribution from export sales, reduction in power and fuel costs following commissioning of the solar power plant better absorption of fixed overheads owing to higher production volumes and effective control over other operating expenses.

Although finance costs and employee benefit expenses increased during the year due to higher working capital utilisation and annual salary increments, respectively, the improvement in operating performance more than offset these increases.

4. PROFIT:

Profit/ (Loss) Before Tax: The restated profit before tax for FY 2025-26 increased to ₹ 512.87 Lakhs as compared ₹ 457.74 Lakhs in FY 2024-25, representing an increase of approximately 12.04%. The improvement in profitability was primarily attributable to higher sales volumes during the year and savings in power & fuel cost.

Profit/ (Loss) After Tax: The restated profit after tax for FY 2025-26 decreased to ₹ 368.78 Lakhs as compared to ₹ 494.29 Lakhs in FY 2024-25, representing a decrease of approximately 25.3%. This decrease was mainly due to difference in deferred tax as earlier the company was a LLP and the applicable rate of tax was 34.94% but since now it is converted into a company the applicable tax rate is 25.17%, this creates reversal of DTL and this was booked in FY 2024-25 which resulted in lower tax and higher profit.

PAT Margin: The Revenue from Operations increased from ₹36,593.38 lakhs in FY 2024-25 to ₹40,801.01 lakhs in FY 2025-26, the profitability of the Company is influenced by various commercial, operational and taxation factors. Accordingly, an increase in revenue does not necessarily result in a proportionate increase in Profit After Tax ("PAT") or PAT margin.

Comparison of Financial Performance of Fiscal 2025 with Fiscal 2024

The following descriptions set forth information with respect to the key components of our profit and loss statement.

1. INCOME:

Total Revenue: The total revenue for FY 2024–25 comprises revenue generated by both the LLP prior to its conversion and the Company subsequent to the conversion.

Accordingly, the revenue for FY 2024–25 includes ₹7,546.69 lakhs earned by the LLP and ₹29,046.69 lakhs earned by the Company, aggregating to ₹36,593.38 lakhs. As compared to the total revenue of ₹35,738.81 lakhs for FY 2023–24, this represents a growth of approximately 2.39%, and therefore there is no decline in total revenue.

Revenue from Operations: During FY 2024–25, the Company's revenue from operations increased to ₹36,593.38 lakhs from ₹35,738.81 lakhs in FY 2023–24, registering a growth of approximately 2%. The growth in revenue was primarily attributable to stable demand conditions. . Revenue from Operations increased by 2.39%, from ₹35,738.80 lakhs in Fiscal 2024 to ₹36,593.38 lakhs in Fiscal 2025, primarily due to stable demand for the Company's products.

Other Income: During FY 2024-25, the Company's other income increased to ₹57.87 Lakhs as compared to ₹62.81 Lakhs in FY 2023-24. This was mainly due to increase in interest income.

2. EXPENSES:

Total Expenses: The total expenditure for FY 2024-25 has increased to ₹ 36.177.60 Lakhs as against ₹ 35,277.38 Lakhs in FY 2023-24.

- **Raw Material Consumption:** The Cost of materials consumed for FY 2024-25 have increased to ₹ 33,445.68 Lakhs, from the amount of ₹ 32,046.71 Lakhs in FY 2023-24. This increase was primarily attributable to increase in raw material prices, particularly Kapas & Cotton Bales, during FY 2024-25;

Employee Benefits Expense: The Employee Benefit Expenses for FY 2024-25 have decreased to ₹ 388.83 Lakhs, from the amount of ₹ 418.12 Lakhs in FY 2023-24. The decrease is due to salary & wages and mentioned in the below table:

(₹ in Lakhs)

Employee Benefits Expense	2025	2024
Salary & Wages	364.84	406.23
Contribution to Provident & Pension/Other Funds	4.02	4.55
Gratuity Expense	11.26	-
Staff welfare Expenses	8.71	7.34
Total	**388.83**	**418.12**

Finance Cost: The Finance cost for FY 2024-25 have increased to ₹ 443.83 Lakhs, from the amount of ₹ 440.04 Lakhs in FY 2023-24. It has increased by 0.86%.

Depreciation and Amortization Expense: The Depreciation and Amortization Expenses for FY 2024-25 have decreased to ₹ 557.99 Lakhs, from the amount of ₹ 599.31 Lakhs in FY 2023-24. This was mainly due to disposal in fixed assets by Rs. 106.75 Lakhs during the year FY 24-25.

Other Expenses: The Administrative Selling & Other Expenses for the FY 2024-2025 has decreased to ₹ 1299.94 Lakhs from ₹ 1814.51 Lakhs in FY 2023-24. The decrease was mainly due to decrease in power and fuel expenses as company installed solar power plant which commissioned from May 2024.

3. EBITDA and EBITDA margin

EBITDA margin improved mainly due to lower operating costs. The principal factors contributing to the improvement were reduction in power and fuel expenses following commissioning of the solar power plant from May 2024, decrease in depreciation due to disposal of certain fixed assets; and reduction in employee benefit expenses. The above savings partially offset the impact of higher raw material prices, particularly cotton and kapas.

4. PROFIT:

<u>Profit/ (Loss) Before Tax:</u> The Restated Profit before Tax for FY 2024-25 has been significantly decreased to ₹ 473.65 Lakhs as against Profit before Tax of ₹ 524.24 Lakhs in the FY 2023-24.Despite the increase in revenue, the Company witnessed pressure on profit due to a higher increase in cost of goods sold. However, the Company undertook cost optimization measures during the year, resulting in reduction in other expenses which partially mitigated the impact of increased raw material costs.

<u>Profit/ (Loss) After Tax:</u> The restated Profit after Tax for FY 2024-25 has been increased to ₹ 494.29 Lakhs as against Profit after tax of ₹ 335.33 Lakhs in the FY 2023-24. The increase in PAT was mainly on account of deferred tax credit recognized during the year.

<u>PAT Margin:</u> The Company's Profit Before Tax increased from ₹457.74 lakhs in FY 2024-25 to ₹512.88 lakhs in FY 2025-26, reflecting an improvement in its underlying operating performance. However, the Profit After Tax for FY 2025-26 was comparatively lower primarily due to the higher tax charge recognised during the year. In contrast, FY 2024-25 benefited from a deferred tax credit, resulting in a comparatively higher PAT margin.

CASH FLOWS

(₹ in Lakhs)

Particulars	For the Year ended March 31		
	2026	2025	2024
Net Cash from Operating Activities	866.64	-1,078.76	2,440.04
Net Cash from Investing Activities	-126.84	-23.80	-1,543.89
Net Cash from Financing Activities	-733.20	1113.73	-988.79

Cash Flows from Operating Activities

Net cash Outflow from operating activities for year ended March 31, 2026 was at ₹ 868.31 Lakhs as compared to the Profit Before Tax at ₹ 512.87 Lakhs. This was mainly due to following reasons:

1. Depreciation;
2. Payment of taxes
3. Increase in trade payables
4. Due to interest which is part of financing activity but while considering profit before tax we have reduce from profits;

Net cash Inflow from operating activities for year ended March 31, 2025 was at ₹ (897.84) Lakhs as compared to the Profit Before tax of ₹ 338.81 Lakhs. This was mainly due to following reasons:

1. Depreciation;
2. Increase in Trade Receivables;
3. Due to interest which is part of financing activity but while considering profit before tax we have reduce from profits;
4. Increase in short term loans and advances.

Net cash Outflow from operating activities for year ended March 31, 2024 was at ₹ 2,440.04 Lakhs as compared to the Profit Before Tax at ₹ 524.24 Lakhs. This was primarily due to working capital change.

1. Depreciation;
2. Increase in Trade Payables.
3. Due to interest which is part of financing activity but while considering profit before tax we have reduce from profits.
4. Due to decrease in trade receivable

Cash Flows from Investment Activities

For the year ended March 31, 2026, net cash outflow from Investing Activities were ₹ (126.84) Lakhs. This was mainly due to investment in Fixed Assets.

For the year ended March 31, 2025, net cash outflow from Investing Activities were ₹ (23.80) Lakhs. This was mainly due to investment in Fixed Assets.

For the year ended March 31, 2024, net cash outflow from Investing Activities were ₹ (1,543.89) Lakhs. This was mainly due to investment in Fixed Assets.

Cash Flows from Financing Activities

For the year ended March 31, 2026, net cash inflow from Financing Activities were (₹ 733.20) Lakhs. This was mainly due to payment of long term loans.

For the year ended March 31, 2025, net cash inflow from Financing Activities were (₹ 1,958.89) Lakhs. This was mainly due to payment of long term loans.

For the year ended March 31, 2024, net cash inflow from Financing Activities were (₹ 988.79) Lakhs. This was mainly to payment of long term loans.

Related Party Transactions

For further information, Please refer chapter titled *"Restated Financial Statement"* beginning from page no. 221 of this Red Herring Prospectus.

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risks

We are currently exposed interest to rate risks to the extent of outstanding loans. However, any rise in future borrowings may increase the risk.

Effect of Inflation

We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. **Unusual *or infrequent events or transactions.***

There has not been any unusual trend on account of our business activity. There are no Unusual or infrequent events or transactions in our Company. The transactions are as per usual business operations.

2. ***Significant economic changes that materially affected or are likely to affect income from continuing operations.***

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in 'Factors Affecting our Results of Operations' and the uncertainties described in the section entitled *"Risk Factors"* beginning on page 19 of the Red Herring Prospectus. To our knowledge, except as we have described in the Red Herring Prospectus, there are no known factors which we expect to bring about significant economic changes.

3. ***Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.***

Apart from the risks as disclosed under Section *"Risk Factors"* beginning on page 19 in the Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.

Apart from the risks as disclosed under Section titled *"Risk Factors"* beginning on page 19 in this Red Herring Prospectus, there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices.

Our Company is primarily engaged in manufacturing and selling of Cotton Yarns. Our manufacturing process adheres to stringent quality standards and is backed by advanced technology and machinery. Further, increases in revenues are by and large linked to increase in sales of products sold by our company and also dependent on capacity utilization and on the price realization of our products.

6. Total turnover of each major industry segment in which the Issuer company operated.

Our Company is primarily engaged in manufacturing and selling of Cotton Yarns. Our manufacturing process adheres to stringent quality standards and is backed by advanced technology and machinery. Relevant Industry data, as available, has been included in the chapter titled "*Industry Overview*" beginning on page 124 of this Red Herring Prospectus.

7. Status of any publicly announced new products or business segment.

Our Company is primarily engaged in manufacturing and selling of Cotton Yarns. Our manufacturing process adheres to stringent quality standards and is backed by advanced technology and machinery. Otherwise as stated in the Red Herring Prospectus and in the section "*Business Overview*" appearing on page 157, our company has not publicly announced any new business segment till the date of this Prospectus.

8. The extent to which business is seasonal.

Our Company is primarily engaged in manufacturing and selling of Cotton Yarns. Our manufacturing process adheres to stringent quality standards and is backed by advanced technology and machinery. Business of our company to that extent is not seasonal in nature. Hence, our business is not subject to seasonality or cyclicality.

9. Any significant dependence on a single or few suppliers or customers.

The percentage of contribution of our Company's customer vis-à-vis the total revenue from operations for the year ended on March 31, 2026, 2025 and 2024 is as follows:

(₹ in Lakhs)

Particular	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended March 31, 2024	
	Amount	%	Amount	%	Amount	%
Top 1 customer	4,857.82	12.02	10,660.60	29.31	13,743.42	38.84
Top 3 customer	10,091.03	24.98	21,164.32	58.20	26,054.82	73.63
Top 5 customers	14,080.91	34.86	26,166.93	71.95	27,914.40	78.88
Top 10 customers	20,676.99	51.18	30,215.41	83.08	31,400.01	88.73

Note that Name of Customers are not mentioned since Company has not received written consent from its Customers till filing of Red Herring Prospectus to include their name in this Red Herring Prospectus.

(₹ in Lakhs)

Particular	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended March 31, 2024	
	Amount	%	Amount	%	Amount	%
Top 1 Supplier	8,122.72	21.30	13,281.82	40.95	12,865.60	39.47
Top 3 Suppliers	11,998.62	31.46	17,155.34	52.90	18,780.43	57.61
Top 5 Suppliers	14,568.38	38.20	20,139.17	62.10	21,609.71	66.29
Top 10 Suppliers	19,300.17	50.61	24,525.01	75.62	24,184.82	74.19

Note that Name of Suppliers are not mentioned since Company has not received written consent from its Suppliers till filing of Red Herring Prospectus to include their name in this Red Herring Prospectus.

10. Competitive conditions:

We face competition from existing and potential competitors which is common for any business. We have, over a period, developed certain competitors who have been discussed in section titles "*Business Overview*" beginning on page 157 of this Red Herring Prospectus.

SECTION IX–LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoter, , Key Managerial Persons(KMPs) or Senior Managerial Persons (SMPs); (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoter or ; (iii) outstanding claims involving our Company, Directors or Promoter for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Red Herring Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Red Herring Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Red Herring Prospectus; (ix) litigation or legal action against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Red Herring Prospectus; (x) pending litigations involving our Company, Directors, Promoter or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors vide resolution passed in its meeting held on April 20, 2026 in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.

For the purpose of material litigation in (x) above, our Board has vide resolution passed in its meeting held on April 20, 2026 considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this Red Herring Prospectus

a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoters, Directors, Group Companies, KMPs or SMPs as the case may be shall be deemed to be material;

b) Litigation where the value or expected impact in terms of value, exceeds the lower of the following:

(i) two percent of turnover, as per the latest annual restated Standalone financial statements of the issuer; or

(ii) two percent of net worth, as per the latest annual restated Standalone financial statements of the issuer, except in case the arithmetic value of the net worth is negative; or

(iii) five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated Standalone financial statements of the issuer."

In our case we have taken the value of criteria (iii) being the lowest has been considered for the purpose of materiality.

c) Any pending litigation / arbitration proceedings involving the Relevant Parties wherein a monetary liability is not quantifiable, or which does not fulfil the threshold as specified in (b) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company or where the monetary liability is not quantifiable, each such case involving our Company, Promoter, Directors, Group Companies, KMPs or SMPs whose outcome would have a bearing on the business operations, prospects or reputation of our Company and as required under the SEBI Regulations have been disclosed on our website at www.vcottonexport.com.

d) Notices received by our Company, Promoter, Directors, KMPs or SMPs as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoters / KMPs/ SMPs, as the case may be, are impleaded as parties in proceedings before any judicial forum.

Our Company, our Promoter, our Directors, KMPs and/or SMPs have not been declared as willful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.

OUTSTANDING MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTERS, GROUP COMPANIES, KMPs & SMPs

PART 1: LITIGATION RELATING TO OUR COMPANY

A. FILED AGAINST OUR COMPANY

1. Litigation involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/ Regulatory Authorities

NIL

3. Disciplinary Actions by Authorities

NIL

4. Litigation involving Tax Liability Direct Tax:

M/s. Vivekanad Cotspin Limited (formerly Known as M/s. Vivekanand Cotspin Private Limited)

a) Pending Liability in TDS:

AY 2025-26

i. As per details available on the TRACES an aggregate outstanding amount of Rs. 1,23,769.50 is determined to be paid from Previous years till 2025-26 against **M/s. Vivekanand Cotspin LLP** (hereinafter referred to as the "Assessee") as default on account of short payment, short deduction, interest on payments default, interest on deduction default, late filing fees u/s 234E and Interest u/s 220(2) of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

ii. As per Details available on the TRACES an aggregate outstanding amount of Rs. 1608.41 is determined to be paid from Previous years till 2025-26 against M/s. Vivekanad Cotspin Limited (formerly Known as M/s. Vivekanand Cotspin Private Limited) (hereinafter referred to as the "Assessee") as default on account of short Deduction and Interest on Deduction Default u/s 201 of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

iii. As per the details available on the website of the Income Tax Department, M/s. Vivekanad Cotspin Limited (formerly Known as M/s. Vivekanand Cotspin Private Limited) (hereinafter referred to as the "Assessee") have been issued with an Intimation under section 144B of the Income Act, 1961 vide letter number ITBA/AST/S/61/2026-27/1090000615(1) dated June 20th, 2026 for the purpose of faceless Assessment. Further, a notice under section 143 (2) of the Income Tax Act, 1961 bearing Number ITBA/AST/S/143(2)/2026-27/1090022083(1) dated June 20th, 2026 has been issued for the scrutiny assessment with the Income tax Act, 1961 and the same is pending.

Indirect Taxes:

Sr. No	Entity and GSTIN	Name of Authority	Notice/Demand Order Id & Period	Notice/Order Description	Amount in Dispute (Rs.)	Current Status

1.	M/s. Vivekanand Cotspin LLP 24AAMFV9024F1Z1 (Gujarat)	Superintendent Jurisdiction: Gandhi Nagar, Gujarat	SCN in the Form GST DRC-01 Reference No.: ZD2404251289490 dated April 30, 2025 Order in the Form GST DRC-07 Reference No.: ZD241125010688K dated November 04, 2025 Period: April 2020-March 2021	Show Cause Notice u/s 74 due to wrong availment of ITC passed on by the supplier having Cancelled Registration Followed by Order for creation of Demand u/s 74 of GST Act, 2017	Total Liability: Rs. 54,37,428/- (Tax: Rs. 54,37,428/-)	The assessee herein has filed an appeal to the Appellate Authority vide appeal no. AD2401260235497 dated January 28, 2026 and demand is under stay order and the registration under GST has been cancelled by the department on the application of the assessee.

1) Other Pending Litigation based on Materiality Policy of our Company

NIL

B. CASES FILED BY OUR COMPANY

1. Litigation involving Criminal Laws

NIL

2. Other Pending Litigation based on Materiality Policy of our Company

NIL

PART 2: LITIGATION RELATING TO THE DIRECTORS AND PROMOTERS OF OUR COMPANY

A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTERS

1. Litigation involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/ Regulatory Authorities

NIL

3. Disciplinary Actions by Authorities

NIL

4. Litigation involving Tax Liability
Indirect Tax: NIL

Direct Tax:

1. Mr. Nirav Bharatbhai Patel (Promoter Cum Chairman and Managing Director)

a. A.Y. 2019-20

Mr. Nirav Bharatbhai Patel (hereinafter referred to as the "Assessee") had been issued with an order bearing reference no. ITBA/AST/F/148A/2025-26/1077841428(1) dated June 26, 2025 u/s. 148A(3) of the Income Tax Act, 1961 based on the information available with the Assessing officer which suggests that the income chargeable to tax for the A.Y. 2019-20, has escaped assessment, in accordance with the banking authorities, Dena Bank, had flagged, suspicious high valued transactions in the bank account of the assessee which is investigated by the income tax Investigation Wing and the concerned authority herein alleged the assessee of having escaped the assessment of income to the tune of Rs. 7,13,46,338/- for the A.Y. 2019-20 and it is a fit case for issuance of notice under section 148 of the Income tax Act, 1961 for assessment year 2019-20.

Subsequent to the order, the assessee herein has been issued with a notice bearing no. ITBA/AST/S/148_1/2025-26/1077842622(1) dated June 26, 2025 under the provisions of section 148 of the Act, response to which has been submitted by the assessee and proceedings under the same are pending.

b. A.Y. 2020-21

Mr. Nirav Bharatbhai Patel (hereinafter referred to as the "Assessee") had been issued with an order bearing reference no. ITBA/AST/F/148A/2025-26/1077841922(1) dated June 26, 2025 u/s. 148A(3) of the Income Tax Act, 1961 based on the information available with the Assessing officer which suggests that the income chargeable to tax for the A.Y. 2020-21, has escaped assessment, in accordance with the banking authorities, Dena Bank, had flagged, suspicious high valued transactions in the bank account of the assessee which is investigated by the income tax Investigation Wing and the concerned authority herein alleged the assessee of having escaped the assessment of income to the tune of Rs. 13,29,63,889/- for the A.Y. 2020-21 and it is a fit case for issuance of notice under section 148 of the Income tax Act, 1961 for assessment year 2020-21.

Subsequent to the order, the assessee herein has been issued with a notice bearing no. ITBA/AST/S/148_1/2025-26/1077842621(1)) dated June 26, 2025 under the provisions of section 148 of the Act, response to which has been submitted by the assessee and proceedings under the same are pending.

c. A.Y. 2021-22

Mr. Nirav Bharatbhai Patel (hereinafter referred to as the "Assessee") had been issued with an order bearing reference no. ITBA/AST/F/148A/2025-26/1077950363(1) dated June 28, 2025 issued u/s. 148A(3) of the Income Tax Act, 1961 based on the information available with the Assessing officer which suggests that the income chargeable to tax for the A.Y. 2021-22, has escaped assessment, in accordance with the banking authorities, Dena Bank, had flagged, suspicious high valued transactions in the bank account of the assessee which is investigated by the income tax Investigation Wing and the concerned authority herein alleged the assessee of having escaped the assessment of income to the tune of Rs. 5,85,14,669/- for the A.Y. 2021-22 and it is a fit case for issuance of notice under section 148 of the Income tax Act, 1961 for assessment year 2020-21.

Subsequent to the order, the assessee herein has been issued with a notice bearing no. ITBA/AST/S/148_1/2025-26/1077951414(1) dated June 28, 2025 under the provisions of section 148 of the Act, response to which has been submitted by the assessee and proceedings under the same are pending.

2. Mrs. Ranjanben Bharatbhai Patel (Promoter)

a. A.Y.2018-2019

As per details available on the website of the Income Tax Department Mrs. Ranjanben Bharatbhai Patel (hereinafter referred to as the "Assessee") have been issued with a demand notice bearing Demand Identification No: 2019201937117906851T dated February29, 2020 u/s. 143(1)(a) of the Income Tax Act, 1961, raising a demand of Rs. 1000/- in addition to an interest of Rs. 780/- for the A.Y 2019, and the matter is pending.

3. Vishnubhai Prahladdas Patel

a. A.Y. 2025-26

As per the details available on the website of the Income Tax Department, Mr. Vishnubhai Prajladdas Patel (hereinaftee referred to as the "Assessee") has been issued an Intimation Letter under section144B of the Income tax Act, 1961 vide letter Number: ITBA/AST/S/61/2026-27/1090111026(1) dated June 20th, 2026 for the purpose of faceless assessment. Further, a notice under section 142 (1) of the Income Tax, 1961vide letter No. ITBA/AST/F/142(1)/2026 27/1092012928(1) dated August 10, 2026has been issued to produce further documents and the matteris pending.

1) Other Pending Litigation based on Materiality Policy of our Company:

NIL

B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTERS

Litigation involving Criminal Laws

NIL

Other Pending Litigation based on Materiality Policy of our Company

NIL

PART 3: LITIGATION RELATING TO OUR GROUP COMPANIES AND / OR ENTITIES IN WHICH OUR PROMOTERS ARE PARTNERS

A. LITIGATION AGAINST OUR GROUP COMPANIES AND / OR ENTITIES IN WHICH OUR PROMOTERS ARE PARTNERS:

1. Litigation involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Disciplinary Actions by Authorities

NIL

2) Litigation involving Tax Liability Direct Tax:

1. M/s. Ambica Cotseeds Limited (Group Company)

a. Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs. 3,27,766.48/- is determined to be paid from Previous years till 2025-26 against ***M/s. Ambica Cotseeds Limited*** *(hereinafter referred to as the "Assessee") as default on account of short payment, short deduction, interest on payments default, interest on deduction default, late filing fees u/s 234E and Interest u/s 220(2) of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable*

2. M/s. Vivekanand Industries (Partnership firm of Promoters)

Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs. 122,810/- is determined to be paid from Previous years till 2025-26 against M/s. Vivekanand Industries (hereinafter referred to as the "Assessee") as default on account of short payment, short deduction, interest on payments default, interest on deduction default, late filing fees u/s 234E and Interest u/s 220(2) of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

3. M/s. Avadh Cotton Industries (Partnership firm of Promoters)

Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs. 78,165.20/- is determined to be paid from Previous years till 2025-26 against M/s. Avadh Cotton Industries (hereinafter referred to as the "Assessee") as default on account of short payment, short deduction, interest on payments default, interest on deduction default, late filing fees u/s 234E and Interest u/s 220(2) of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

M/s. Balaji Oil Mill Ginning And Pressing Factory (Partnership Firm of Promoters):-

Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs. 14,223/- is determined to be paid from Previous years till 2025-26 against M/s. Balaji Oil Mill Ginning And Pressing Factory (hereinafter referred to as the "Assessee") as default on account of short payment, short deduction, interest on payments default, interest on deduction default, late filing fees u/s 234E and Interest u/s 220(2) of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

Indirect Taxation:

Sr. No	Entity and GSTIN	Name of Authority	Notice /Demand Order Id & Period	Notice /Order Description	Amount in Dispute (Rs.)	Current Status
1.	M/s. AMBICA COTSEEDS LIMITED 24AAJCA4155E1ZZ (Gujarat)	Assistant Commissioner Gujarat	SCN in the Form GST DRC -01 Reference No. ZD240522013507S dated May 19, 2022 Order in the Form GST DRC-07 Reference No.: ZD241225114712U dated December 24, 2025 Period: September 2018 - October 2018	Show Cause Notice u/s 74 due to claiming ITC by obtaining only bills from the taxpayer, without actually receiving any goods or services. Followed by Order for creation of Demand u/s 74 of GST Act, 2017	Total Liability: Rs. 16,94,464/- (Tax: Rs. 5,14,636/-, Interest: Rs. 6,65,192/- & Penalty: Rs. 5,14,636/-)	The assessee herein has filed an appeal to the Appellate Authority vide appeal no. AD24032604020 8E dated March 24, 2026 and the same is pending for further proceeding.
2.	M/s. AMBICA COTSEEDS LIMITED 24AAJCA4155E1ZZ (Gujarat)	State Tax Officer Ghatak 33 (Kadi): Range – 8, Division - 4, Gujarat	Intimation in the Form GST DRC -01A Reference No. ZD241223030889C dated December 13, 2023 SCN in the Form GST DRC -01 Reference No. ZD240124085256J dated January 31, 2024 followed by Order in the Form GST DRC-07 Reference No.: ZD2404240103423 dated April 05, 2024	Intimation of tax liability u/s 74(5) due to claiming it by obtaining only bills from the taxpayer, without actually receiving any goods or services. Followed by Show Cause Notice u/s 74 Followed by Order for creation of Demand u/s 74 of GST Act, 2017	Total Liability: Rs. 69,47,736/- (Tax: Rs. 28,35,810/-, Interest: Rs. 12,76,116/- & Penalty: Rs. 28,35,810/-)	The assessee herein has filed an appeal to the Appellate Authority vide appeal no. AD24062403665 8V dated June 22,

			Period: April 2021 - March 2022			2024 and a notice of adjournment of hearing is issued dated August 14, 2025 and the same is pending for final conclusion.
3.	M/s. AMBICA COTSEEDS LIMITED 24AAJCA4155E1ZZ (Gujarat)	Superintendent Jurisdiction: DGGI HEAD QUARTERS, Gujarat	SCN in the Form GST DRC -01 Reference No. ZD240824023870H dated August 05, 2024 Order in the Form GST DRC-07 Reference No. : ZD240225008438M dated Febuary 03, 2025 Period: July 2017 –March 2019	Show Cause Notice u/s 74 due to Demand and penalties for alleged acts of omission & commission, leading to contravention of various provisions of CGST Act, 2017 and concerned State GST Act, 2017 read with section 20 of IGST Act, 2017. Followed by order u/s 74 for creation of demand ITC.	Total Liability: Rs. 6,01,03,394/- (Tax: Rs. 3,00,51,697/- , & Penalty: Rs. 3,00,51,697/-)	The assessee herein has filed an appeal to the Appellate Authority vide appeal no. AD24042503111 8G dated April 24, 2025 and the same is pending for further proceeding.
4.	M/s. AMBICA COTSEEDS LIMITED 24AAJCA4155E1ZZ (Gujarat)	Superintendent RANGE II, KADI DIVISION, GANDHINAGAR, AHMEDABAD, CBIC	Intimation in the Form GST DRC -01A Reference No.: ZD240824005951H dated August 02, 2024 SCN in the Form GST DRC -01 Reference No. ZD240824006355K dated August 02, 2024 Period: Apirl 2020 –March 2021 & April 2022 to March 2023 Order in the Form GST DRC-07 Reference No. : ZD241224025479G dated December 09, 2024	Intimation of tax liability u/s 74,122 (5) due to claiming it by obtaining only bills from the taxpayer, without actually receiving any goods or services. Followed by Show Cause Notice u/s 74 Order u/s 74 for creation of demand due to claiming excess ITC	Total Liability: Rs. 4,82,136/- (Tax: Rs. 2,41,068/-, & Penalty: Rs. 2,41,068/-)	The assessee herein has filed an appeal to the Appellate Authority vide appeal no. AD24032501263 7B dated March 06, 2025 and the same is pending

			Rectification Order in the Form GST DRC-08 Reference No. : ZD2412240302060 dated December 10, 2024			for further proceeding.
5.	M/s. AMBICA COTSEEDS LIMITED 24AAJCA4155E1ZZ (Gujarat)	State Tax Officer Gujarat	SCN in the Form GST DRC -01 Reference No. ZD241025011266Z dated October 05, 2025 Order in the Form GST DRC-07 Reference No. : ZD2410250112750 dated October 05, 2025 Release order in the Form GST MOV – 05 Reference No. ZD2410250112841 dated October 05, 2025 Period: September 2025	Show Cause Notice u/s. 129(3) due to mismatch in place of dispatch in E-Way bill Followed by order for creation of demand u/s 129(3) Followed by release order after paying demand of Tax and Penalty.	Total Liability: Rs. 3,82,680/- (Penalty: Rs. 3,82,680/-) Current Status: The demand has been paid by the Taxpayer to realease the Conveyance and Goods.	The assessee herein has filed an appeal to the Appellate Authority against demand for mistake in e-way bill in respect of place of dispatch vide appeal no. AD241125017598 3 dated November 28, 2025 and the same is pending for further proceeding.
6.	M/s. VIVEKANAND INDUSTRIES (Partnership firm of our Promoters) 24AADFV1555E1ZG (Gujarat)	State Tax Officer Ghatak 33 (Kadi): Range – 8, Division – 4, Gujarat	Intimation in the Form GST DRC -01A Reference No. ZD241223059397C dated December 21, 2023 SCN in the Form GST DRC -01 Reference No. ZD2412230993578 dated December 28, 2023 Order in the Form GST DRC-07 Reference No.: ZD240224022697I dated February 12, 2024 Period: April 2020 - March 2021	Intimation of tax liability u/s 74(5) due to claiming itcby obtaining only bills from the taxpayer, without actually receiving any goods or services. Followed by Show Cause Notice u/s 74 Followed by Order for creation of Demand u/s 74 of GST Act, 2017	Total Liability: Rs. 16,17,718/- (Tax: Rs. 6,40,680/-, Interest: Rs. 3,36,358/- & Penalty: Rs. 6,40,680/-)	The assessee herein has filed an appeal to the Appellate Authority vide appeal no. AD2405240256 32E dated May 20, 2024 and the same has been submitted for

						further processing and a notice of adjournment of hearing is issued dated March 17, 2025 and the same is pending for final conclusion.
7.	M/s. VIVEKANAND INDUSTRIES (Partnership firm of our Promoters) 24AADFV1555E1ZG (Gujarat)	State Tax Officer Ghatak 33 (Kadi): Range – 8, Division – 4, Gujarat	SCN in the Form GST DRC -01 Reference No. ZD240326019197H dated March 07, 2026 Period: November 2023 - November 2023	Show cause notice u/s. 73 for claiming excess ITC in GSTR 3B as compare to GSTR 2B.	Total Liability: Rs. 56,61,463/- (Tax: Rs. 36,30,556/-, Interest: Rs. 14,70,375/- & Penalty: Rs. 5,60,532/-)	Reply furnished, pending for order by tax officer
8.	M/s. VIVEKANAND INDUSTRIES 24AADFV1555E1ZG (Gujarat)	Assistant Commissioner, Ghatak 33 (Kadi), Range-8, Division 4, Gujarat	SCN in the Form GST DRC-01 Reference No.: ZD240926020243N dated September 09, 2026 Period: F.Y.2022-2023 Period: April 2022 to March 2024	Intimation of tax ascertained as being payable Under Section 73,	Total Liability: Rs. 66,36,384/-	Pending for reply by taxpayer
9.	M/s. Ambica Cotseeds Limited 24AAJCA4155E1ZZ (Gujarat)	State Tax Officer Gujarat	Intimation in the form of Form GST DRC-01 refrence Number ZD240726019880A dated July 08, 2026 Period: April 2020 - March 2021	Form GST DRC-01 A under section 74(5) for payment of Penalty and interestfor excessive availment or utlisation of ITC.	Total Liability: Rs. 34, 03,622/- (Tax: Rs. 15,60,804/-, Interest: Rs. 16,08,697/- & Penalty: Rs. 2,34,121/-)	Reply furnished, pending for action by tax officer
10.	M/s. Ambica Cotseeds Limited 24AAJCA4155E1ZZ (Gujarat)	Assistant Commissioner, Ghatak 33 (Kadi), Range-8, Division 4, Gujarat	Intimation in the form of Form GST DRC-01 refrence Number ZD240826087229W dated August 19, 2026 Period: April 2020 - March 2021	Form GST DRC-01 A under section 74(5)for payment of Penalty and interestfor excessive availment or utlisation of ITC.	Total Liability: Rs. 41,89,914/-	Reply furnished, pending for action by tax officer

a. Other Pending Litigation based on Materiality Policy of our Company

M/s. Balaji Oil Mill Ginning & Pressing Factory (Partnership firm of promoters)

Executive Engineer, Paschim Gujarat Vij Company Limited (hereinafter referred to as the Petitioner) V/s. 1. M/s. Balaji Oil Mill Ginning & Pressing Factory; 2. Gujarat Electricity Ombudsman; (Parties 1 & 2 herein after collectively referred to as the Respondents and individually as Respondent No. 1 & 2)

(Special Civil Application (SCA/12350/2020) CNR Number: GJHC240402072020 filed and pending with the High Court of Gujarat at Ahmadabad District-Bhavnagar)

The Petitioner herein being an electricity distribution Company states that the respondent no. 1 herein was a consumer of the petitioner Company right from the year 1998 and was availing the services of the customer No. 23619 under category HTP-1 which got permanently disconnected in December 2015.

The dispute involves an invoice of Rs. 8,34,578/- raised on September 22, 2019, by the petitioner herein on the respondent towards the yearly minimum guarantee charges between January 2015 till October 2015. However being aggrieved by the invoice, on an application made by the respondent herein to the Electricity Ombudsman by way of case no. 102/2019, the application was allowed and it was held that the invoice was hit by Section 56 (2) of the Electricity Act, 2003 and the said order was later confirmed in a review application under case No. 102(R)/2019. Aggrieved by the said review order, the petitioner herein filed the instant petition and the same is pending before the concerned court of law and was last listed on April 09, 2021.

4. LITIGATION FILED BY OUR GROUP COMPANIES AND / OR ENTITIES IN WHICH OUR PROMOTERS ARE PARTNERS:

a) Litigation involving Criminal Laws

M/s. Truepay Finance Private Limited (Earlier known as Jain Finscap Private Limited) (Group Company)

1. **Truepay Finance Private Limited (Earlier known as Jain Finscap Private Limited) (hereinafter referred to as the "Applicant") V/s. Creduce Technologies Private Limited; 2. Shailendra Singh Rao; 3. Vishwaraj Shivanan singh; (hereinafter individually referred to as the respondent no. 1, 2 & 3 and collectively as "Respondents")**

a. (Criminal Miscellaneous Application (J) No. …………/2025 filed and pending before the Additional Chief Judicial Magistrate, Metropolitan Magistrate Court, Ahmedabad)

The applicant herein claims to have advanced an unsecured loan amounting to Rs. 50,00,000/- at a monthly interest of 1.5% to the respondent no. 1 through Respondent No. 2 herein, through a loan agreement dated May 05, 2025. In discharge of its interest liability issued a post dated cheque bearing no. 271249, date June 19, 2025 drawn on Indusind Bank for an amount of Rs. 1,10,959/- which upon presentation with the bank is alleged to have returned dishonoured with remarks "Funds insufficient" vide return memo dated June 21, 2025. Aggrieved by the same, the applicant herein filed the instant petition with the concerned court of jurisdiction, after servie of legal notice u/s. 138 on July 17, 2025.

b. (Criminal Miscellaneous Application (J) No. …………/2025 filed and pending before the Additional Chief Judicial Magistrate, Metropolitan Magistrate Court, Ahmedabad)

In furtherance of its loan repayment obligation details of which are mentioned at point no. 1(a), the respondnet herein is said to have issued a cheque bearing no. 271248 dated June 19, 2025for an amount of Rs. 50,00,000/- drawn on Indusind Bank which upon presentation with the bank by the Applicant, returned dishonoured with remarks "Funds Insufficient" vide return memo dated June 21, 2025. Aggrieved by the same, the applicant herein filed the instant petition after issuing a legal notice dated July 17, 2025 in terms of Section 138 of the Negotiable Instruments Act.

c. Criminal Miscellaneous Application (J) No. …………/2025 filed and pending before the Additional Chief Judicial Magistrate, Metropolitan Magistrate Court, Ahmedabad)

The applicant herein claims to have advanced an unsecured loan amounting to Rs. 50,00,000/- at a monthly interest of 1.5% to the respondent no. 1 through Respondent No. 2 herein, through a loan agreement dated April 28, 2025. In discharge of its interest liability, the respondent herein issued a post dated cheque bearing no. 271246, date June 14, 2025 drawn on

Indusind Bank for an amount of Rs. 1,10,959/- which upon presentation with the bank is alleged to have returned dishonoured with remarks "Funds insufficient" vide return memo dated June 18, 2025. Aggrieved by the same, the applicant herein filed the instant petition with the concerned court of jurisdiction, after servie of legal notice u/s. 138 on July 17, 2025.

d. (Criminal Miscellaneous Application (J) No. …………/2025 filed and pending before the Additional Chief Judicial Magistrate, Metropolitan Magistrate Court, Ahmedabad)

In furtherance of its loan repayment obligation details of which are mentioned at point no. 1(a), the respondnet herein is said to have issued a cheque bearing no. 271245 dated June 14, 2025for an amount of Rs. 50,00,000/- drawn on Indusind Bank which upon presentation with the bank by the Applicant, returned dishonoured with remarks "Funds Insufficient" vide return memo dated June 18, 2025. Aggrieved by the same, the applicant herein filed the instant petition after issuing a legal notice dated July 17, 2025 in terms of Section 138 of the Negotiable Instruments Act.

2. Truepay Finance Private Limited (Earlier known as Jain Finscap Private Limited) (hereinafter referred to as the "Applicant") V/s. Vastupal Arvindbhai Vora; (hereinafter referred to as the "Respondents")

a. (Criminal Miscellaneous Application (J) No. 388322/2025 filed and pending before the Additional Chief Judicial Magistrate, Metropolitan Magistrate Court, Ahmedabad)

The applicant herein claims to have advanced an unsecured loan amounting to Rs. 3,00,00,000/- at a monthly interest of 2% to the respondent herein, through a loan agreement dated March 22, 2025. In discharge of its interest liability for the second quarter, the respondent herein issued a post dated cheque bearing no. 000156, drawn on HDFC Bank, Kadi for an amount of Rs. 18,00,000/- which upon presentation with the bank is alleged to have returned dishonoured with remarks "insufficient Fund" vide return memo dated October 01, 2025. Aggrieved by the same, the applicant herein filed the instant petition with the concerned court of jurisdiction, after servie of legal notice u/s. 138 on January 12, 2026.

b. (Criminal Miscellaneous Application (J) No. 2391/2026 filed and pending before the Additional Chief Judicial Magistrate, Metropolitan Magistrate Court, Ahmedabad)

The applicant herein claims to have advanced an unsecured loan amounting to Rs. 3,00,00,000/- at a monthly interest of 2% to the respondent herein, through a loan agreement dated March 22, 2025. In discharge of its interest liability for the third quarter, the respondent herein issued a post dated cheque bearing no. 000157, dated December 31, 2025 drawn on HDFC Bank, Kadi for an amount of Rs. 18,00,000/- which upon presentation with the bank is alleged to have returned dishonoured with remarks "Payment stopped by the drawer" vide return memo dated January 2, 2026. Aggrieved by the same, the applicant herein filed the instant petition with the concerned court of jurisdiction, after service of legal notice u/s. 138 on January 12, 2026.

c. Other Pending Litigation based on Materiality Policy of our Company

NIL

PART4: LITIGATION RELATING TO OUR KMPs AND / OR SMPs OTHER THAN OUR PROMOTERS /DIRECTORS

A. FILED AGAINST OUR KMPs / SMPs

i. Litigation involving Criminal Laws

NIL

ii. Litigation Involving Actions by Statutory/ Regulatory Authorities

NIL

1. Disciplinary Actions by Authorities

NIL

B. CASES FILED BY OUR KMPs / SMPs

2. **Litigation involving Criminal Laws**

NIL

3. **Other Pending Litigation based on Materiality Policy of our Company**

NIL

*As on date of this Red Herring Prospectus, our Company does not have any Subsidiary.

DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTERS, DIRECTORS, PROMOTOR GROUP MEMBERS/ENTITIES, KMPs AND SMPs DURING THE LAST 5 FINANCIAL YEARS

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters, Directors Promoter group members/ Entities, KMPs or SMPs during the last 5 financial years including outstanding actions except as disclosed above.

PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of this Red Herring Prospectus in the case of our Company, Promoters, Directors, KMPs and SMPs. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Red Herring Prospectus.

OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY

As on the date of the Red Herring Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES

There are no proceedings initiated against our Company for any economic offences.

NON-PAYMENT OF STATUTORY DUES

As on the date of the Red Herring Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv)contingent liabilities not paid for.

MATERIAL FRAUDS AGAINST OUR COMPANY

There have been no material frauds committed against our Company in the five years preceding the year of this Red Herring Prospectus.

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company, nor our Promoters, nor Group Companies and nor Directors nor any of our KMPs / SMPs have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

DISCLOSURES PERTAINING TO FRAUDULENT BORROWER

Our Company or any of our Promoters or Group Companies or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE

Except as disclosed in Chapter titled *"Management's Discussion & Analysis of Financial Conditions & Results of Operations"* beginning on page 228 there have been no material developments that have occurred after the Last Balance Sheet Date.

OUTSTANDING DUES TO CREDITORS

In accordance with the Materiality Policy, (exceeding 5% of company's restated trade payables) details of outstanding dues (trade payables) owed to MSME (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at March, 2026, on a standalone basis, are set out below:

(₹ in Lakhs)

Particulars	Number of creditors	Amount involved
Due to Micro, Small, and Medium Enterprises	26	39.97
Due to Material Creditors	3	79.50
Due to other creditors	51	67.73
Total	**80**	**187.19**

The details pertaining to outstanding dues to the material creditors along with names and amounts involved for each such material creditor are available on the website at www.vcottonexport.com.

GOVERNMENT AND OTHER APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Red Herring Prospectus and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any government a1l or regulatory authority or any other entity are required to be under taken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the GovernmentofIndiadoesnottakeanyresponsibilityforourfinancialsoundnessorforthe correctness of any of the statements made or opinion expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Red Herring Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to them a in objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

APPROVALS IN RELATION TO OUR COMPANY'S INCORPORATION

1. Certificate of Incorporation dated July 21, 2015 from the Registrar of Gujarat, Dadra and Nagar Havelli, under the LLP Act, 2008 as "Vivekanand Cotspin LLP" (LLP Identification Number. - AAE-4147);

2. Certificate of Incorporation dated August 05, 2024 from Registrar of Companies, Central Registration Centre "Vivekanand Cotspin LLP" to "Vivekanand Cotspin Private Limited" (Corporate Identification Number. - U13111GJ2024PTC154066) issued upon conversion from LLP to Private Limited Company;

3. Fresh Certificate of Incorporation dated December 16, 2024 from the Registrar of Companies, Centre Processing Centre, consequent to conversion of the Company from "Vivekanand Cotspin Private Limited" to "Vivekanand Cotspin Limited" (Corporate Identification Number. – U13111GJ2024PLC154066).

APPROVALS IN RELATION TO THE ISSUE

Corporate Approvals

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on April 20, 2026 authorized the Issue, subject to the approval by the shareholders of our Company under section 62(1) (c) of the Companies Act, 2013;

2. Our shareholders have, pursuant to a resolution dated April 20, 2026 passed under Section 62(1) (c) of the Companies Act, 2013, authorized the Issue;

3. Our Board of Directors has, pursuant to a resolution dated June 05, 2026, September 10, 2026 and [●] authorized our Company to take necessary action for filing the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus respectively with BSE SME.

Approvals from Stock Exchange

1. Our Company has received in-principle listing approval from the BSE SME dated August 05, 2026 for listing of Equity Shares issued pursuant to the issue.

Other Approvals

1. The Company has entered into a tripartite agreement dated January 31, 2025 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited), for the dematerialization of its shares;

2. The Company has entered into an agreement dated January 25, 2025 the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited), for the dematerialization of its shares;

3. The International Securities Identification Number (ISIN) of our Company is:-INE1JJP01018.

APPROVALS/LICENSES/PERMISSIONS IN RELATION TO OUR BUSINESS

Tax Related Approvals

S. No.	Description	Address of Place of Business/Premises	Registration Number	Issuing Authority	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	M/s. Vivekanand Cotspin Limited	AAKCV3547Q	Income Tax Department	August 05, 2024	Valid till Cancelled
2.	Tax Deduction and Collection Account Number (TAN)	M/s. Vivekanand Cotspin Limited Survey Number: 181/1,182-1, At Rangpurda, Thol Road, Kadi-382715, Gujarat	AHMV13382F	Income Tax Department	August 05, 2024 Last Modified dated January 06, 2025	Valid till Cancelled
3.	GST Registration Certificate (Gujarat)	M/s. Vivekanand Cotspin Limited Survey Number: 181/1, 182/1,Rangpurda,Kadi, Mahesana, Gujarat-384440 **<u>Additional Place of Business:</u>** 1. Plot No.15,Shed No.2, Gidc, At & Post Dharab, Mundra, Kachchh, Gujarat, 370201 2. Survey No. 895, Thol Road, Rangpurda, Kadi, Mahesana, Gujarat, 384440	24AAKCV3547Q 1ZM	Goods and Services Tax department	August05, 2024 Latest Amended Certificate issued on May 13, 2025	Valid till Cancelled
4.	Form-4 Under Professions Tax Under Gujarat State Profession, Business, Business and Employment Tax Act, 1976 (P.T.E.C)	M/s. Vivekananda Cotspin Limited, Rangpurda, Taluka- Kadi, District-Mehsana	Number: E.C-0408048005	Talati cum Mantri Professional Tax Officer Taluka Kadi, District Mehsana, Rangpurda Gram Panchayat	May 20, 2026	Valid till Cancelled
5.	Form 2 Under Professions Tax Under Gujarat State Profession, Business, Business and Employment Tax Act, 1976 (P.T.R.C)	M/s. Vivekananda Cotspin Limited, Rangpurda, Taluka-Kadi, District-Mehsana	Number: R.C-04090490006	Talati cum Mantri Professional Tax Officer Taluka Kadi, District Mehsana, Rangpurda Gram Panchayat	May 20, 2026	Valid till Cancelled

Registration related to Labour Laws:

S. No.	Description	Address	License Number	Issuing Authority	Date of issue	Date of Expiry
1.	Factory License	M/s. Vivekanand Cotspin Limited, Survey Number: 181/1, 182/1 & 895,Kadi, Thol Road, Rangpurda, Kadi, Mehsana, Gujarat-382715	Registration No. 15317/01632/2016 License No. 28919	Directorate of Industrial Safety and Health, Gujarat	Originally issued on December 21, 2016 Last modified Dated March 11, 2025	December 31, 2027
2.	Registration under the Employees Provident fund (EPF)	M/s. Vivekanand Cotspin Limited, Sr. No.181/1, 182/1, At Rangpurda, Takadi,Mehsana,Gujarat-382715	GJAHD1582532000	Employees' Provident Fund Organization, Regional office, Ahmedabad	April 13, 2017	Valid till Cancelled

Business Related Approvals issued in the name of the Company:

S. No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Import Export Code (IEC)	M/s. Vivekanand Cotspin Limited, Survey Number. 181/1 and182/1,At Rangpurda, Kadi,Mahesana-384440, Gujarat	0815010516	Ministry of Commerce and Industry Directorate General of Foreign Trade	Originally issued on August 24, 2015 Certificate last updated on January 09,2025	Valid till Cancelled
2.	UDYAM Registration Certificate	M/s. Vivekanand Cotspin Limited Survey Number: 181/1, 182/1, Kadi-Thol Road at Rangpurda, Kadi, Mahesana-384440, Gujarat	UDYAM-GJ- 14-0043372	Ministry of Micro, Small and Medium Enterprises, Mahesana (Gujarat)	August22, 2024 Last Modified dated January 20, 2025	Valid till Cancelled
3.	Registration cum Membership Certificate(Merchant Cum Manufacturer Exporter Cotton-Ginning, Pressing, Cotton Yarn)	M/s. Vivekanand Cotspin Limited, Survey Number: 181/1 And 182/1, At. Rangpurda, Thol Road, Kadi, 384440, Mahesana, Gujarat	Registration Number: MXC/MXY/3 2774(2015)-V	Cotton Textiles Export Promotion Council, Mumbai	Originally issued on April 01, 2025	March31, 2030
4.	LEI Certificate	M/s. Vivekanand Cotspin Limited, S/No 182/1, At Rangpurda, Mahesana, Kadi, 382715, India	3358009DO9 KTHORP6V 51	Legal Entity Identifier India Limited	October25, 2024	October28, 2026

S. No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
5.	Consolidated Consent & Authorization (CC&A) under section 25& 26 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention &Control of Pollution) Act,1981 and Authorization/	M/s. Vivekanand Cotspin Limited, Survey/No 182/1, Village: Rangpurda-382715, Tal: Kadi, Dist: Mehsana	**GPCB/CCA- MH-872/ID-48781/883004 Consent Order Number: AW-114922	Gujarat Pollution Control Board, Sub-Regional Officer, Mehsana	December 13, 2025	June 30, 2026
6.	Scope Certificate Under India's National Program for Organic Production Standards	M/s.Vivekanand Cotspin Limited, SR NO 181/1, 182/1. Rangpurda. Card. Mahesana. Gujarat-382715	*Certificate Number: ORG/SC/240 5/000749	M/s. Bureau Veritas (India) Private Limited	May 28, 2025	April 17, 2026 *Application Dated May 11, 2026 filed for renewal and pending for approval
7.	Scope Certificate under Global Organic Textile Standard (Gots) Version 7.0	M/s. Vivekanand Cotspin Limited, S/No. 182/1, Thol Road, At. Rangpurda, Kadi Mehsana, 384440 Gujarāt, India	Scope Certificate Number SC-020757-0	Intertek Testing Service, United States	January 08, 2026	January 07, 2027
8.	Scope Certificate Under Global Recycled Standard (4.0)	M/s. Vivekanand Cotspin Limited, S/No. 182/1, Thol Road, At. Rangpurda, Kadi Mehsana, 384440 Gujarāt, India	Scope Certificate Number ITS-TE99976972-GRS-0000716	Intertek Testing Service, United States	January 08, 2026	January 07, 2027
9.	Scope Certificate Under Organic Content Standard (3.0)	M/s. Vivekanand Cotspin Limited, S/No. 182/1, Thol Road, At. Rangpurda, Kadi Mehsana, 384440 Gujarāt, India	Scope Certificate Number ITS-TE-99976972-OCS-0000159	Intertek Testing Service, United States	January 08, 2026	January 07, 2027
10.	USDA Certificate issued under USDA organic regulations,7CFRPart205–National Organic Program (for Handling/Processing for Fiber Crops)	M/s. Vivekanand Cotspin Limited, S/No. 182/1, Thol Road, At. Rangpurda, Kadi, Mehsana, 384440 Gujarāt, India	Certificate No.N°295614/202507281132	Ecocert SAS, Jourdain, France	July 24, 2024	Valid till Cancelled
11.	Member of the International Cotton Association	M/s. Vivekanand Cotspin Limited	--	International Cotton Association	January 01, 2026	December 31, 2026

<u>Certificates existing in the name of erstwhile M/s. Vivekanand Cotspin LLP</u>

S. No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate of Commissioning Under Gujarat Energy Development Agency(GEDA)	M/s. Vivekanand Cotspin LLP, Survey Number: 182/1, Thol Road, At Rangpurda, Kadi, Mehsana - 382715, Gujarat **Solar Power Plant installed Premises at:** Survey Number: 25/1,29,30 of Village-Sami, Taluka-Sami, District-Patan **Capacity of Solar Power Project:** 3150KW(AC)/3998.12KW(DC)	GEDA Registration Number: GMSPVINDGEDA15042023-560	Gujarat Energy Development Agency, Gandhinagar	June 25, 2024	Valid till Cancelled

Intellectual Property

Trademarks registered/Objected/Abandoned in the name of our company

S. No.	Brand Name/Logo Trademark	Class	Application number and Date	Owner	Authority	Current Status
1.	Device "VIVEKANAND COTSPIN"	23	6815873 Dated January21,2025	M/s. Vivekanand Cotspin Limited,	Trademark Registry, Ahmedabad	Objected

Domain Name

S. No.	Domains Name	Registry Domain ID	Registrant Name and IANAID	Creation Date	Registry Expiry Date
1.	https://www.vcottonexport.com/	Registry Domain ID: 1704670461_DOMAIN_COM-VRSN	Registrar: whois.PublicDomain Registry.comIANAID:303	February 29, 2012	February 28, 2027

APPLICATIONS MADE BY OUR COMPANY, PENDING APPROVAL:

*Scope Certificate under India's National Program for Organic Production Standards Certificate Number: ORG/SC/240 5/000749 Renewal Application dated May 11, 2026, pending for approval;

** Application of Renewal CCA License Number: GPCB/CCA- MH-872/ID- 48781/883004Consent Order Number: AW-114922 dated June 15, 2026 and Pending for approval from GPCB.

MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY: NIL

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

Corporate Approvals

The Board of Directors has, pursuant to a resolution passed at its meeting held on April 20, 2026 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in Extra Ordinary General Meeting held on April 20, 2026 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

IN-PRINCIPAL APPROVAL

Our Company has received an In-Principle Approval letter dated August 05, 2026 from BSE SME for using its name in this Red Herring Prospectus for listing our shares on the platform. BSE SME is the Designated Stock Exchange for the purpose of this Issue.

PROHIBITION BY SEBI, RBI OR GOVERNMENTAL AUTHORITIES

Our Company, Promoters, Promoter Group and Directors have not been declared as willful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

PROHIBITION BY THE BOARD OR ANY SECURITIES MARKET REGULATOR

Neither our Company, Promoters, Promoter group, Directors, Person in control of the Promoter or our Company, if applicable, or selling shareholders are prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court.

PROHIBITION BY RBI

Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or the person(s) in control of our Company have been identified as a willful defaulter or fraudulent borrowers by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under chapter titled *"Outstanding Litigations and Material Developments"* beginning on page 238 of this Red Herring Prospectus.

Neither our Company, our Promoters, our Directors, Group companies, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as willful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

PROHIBITION WITH RESPECT TO WILFUL DEFAULTER OR A FRAUDULENT BORROWER

Neither our Company, our Promoters, Promoter group, our Directors, Group Companies, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as willful defaulter or a fraudulent borrower as defined by the SEBI (ICDR) Regulations, 2018.

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Under the SBO Rules certain persons who are 'significant beneficial owners', are required to intimate their beneficial holdings to our Company in Form no. BEN-1. Our Company, the Promoters and the members of the Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 ("SBO Rules"), to the extent applicable.

ELIGIBILITY FOR THE ISSUE

Our Company is an *"unlisted issuer"* in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations, 2018.

Our Company is eligible in terms of Regulation 228, 229(2) and 230 of SEBI (ICDR) Regulations, 2018 and other provisions of

Chapter IX of the SEBI (ICDR) Regulations, 2018, Our Company is eligible for the Issue in accordance with Regulation 229(2) of the SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, as we are an Issuer whose post-issue paid-up capital is more than ten crore rupees but less than twenty-five crore rupees, we may hence, Issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange in this case being the BSE SME.

We further confirm that:

1. In accordance with Regulation 228(a) of the SEBI (ICDR) Regulations, our Company, its promoters, promoter group or directors are not debarred from accessing the capital markets by the SEBI;

2. In accordance with Regulation 228(b) of the SEBI (ICDR) Regulations, the companies with which our promoters or directors are associated as a promoters or director are not debarred from accessing the capital markets by the SEBI;

3. In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a willful defaulter or a fraudulent borrower;

4. In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer's promoters or directors is a fugitive economic offender;

5. In accordance with Regulation 228(e) of the SEBI (ICDR) Regulations, there are neither any outstanding convertible securities nor any other right which would entitle any person with any option to receive equity shares of the issuer;

6. In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to the Stock Exchange and BSE SME is the Designated Stock Exchange;

7. In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialization of specified securities already issued and proposed to be issued;

8. In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity Share Capital are fully Paid up;

9. In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialized form;

10. In accordance with Regulation 230(1)(h) of the SEBI (ICDR) Regulations, the objects of the issue of the company does not consist of repayment of loan taken from promoters, promoter group or any related party, from the issue proceeds, directly or indirectly;

11. In accordance with Regulation 230(2) of the SEBI (ICDR) Regulations, the amount of general corporate purpose, as mentioned in the Objects of the Issue shall not exceed fifteen percent (15%) or ₹ 1,000 lakhs whichever is less of the amount being raised by issuer;

12. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of the Prospectus through BRLM immediately up on filling of the Issue Document with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations and the Draft Abridged Prospectus as per Part E of Schedule VI along with the Red Herring Prospectus to the SME Exchange(s), where the specified securities are proposed to be listed. However, SEBI shall not issue any observation on our Prospectus;

13. In accordance with Regulation 247(1) of the SEBI (ICDR) Regulations, 2018, we had also ensured that the draft offer document filed with the BSE SME was made public for comments for a period of at least twenty-one days from the date of filing, by hosting it on the websites of the issuer, BSE SME and the BRLM;

14. Further, in terms of Regulation 247(2), we had also ensured that the issuer, within 2 (two) working days of filing the draft offer document with the BSE SME, made a public announcement in one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language newspaper with wide circulation at the place where the registered office of the issuer was situated, disclosing the fact of filing of the draft offer document with the BSE SME and inviting the public to provide their comments to the SME exchange, the issuer or the book running lead manager in respect of the disclosures made in the draft offer document;

15. Further, in terms of Regulation 247(3), we had also ensured that the BRLM, after expiry of the period stipulated in sub-regulation (1), filed with the SME exchange the details of the comments received by them or the issuer from the public on

the draft offer document during that period and the consequential changes, if any, that were required to be made in the offer document;

16. Further, in terms of Regulation 247(4) we shall also ensure that the offer documents are hosted on the websites as required under these regulations and its contents are the same as the versions as filed with the Registrar of Companies, Board and the SME exchange;

17. Further, in terms of Regulation 247(5) we shall also ensure that the copies of the offer document are provided to the public as and when requested and may charge a reasonable sum for providing a copy of the same;

18. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Book Running Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size. For details pertaining to underwriting by BRLM, please refer to Section titled *"General Information"* beginning on page no. 64 of this Red Herring Prospectus;

19. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled *"General Information"* beginning on page no. 64 of this Red Herring Prospectus;

20. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allotees in the Issue is greater than or equal to 200, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within 4 (four) days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of 4 (four) days, be liable to repay such application money, with interest at rate of fifteen per cent per annum and within such time as disclosed in the Issue document and BRLM shall ensure the same;

21. We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, 2018 and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

ELIGIBILITY CRITERIA FOR LISTING ON BSE SME PLATFORM

As per Regulation 229(3) of SEBI (ICDR) Regulations, 2018 our Company complies with the eligibility conditions laid by the BSE SME for listing of our Equity Shares. The point wise Criteria for BSE SME and compliance thereof are given hereunder:

1. INCORPORATION

The Company should be incorporated under the Companies Act, 1956/2013 in India.

Our Company was incorporated on August 5, 2024, with the Registrar of Companies, Central Registration Center under the Companies Act, 2013 in India.

2. POST ISSUE PAID UP CAPITAL

The post issued paid-up capital of the Company (face value) shall not be more than ₹ 25.00 Crore.

The present paid-up capital of our Company is ₹ 1,625.00 Lakhs and we are proposing issue of 60,00,000 Equity Shares of ₹ 10/- each at Issue price of ₹ [●]/- per Equity Share including securities premium of ₹ [●]/- per Equity Share, aggregating to ₹ [●] Lakh. Hence, our Post Issue Paid up Capital will be ₹ 2,225.00 Lakhs which shall not be more than ₹25.00 Crore.

3. NET WORTH

Our Net Worth is atleast ₹ 1 crore for 2 preceding full financial years. The Company has a positive Net worth of of ₹ 2,893.57 lakhs, ₹ 1,726.46 lakhs and ₹ 2,062.49 lakhs as per the restated financial Statements as on March 31, 2026, March 31, 2025 and March 31, 2024 respectively. Therefore, our company satisfies the criteria of having Net worth of atleast ₹100.00 Lakhs for 2 preceding full financial years.

(₹ in lakhs)

Particulars	**March 31, 2026**	**March 31, 2025**	**March 31, 2024**
Paid-up share capital	1,625.00	1,500.00	1,500.00
All reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account	1,268.57	226.46	562.49
Net worth	2,893.57	1,726.46	2,062.49

4. **NET TANGIBLE ASSETS**

The Net Tangible Assets based on Restated Financial Statement of our company as on the last preceding (full) financial year i.e. March 31, 2026 is ₹2,888.24 Lakhs. Therefore, our company satisfies the criteria for Net Tangible Asset of ₹300.00 lakhs in last preceding (full) financial year.

(₹ in lakhs)

Particulars	March 31, 2026
Net Worth	2,893.57
Less: Intangible Assets	5.33
Net Tangible Assets	2,888.24

"Net tangible assets" mean the sum of all net assets of the issuer, excluding intangible assets as defined in Accounting Standard 26 (AS 26) or Indian Accounting Standard (Ind AS) 38, as applicable, issued by the Institute of Chartered Accountants of India.

5. **TRACK RECORD**

Our Company was originally formed and registered as a Limited Liability Partnership under the Limited Liability Partnership Act, 2008 ("LLP Act") in the name and style of "Vivekanand Cotspin LLP" (LLPIN: AAE-4147) and received a certificate of incorporation from the Registrar of Companies, Gujarat, Dadra and Nagar Havelli on July 21, 2015. Further, "Vivekanand Cotspin LLP" was thereafter converted from a Limited Liability Partnership to a Private Limited Company under part I Chapter XXI of Section 366 of Companies Act, 2013 with the name of "Vivekanand Cotspin Private Limited" and received a fresh certificate of incorporation from the Registrar of Companies, Central Registration Center on August 5, 2024. The Corporate Identification Number (CIN) of our Company is U13111GJ2024PTC154066. Later, our Company was converted into Public Limited Company and consequently name of company was changed from "Vivekanand Cotspin Private Limited" to "Vivekanand Cotspin Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on December 02, 2024 and a fresh certificate of incorporation dated December 16, 2024 issued by the Registrar of Companies, Central Processing Centre.

6. **EARNINGS BEFORE INTEREST, DEPRICIATION AND TAX**

The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive. Our Company satisfies the criteria of track record which are given hereunder based on Restated Consolidated Financial Statement.

(₹ in lakhs)

Particulars	March 31, 2026	March 31, 2025	March 31,2024
Net Profit before Tax	512.87	457.74	524.24
Add: Finance Cost	507.68	413.85	415.85
Add: Depreciation	570.16	599.31	557.99
Add: Exceptional item	-	15.91	
Less: Other Income	131.14	57.87	62.81
EBITDA	1,459.57	1,428.94	1,435.27

7. **LEVERAGE RATIO**

The Leverage ratio (Total Debts to Equity) of the Company as on March 31, 2026 was 1.56:1 which is less than the limit of 3:1. Therefore, our company satisfies the criteria of having leverage ratio of less than 3:1.

(₹ in lakhs)

Particulars	March 31, 2026
Long Term Borrowings	1,258.69
Short Term Borrowings	3,240.83
Total Debt (A)	4,499.52
Paid-up Share Capital	1,625.00
Reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account	1,268.57
Net worth (B)	2,893.57
Debt-Equity Ratio (A / B)	1.56

8. **DISCIPLINARY ACTION**

No regulatory action of suspension of trading has been taken against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.

The Promoter(s) or directors are not promoter(s) or directors (other than independent directors) of compulsory delisted companies by the Exchange and the applicability of consequences of compulsory delisting is attracted or companies that are suspended from trading on account of non-compliance.

Director should not be disqualified/debarred by any of the Regulatory Authority.

9. DEFAULT

There are no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by our company, promoters/ promoting company(ies), Subsidiary Companies.

10. NAME CHANGE

Name change has happened within the last one year and at least 50% of the revenue calculated on a restated and consolidated basis for the preceding 1 full financial year has been earned by it from the activity indicated by its new name.

The activity suggesting name has contributed to at least 50% of the revenue, calculated on a restated and consolidated basis, for the preceding one full financial year.

11. OTHER REQUIREMENTS:

i. The Company has a functional website – www.vcottonexport.com;
ii. 100% of the Promoter's shareholding in the Company is in Dematerialised form;
iii. It is mandatory for the company to facilitate trading in demat securities and enter into an agreement with both the depositories. To facilitate trading in demat securities; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Tripartite agreement dated January 31, 2025, with CDSL, our Company and Registrar to the Issue;
- Tripartite agreement dated January 25, 2025, with NSDL, our Company and Registrar to the Issue;
- The Company's shares bear an ISIN: INE1JJP01018.

iv. There has not been any change in the promoters in preceding one year from date of filing the application to BSE for listing under SME segment;
v. The composition of the board is in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval;
vi. The net worth computation will be as per the definition given in SEBI (ICDR) Regulations, 2018;
vii. We confirm that the company has not been referred to National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016;
viii. There is no winding up petition against the company, which has been admitted by the court.

OTHER DISCLOSURES:

We confirm that:

i. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Promoters/Promoting Company(ies), group companies, companies promoted by the Promoters/Promoting Companies of the Company;

ii. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, Promoters/Promoting Company(ies), group companies, companies promoted by the Promoters/Promoting Company(ies) during the past three years;

iii. There are no litigations record against the applicant, Promoters/Promoting Company(ies), Group Companies, companies promoted by the Promoters/Promoting Company(ies);

iv. There are no criminal cases/investigation/offences and charge-sheeted with serious crimes like murder, rape, forgery, economic offences filed against any of our directors effecting the business of the company.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF ~~DRAFT ISSUE DOCUMENT~~/ ISSUE DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE ~~DRAFT ISSUE DOCUMENT~~/ ISSUE DOCUMENT. THE BOOK RUNNING LEAD MANAGER, SWASTIKA INVESTMART LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE ~~DRAFT ISSUE DOCUMENT~~/ ISSUE DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ICDR) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE ~~DRAFT ISSUE DOCUMENT~~/ ISSUE DOCUMENT, THE BOOK RUNNING LEAD MANAGER, SWASTIKA INVESTMART LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, SWASTIKA INVESTMART LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 10, 2026 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ICDR) REGULATIONS, 2018.

THE FILING OF THIS RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/ OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE ~~DRAFT ISSUE DOCUMENT~~/ ISSUE DOCUMENT.

ALL APPLICABLE LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, GUJARAT IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE ACT, 2013.

DISCLAIMER FROM BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE Limited. The disclaimer clause as intimated by BSE Limited to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus / Prospectus prior to the filing with the RoC.

DISCLAIMER FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER ("BRLM")

Our Company and the Book Running Lead Manager accepts no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website www.vcottonexport.com would be doing so at his or her own risk.

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Book Running Lead Manager and our Company on May 07, 2026 and the Underwriting Agreement dated August 13, 2026 entered into between our Company, Book Running Lead Manager and Underwriter, and the Market Making Agreement dated August 31, 2026 entered into among our Company, Book Running Lead Manager and Market Maker.

All information will be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere. Neither our Company nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our subsidiary, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, state industrial development corporations, provident funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI, venture capital funds, permitted insurance companies and pension funds, permitted non-residents including Eligible NRIs, AIFs, FPIs registered with SEBI and QIBs. This Red Herring Prospectus does not, however, constitute an issue to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at Gujarat, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulations of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulations under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

FILING OF DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES

The Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus shall be filed with BSE SME in terms of Regulation 246 (2) of SEBI ICDR Regulations.

The Draft Red Herring Prospectus will not be filed with SEBI nor will SEBI issue any observation on the draft issue document in term of Regulation 246(2) of the SEBI ICDR Regulations. However, pursuant to Regulation 246(5) of SEBI ICDR Regulations and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in.

A copy of Red Herring Prospectus will be available on website of the company www.vcottonexport.com Book Running Lead Manager www.swastika.co.in and stock exchange www.bseindia.com.

A copy of the Red Herring Prospectus/Prospectus, along with the material contracts and documents referred elsewhere in the Red Herring Prospectus/Prospectus, will be filed to the office of Registrar of Companies, Gujarat and the same will also be available on the website of the company [www.vcottonexport.com.](www.vcottonexport.com)

LISTING

Application will be made to the BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the issue.

The BSE SME has given its in-principle approval for using its name in our Issue Documents for listing our shares on the SME platform of BSE vide its letter dated August 05, 2026.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the BSE, our Company shall refund through verifiable means the entire monies received within the prescribed time of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within the prescribed time after the company becomes liable to repay it the company and every director of the company who is an officer in default shall, on and from the expiry of the prescribed time, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Our Company will ensure that all steps for completion of necessary formalities for listing and commencement of trading at the BSE SME mentioned above are taken within three (3) Working Days from the Issue Closing Date.

CONSENTS

Consents in writing of (a) Our Directors, Promoters, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Review Auditor, Banker to the Company; (b) Book Running Lead Manager to the issue, Registrar to the issue, Legal Advisor to the Issue, Banker to the Issue (Sponsor Bank), Syndicate Member, Underwriter to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained as required under Section 26 of the Companies Act and will be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC and such consents will not be withdrawn up to the time of delivery of the Red Herring Prospectus/Prospectus for registration with the RoC.

PARTICULARS REGARDING PUBLIC OR RIGHTS ISSUES DURING THE LAST 5 (FIVE) YEARS AND PERFORMANCE VIS-À-VIS OBJECTS

Our Company has not made any previous public or rights issue during the last 5 (Five) years preceding the date of this Red Herring Prospectus.

PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

For a detailed description, please refer to section *"Capital Structure"* on page 84 of this Red Herring Prospectus.

COMMISSION OR BROKERAGE ON PREVIOUS ISSUES SINCE INCORPORATION OF THE COMPANY

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of the Equity Shares in the 5 (Five) years preceding the date of this Red Herring Prospectus.

CAPITAL ISSUE DURING THE PREVIOUS 3 (THREE) YEARS

Except as disclosed in *"Capital Structure"* on page 84 of this Red Herring Prospectus, our Company has not made any capital issues in the last three years preceding the date of this Red Herring Prospectus.

Further, our company does not have any listed Group Companies/ Subsidiaries/ Associates, hence issue of capital during the last three years is not applicable.

PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC / RIGHTS ISSUE OF OUR COMPANY

Further, as on the date of this Red Herring Prospectus, our Company does not have any listed promoters, group companies, subsidiaries or associates, Performance vis-à-vis Objects is not applicable.

STOCK MARKET DATA OF THE EQUITY SHARES

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY SWASTIKA INVESTMART LIMITED

The price information of past issues handled by Swastika Investmart Limited is as follows:

SME-IPO

Sr. No.	Issue name	Issue size (₹ in Cr.)	Issue Price (₹)	Listing date	Opening Price on listing date	+/-% change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Sai Swami Metals and Alloys Limited	15.00	60.00	May 08, 2024	114.00	-55.31 (+4.39)	-55.26 (+6.98)	-53.51 (+7.24)
2.	TBI Corn Limited	44.94	94.00	June 07, 2024	198.00	+82.70 (+4.42)	+19.24 (+3.67)	-0.33 (+5.05)
3.	Bulkcorp International Limited	20.78	105.00	August 06, 2024	130.00	-13.81 (+3.67)	-17.69 (+3.03)	-29.23 (+0.94)
4.	Ideal Technoplast Industries Limited	16.03	121.00	August 28, 2024	132.10	-26.57 (+4.50)	-19.10 (-3.42)	+5.68 (-9.98)
5.	Resourceful Automobile Limited	11.99	117.00	August 29, 2024	117.00	-45.04 (+4.18)	-55.86 (-2.31)	-51.54 (-9.17)
6.	Aditya Ultra Steel Limited	45.88	62.00	September 16, 2024	69.90	-22.53 (-1.62)	-25.25 (-2.42)	-58.51 (-11.77)
7.	United Heat Transfer Limited	29.99	59.00	October 29, 2024	60.95	+33.31 (-2.26)	+19.44 (-5.54)	+0.66 (-1.75)
8.	L.K.Mehta Polymers Limited	7.38	71.00	February 21, 2025	71.10	-28.27 (+2.12)	-25.18 (+7.49)	-31.70 (+8.69)
9.	Aten Papers & Foam Limited	31.68	96.00	June 20, 2025	90.00	-56.02 (-0.79)	-64.12 (0.74)	-70.91 (2.61)
10.	Siddhi Cotspin Limited	69.85	108.00	September 26, 2025	86.40	-60.82 (+4.63)	-65.10 (6.03)	-66.20 (-5.47)

Source: Price Information www.bseindia.com *&* www.nseindia.com, *Issue Information from respective Prospectus.*

MAIN BOARD IPOs:

Sr. No.	Issue Name	Issue size (₹ in Cr.)	Issue Price (₹)	Listing date	Opening Price on listing date	+/-% change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
NIL								

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Issues) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

Note:

1. *The S&P BSE Sensex and NSE Nifty are considered as the Benchmark;*
2. *"Issue Price" is taken as "Base Price" for calculating % Change in Closing Price of the respective Issues on 30th / 90th /180th Calendar days from listing;*
3. *"Closing Benchmark" on the listing day of respective scripts is taken as "Base Benchmark" for calculating % Change in Closing Benchmark on 30th/ 90th/180th Calendar days from listing. Although it shall be noted that for comparing the scripts with Benchmark, the +/-% Change in Closing Benchmark has been calculated based on the Closing Benchmark on the same day as that of calculated for respective script in the manner provided in Note No. 4 below;*
4. *In case 30th/ 90th/180th day is not a trading day, closing price on BSE/NSE of the previous trading day for the respective Scripts has been considered, however, if scripts are not traded on that previous trading day then last trading price has been considered.*

SUMMARY STATEMENT OF DISCLOSURE

SME IPO:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Cr.)	No. of IPOs trading at discount-30th calendar days from listing			No. of IPOs trading at Premium-30th calendar days from listing			No. of IPOs trading at discount- 180th calendar days from listing			No. of IPOs trading at Premium- 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24	4	69.34	-	-	2	2	-	-	-	1	1	1	-	1
2024-25	8	191.99	1	3	2	1	1	-	3	1	2	-	-	2
2025-26	2	101.53	2	-	-	-	-	-	2	-	-	-	-	-

MAIN BOARD IPO:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Cr.)	No. of IPOs trading at discount-30th calendar days from listing			No. of IPOs trading at Premium-30th calendar days from listing			No. of IPOs trading at discount- 180th calendar days from listing			No. of IPOs trading at Premium- 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24	NIL													
2024-25														
2025-26														

Note:

1. *Issue opening date is considered for calculation of total number of IPO's in the respective financial year.*
2. *In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding*

trading day.

*The information is as on the date of this Red Herring Prospectus.

Note: The information for each of the financial years is based on issues listed during such financial year.

Track record of past issues handled by the Book Running Lead Manager. For details regarding the track record of the Book Running Lead Manager, as specified in circular (reference CIR/MIRSD/1/2012) dated January 10, 2012 issued by SEBI, please see the website of the Book Running Lead Manager, i.e. https://www.swastika.co.in.

For further details in relation to the BRLM, see *"General Information – Book Running Lead Manager"* on page 64 of this Red Herring Prospectus.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a period of at least 8 (eight) years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchange, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

Investors can contact the Company Secretary and Compliance Officer, the Book Running Lead Manager or the Registrar to the Issue in case of any Pre-Issue or Post-Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All grievances relating to the Issue, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Application Form was submitted, giving full details such as name of the Applicant, Application Form number, Applicant's DP ID, Client ID, PAN, address of Applicant, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID, date of Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted. Further, the Applicant must enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to the Application submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 202, SEBI/HO/CFD/DIL2/CIR/P/2022/51 date April 20,2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for a delay beyond this period of 15 days. Further, the investors must be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the event of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for the stipulated period. In an event there is a delay in redressal of the investor grievance, the Book Running Lead Manager will compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

All grievances relating to the issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

For helpline details of the Book Running Lead Manager pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see *"General Information"* on page 64 of this Red Herring Prospectus.

Further, the Applicant must also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

Anchor Investors are required to address all grievances in relation to the Issue to the Book Running Lead Manager.

The Registrar to the Issue will obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Applicant. Our Company, the Book Running Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under SEBI ICDR Regulations. Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Issue in case of any Pre-Issue or Post-Issue related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Our Company will obtain authentication on the SCORES and will comply with the SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013, SEBI circular no. (CIR/OIAE/1/2014/ CIR/OIAE/1/2013) dated December 18, 2014 and SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021, in relation to redressal of investor grievances through SCORES. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in.

Our Company has not received any complaints as on the date of this Red Herring Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted the Stakeholders Relationship Committee as follows:

Name of Director	Designation	Nature of Directorship
Bhavika Sanghani	Chairman	Independent Director
Rohit Khandelwal	Member	Independent Director
Niravbhai Bharatbhai Patel	Member	Chairman & Managing Director
Jasmin Vishnubhai Patel	Member	Whole Time Director

Our Company has appointed Ankit Sanchiher as the Company Secretary and Compliance Officer and she may be contacted in case of any pre-Issue or post-Issue related problems, at the address set forth hereunder.

Vivekanand Cotspin Limited;
Address:S/No 181/1, 182/1, At Rangpurda, Kadi, Mahesana- 382715, Gujarat, India
Telephone: +91 9227825102;
Email: cs@vcottonexport.com;
Website: www.vcottonexport.com.

STATUS OF INVESTOR COMPLAINTS

We confirm that we have not received any investor complaint during the 3 (three) years preceding the date of this Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Red Herring Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT AS OUR COMPANY OR OUR LISTED SUBSIDIARIES

We do not have any listed company under the same management or subsidiary company.

Further, our Company has constituted a Stakeholders' Relationship Committee, which is responsible for review and redressal of grievances of the security holders of our Company. For details, see *"Our Management"* on page 194 of this Red Herring Prospectus.

OTHER CONFIRMATIONS

Any person connected with the Issue will not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Issue, except for fees or commission for services rendered in relation to the Issue.

FEES PAYABLE TO BRLM TO THE ISSUE

The total fees payable to the BRLM will be as per the Memorandum of Understanding for Initial Public Offer, a copy of which is available for inspection at the Registered Office of our Company.

FEES PAYABLE TO THE REGISTRAR TO THE ISSUE

The fees payable to the Registrar to the Issue, for processing of Bidding application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement between the Company and the Registrar to the Issue.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, communication expenses etc. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post or email.

FEES PAYABLE TO OTHERS

The total fees payable to the Sponsor Bank, Legal Advisor, Statutory Auditor, Peer Review Auditor, Market Maker and Advertiser, etc. will be as per the terms of their respective engagement letters.

OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Red Herring Prospectus.

CAPITALIZATION OF RESERVES OR PROFITS DURING LAST 5 (FIVE) YEARS

Except as disclosed under chapter titled *"Capital Structure"* on page 84 of this Red Herring Prospectus, our Company has not capitalized Reserves or Profits during last 5 (five) years.

REVALUATION OF ASSETS DURING THE LAST 5 (FIVE) YEARS

Our Company has not revalued its assets during last 5 (five) years.

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

No exemptions from complying with any provision of securities laws has been granted by SEBI as on date of this Red Herring Prospectus.

SECTION X – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2018, our Memorandum and Articles of Association, the terms of the Red Herring Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, the RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and any other applicable provisions of the SEBI ICDR Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and any subsequent circulars issued by SEBI in this regard, SEBI has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for individual investors applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019. With effect from July 1, 2019, with respect to Application by individual investor who applies for minimum application size through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applicants with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"). Further, pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders ("UPI Phase III"), has been notified and made effective on a voluntary basis for public issues opening on or after September 1, 2023, and on a mandatory basis for public issues opening on or after December 1, 2023. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II of the UPI Circular, subject to the timing of the Issue and any circulars, clarification notification issued by the SEBI from time to time, including SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

AUTHORITY FOR THE ISSUE

The present Public Issue of Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on April 20, 2026 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on April 20, 2026 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013. Expenses for the Issue shall be borne our Company in the manner specified in chapter titled *"Objects of the Issue"* beginning from page 97 of Red Herring Prospectus.

RANKING OF EQUITY SHARES

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act, 2013 and SEBI ICDR Regulations, SCRA, SCRR, our MoA and AoA and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company. For further details, please refer to the section titled, *"Description of Equity Shares and Terms of the Articles of Association",* on page 316 of this Red Herring Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of

Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to *"Dividend Policy"* and *"Description of Equity Shares and Terms of the Articles of Association"* beginning from page 220 and 316 of this Red Herring Prospectus.

FACE VALUE AND ISSUE PRICE AND PRICE BAND

The face value of each Equity Share is ₹10/- and the Floor Price is ₹ [●]/- per Equity Share and the Cap Price is ₹ [●]/- per Equity Share. The Anchor Investor Issue Price is ₹ [●]/- per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the BRLM, and will be advertised, at least two Working Days prior to the Bid/Issue Opening Date, all editions of English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and in Regional newspaper Financial Express (Gujarati) each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, alongwith the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company and in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered byway of Book Building Process. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

The Issue Price is determined by our Company in consultation with the Book Running Lead Manager and is justified under the Section titled, *"Basis for Issue Price"*, on page 110 of this Red Herring Prospectus.

At any given point of time, there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

COMPLIANCE WITH THE DISCLOSURE AND ACCOUNTING NORMS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018 read alongwith SEBI ICDR (Amendment) Regulations, 2025. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to Section titled *"Description of Equity Shares and terms of the Articles of Association"* beginning on page 316 of the Red Herring Prospectus.

ALLOTMENT OF EQUITY SHARES IN DEMATERIALISED FORM

In accordance with the ICDR Regulations, Allotment of Equity Shares to successful Applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

1. Tripartite agreement dated January 25, 2025 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
2. Tripartite agreement dated January 31, 2025 between our Company, CDSL and the Registrar and Share Transfer Agent to

the Issue.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

Trading of the Equity Shares will happen in dematerialised form, the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012, and the same may be modified by BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than two lots: provided that the minimum application size shall be above ₹ 2 Lakhs.

MINIMUM NUMBER OF ALLOTTEES

In accordance with the Regulation 268 of SEBI ICDR Regulations, 2018, the minimum number of Allottees in this Issue shall be 200 shareholders. In case the minimum number of prospective Allottees is less than 200, no Allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 (four) Working Days of closure of Issue.

JOINT HOLDERS

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nomineeis a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) bythe person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI (ICDR) Regulations, our Company, in consultation with BRLM, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company withdraws the Issue after the Issue Closing Date, we will give the reason thereof within 2 (two) days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard, and the BRLM, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Individual Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

ISSUE PROGRAM

Events	Indicative Dates
Anchor Bid/Issue Opening Date	September 18, 2026
Bid/Issue Opening Date(1)	September 21, 2026(1)
Bid/Issue Closing Date(2)(3)	September 23, 2026(2)(3)
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	On or about September 24, 2026
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account* (T+2)	On or about September 25, 2026
Credit of Equity Shares to Demat accounts of Allottees (T+2)	On or about September 25, 2026
Commencement of trading of the Equity Shares on the Stock Exchange (T+3)	On or about September 28, 2026

Note:

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

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

3UPI Mandate Acceptance and Confirmation shall be at 5.00 pm IST on issue closing date.

**In case of (i) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (ii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iii) any delay in unblocking of non-allotted/partially allotted Bids, exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.*

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

Bid-Cum-Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Bid-Cum- Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for Individual investors who applies for minimum application size and Non-Individual Bidders. The time for applying for Individual investors who applies for minimum application size on Bid/Issue Closing Date maybe extended in consultation with the BRLM, RTA and BSE SME taking into account the total number of applications received up to the closure of timings.

On the Bid/Issue Closing Date, the Bids shall be uploaded until:

4.00 P.M. IST in case of Bids by QIBs and Non-Institutional Bidders, and

until 5.00 P.M. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Individual investor who applies for minimum application size.

On the Bid/Issue Closing Date, an extension of time will be granted by the Stock Exchange only for uploading Bids received from Individual investor who applies for minimum application size after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after the closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

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

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

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

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least 3 (three) additional Working Days after such revision, subject to the Bid/Issue Period not exceeding total of 10 (ten) Working Days. In cases of force majeure, banking strike, or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extends the Bid/ Issue Period for a minimum of 1 (one) Working Day, subject to the Bid/Issue Period not exceeding 10 (ten) Working Days. Any revision in Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a public notice and also by indicating the change on the website of the BRLM and at the terminals of syndicate members if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of the Price Band, the Bid Lot shall remain the same.

MINIMUM SUBSCRIPTION

In accordance with Regulation 260 (1) of ICDR Regulations, this Issue is 100% underwritten, so this Issue is not restricted to any minimum subscription level.

As per section 39 of the new Companies Act, if the “stated minimum amount” has not been subscribed and the sum payable on the Application is not received within a period of 30 days from the date of the Red Herring Prospectus, the Application Amount has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Offer document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond 8 days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Red Herring Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than two lots.

Provided that the minimum application size shall be above ₹ 2 Lakhs.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261 (5) of the ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited.

NEW FINANCIAL INSTRUMENTS

As on the date of this Red Herring Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue.

APPLICATION BY ELIGIBLE NRIS, FPIS / FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI AND ELIGIBLE QFIS

It is to be understood that there is no reservation for Eligible NRIs or FPIs / FIIs registered with SEBI or VCFs or Eligible QFIs. Such Eligible NRIs, Eligible QFIs, and FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of allocation.

NRIs, FPIs/FIIs, and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public issue without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non- resident shareholding is within the sectoral limits under the FDI policy, and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provide general permission for the NRIs, FPIs, and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003, that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20/2000-RB dated May 03, 2000, under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on a case by case basis. OCBs may invest in this Issue provided it obtains prior approval from the RBI.

On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for Equity Share allocation.

RESTRICTIONS ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING

Except for lock-in of the Pre-Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the section titled *"Capital Structure"* beginning on page 84 of the Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/debentures and on their consolidation/splitting except as provided in the Articles of Association. For further details, please refer sub-heading *"Description of Equity Shares and terms of the Articles of Association"* on page 316 of the Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the applicants of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

MIGRATION TO MAIN BOARD

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, read with SEBI ICDR (Amendment) Regulations, 2025 to the extent applicable, our Company may migrate to the main board of BSE from the BSE SME at a later date subject to the following:

S. No.	Details	Unified Eligibility Criteria
1.	**Paid up capital**	At least 10 Crores
2.	**Market Capitalisation**	**Average of 6 months market cap Migration**: Rs. 100 crs **Direct listing**: Rs. 1000 crs **OR** Companies having revenue from operations of Rs. 100 crores or more for each of the immediately preceding 3 (three) full financial years.
3.	**Market Liquidity**	• At least 5% of the weighted average number of equity shares listed should have been traded during such six months' period • Trading on atleast 80% of days during such 6 months period • Min. average daily turnover of Rs. 10 lacs and min. daily turnover of Rs. 5 lacs during the 6 month period • Minimum Average no. of daily trades of 50 and min. daily trades of 25 during the said 6 months period Note: for the purpose of calculating the average daily turnover and average no. of daily trades, the aggregate of daily turnover and no. of daily trades on the days the scrip has traded, shall be divided by the total no. of trading days, respectively, during the said 6 months period. **OR** Companies having revenue from operations of Rs. 100 crores or more for each of the immediately preceding 3 (three) full financial years.
4.	**Operating Profit (EBIDTA)**	**Average of Rs. 15 crs.** on a restated consolidated basis, in preceding 3 years (of 12 months each), with operating profit in each of these 3 years, **with a minimum of Rs. 10 crores in each of the said 3 years** In case of name change within the last one year, at least **50%** per cent. of the revenue, calculated on a restated and consolidated basis, for the preceding one full year has been earned by it from the activity indicated by its new name.
5.	**Networth**	**Rs. 1 cr.** - in each of the preceding three full years (of twelve months each), calculated on a restated and consolidated basis;

S. No.	Details	Unified Eligibility Criteria
6.	**Net Tangible Assets**	**At least Rs. 3 crs**, on a restated and consolidated basis, in each of the preceding three full years (of twelve months each), of which not more than fifty per cent. are held in monetary assets: Provided that if more than fifty per cent. of the net tangible assets are held in monetary assets, the company has utilised or made firm commitments to utilise such excess monetary assets in its business or project
7.	**Promoter holding**	**At least 20%** at the time of making application. For this purpose, shareholding of promoter group may also be considered for any shortfall in meeting the said requirement. **Note**: *The minimum promoter holding criterion shall not be applicable in case of diversified holdings or where there are no identifiable promoters, and the company is already listed on a recognized stock exchange with nationwide trading terminals and meeting all other eligibility criteria for migration or direct listing on the Main Board.*
8.	**Lock In of promoter/ promoter group shares**	**6 months** from the date of listing on the BSE. **Note**: *The lock-in criterion shall not apply to companies already listed on a recognized stock exchange with nationwide trading terminals and meeting all other eligibility criteria for migration or direct listing on the Main Board.*
9.	**Regulatory action**	1. No SEBI debarment orders is continuing against the Company, any of its promoters, promoter group or directors or the any other company in which they are promoter/ promoter group or directors 2. The company or any of its promoters or directors is not a wilful defaulter or a fraudulent borrower. 3. Promoters or directors are not fugitive economic offender 4. The company is not admitted by NCLT for winding up or under IBC pursuant to CIRP 5. Not suspended from trading for non-compliance with SEBI (LODR) Regs or reasons other than for procedural reasons during the last 12 months.
10.	**Promoter shareholding**	100% in demat form
11.	**Compliance with LODR Regs**	3 years track record with no pending non-compliance at the time of making the application.
12.	**Track record in terms of Listing**	Listed for atleast 3 years
13.	**Public Shareholder**	Min. 1000 as per latest shareholding pattern
14.	**Other Parameters**	1. No pending Defaults w.r.t bonds/ debt instrument/ FD by company, promoters/ promoter group /promoting company(ies), Subsidiary Companies 2. Certificate from CRA and /or Statutory auditors, in absence of CRA for utilization of IPO proceeds and further issues post listing on SME. 3. Not under any surveillance measures/actions i.e "ESM", "ASM", "GSM category" or T-to-T for surveillance reasons at the time of filing of application. 2 months cooling off from the date the security has come out of T- to-T category or date of graded surveillance action/measure.
15.	**Score ID**	No pending investor complaints on SCORES.
16.	**Business Consistency**	Same line of business for 3 years at least 50% of the revenue from operations from such continued business activity.
17.	**Audit Qualification**	No audit qualification w.r.t. going concern or any material financial implication and such audit qualification is continuing at the time of application.

MARKET MAKING

The Equity shares offered through this Issue are proposed to be listed on the SME platform of BSE, wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of BSE. For further details of the agreement entered into between the Company, the Book Running Lead Manager and the Market Maker please refer to "*General Information*" on page 64 of the Red Herring Prospectus.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) All Editions of English National Newspaper, Financial Express; (ii) All editions of Hindi National Newspaper, Jansatta and (iii) Regional Newspaper, Financial Express (Gurajat) each withwide circulation. In the pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/ Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the applicants of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Gujarat.

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be issued and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefits of the applicants, our Company and the BLRM are not liable for any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make independent investigations and ensure that the number of equity shares applied for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCTURE

*This Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up face value capital is more than ₹ 10 crore, but less than ₹ 25 crore shall issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (**"SME Exchange"**, in this case being the BSE SME). For further details regarding the salient features and terms of such an issue, please refer chapter titled "Terms of Issue" and "Issue Procedure" on pages 269 and 283 respectively of this Red Herring Prospectus.*

Initial Public Issue of Upto 60,00,000 Equity Shares of face value of ₹ 10/-each for cash at a price of ₹ [●]/-* per Equity Share including a securities premium of ₹ [●]/- per Equity Share (the **"Issue Price"**) aggregating to ₹ [●] Lakhs **("The Issue"**) by issuer Company.
**Subject to finalization of Basis of Allotment.*

The Issue comprises of a Public Issue of Upto 60,00,000 Equity Shares of face value of ₹ 10/- each fully paid (the **"Equity Shares"**) for cash at a price of ₹ [●]/- per Equity Shares (including a securities premium ₹ [●]/- per Equity Share) aggregating up to ₹ [●] Lakhs (**"The Issue"**) by our Company of which 3,00,000 Equity Shares of face value of ₹ 10/- each will be reserved for subscription by the designated Market Maker (**"Market Maker Reservation Portion"**). The issue less the market maker reservation portion i.e. issue of 57,00,000 equity shares of face value of ₹ 10/- each at an Issue price of ₹ [●]/- per equity share aggregating to ₹ [●] Lakhs are hereinafter referred to as the **"Net Issue"**. The Issue and the Net Issue will constitute 26.97% and 25.62% respectively of the post issue paid up Equity Share Capital of our Company.

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, this Issue is being made by way of Book Building Process, in compliance with Regulation 252 of SEBI (ICDR) Regulations, 2018. The details of the Issue are set out below:

The Issue is being made through the Book Building Process.

Particulars of the Issue(1)	Market Maker Reservation Portion	QIBs(2)	Non-Institutional Investors	Individual Bidders / Investors (Who applies for minimum application size)
Number of Equity Shares available for allotment / allocation	Upto 3,00,000 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] Lakhs	Not more than 28,50,000 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] Lakhs	Not less than 8,55,000 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] Lakhs	Not less than 19,95,000 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] Lakhs
Percentage of Issue Size available for allotment / allocation	Not less than 5% of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only (*Mutual Fund Portion*). Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to NIIs of which: (a) one-third of the Non-Institutional Investor Category shall be available for allocation to Bidders with an application size of more than 2 (two) lots and up to such lots equivalent to not more than ₹ 10,00,000; and (b) two-thirds of the Non-Institutional Investor Category shall be available for allocation to Bidders with an application size of more than ₹10,00,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to other sub-category of Non-Institutional Investor	Not less than 35% of the Net Issue less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation

			and the remaining shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regards in Schedule XIII of SEBI ICDR Regulations	
Basis of Allotment(3)	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion): (a) Upto 57,000 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Upto 10,83,000 Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above Up to 60% of the QIB Portion of i.e. 17,10,000 Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price	Subject to the availability of shares in non-institutional investors' category, the allotment of equity shares to each non-institutional category shall not be less than the minimum application size in non-institutional investor category, and the remaining shares, if any, shall be allotted on a proportionate basis, the [●] Equity Shares shall be allotted in multiples of [●] Equity Shares. For details, see *"Issue Procedure"* on page 283 of this Red Herring Prospectus	Proportionate basis subject to minimum allotment of [●] Equity Shares. The allotment to each Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Individual Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, see *"Issue Procedure"* on page 283 of this Red Herring Prospectus
Mode of Allotment	Compulsorily in dematerialized form			
Minimum Bid Size	[●] Equity Shares in multiple of [●] Equity shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 2.00 Lakhs and exceeds 2 lots	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 2.00 Lakhs and exceeds 2 lots	2 lots such that the application size shall be above ₹ 2.00 Lakhs in multiples of [●] Equity Shares
Maximum Bid Size	Upto 3,00,000 Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the Anchor Investor portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares subject to applicable limits to the Applicant/Bidder
Allotment Lot	[●] Equity Shares of face value ₹ 10/- each and in multiples of [●] Equity Share of face value ₹ 10/- each thereafter			
Trading Lot	[●] Equity Shares, However the Market Maker may accept odd lots, if any in the market as required under the SEBI (ICDR) Regulations, 2018	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof

Terms of Payment	**In case of all Bidders (except Anchor Bidders):** Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form **In case of Anchor Investors:** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids(4)				
^Mode of Bid/Application	Only through the ASBA process. (excluding the UPI Mechanism)	Only through the ASBA process (Except for Anchor investors) (excluding the UPI Mechanism)(5)	Only through the ASBA process (including the UPI Mechanism for a Bid size of upto ₹ 5.00 Lakhs)(6)	Through ASBA Process via Banks or by using UPI ID for payment(6)
Who can apply(7)	Market Maker	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, registered with SEBI, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹2500 Lakhs, pension fund with minimum corpus of ₹2500 Lakhs, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs, in accordance with applicable laws including FEMA Rules	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, family offices, trusts, FPIs who are individuals, corporate bodies and family offices	Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares so that the Bid lots shall be above two lots, accordingly, the minimum application size shall be above ₹2.00 Lakhs

^SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIBs and IBs 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.

Note:

(1) *Our Company may, in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.*

(2) *In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI ICDR Regulations.*

(3) *Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.*

(4) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Bid-cum-Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.*

The Bids by FPIs with certain structures as described under *"Issue Procedure"* on page 283 of this, Red Herring Prospectus and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least 3 (three) additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 (ten) Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchange by issuing a press release and also by indicating the change on the websites of the BRLM and at the terminals of the members of the Syndicate.

WITHDRAWAL OF THE ISSUE

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspapers.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue and price band advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

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

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Gujarat.

BID/ISSUE PROGRAMME

Events	Indicative Dates
Anchor Bid/Issue Opening Date	September 18, 2026
Bid/Issue Opening Date	September 21, 2026(1)
Bid/Issue Closing Date	September 23, 2026(2)(3)
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about September 24, 2026
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or about September 25, 2026
Credit of Equity Shares to Demat accounts of Allottees	On or about September 25, 2026
Commencement of trading of the Equity Shares on the Stock Exchange	On or about September 28, 2026

Note: **1***Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the*

Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.
[2]*Our Company in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*
[3] *UPI mandate acceptance/confirmation shall be available upto 5:00 pm IST on last day of the bidding.*

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. IST during the Issue Period at the Bidding Centers mentioned in the Bid cum Application Form. On the date of closing the revisions can be only done till 4:00 p.m. IST.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

a) A standard cut-off time of 4.00 p.m. for acceptance of bids for all categories.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

ISSUE PROCEDURE

*All Bidders should read the General Information Document, for Investing in Public Issue prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (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 and is a part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the website of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the issue; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Bid cum Application Form); (viii) designated date; (ix) disposal of applications and electronic registration of bids; (x) submission of Bid cum Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (**"UPI"**) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (**"UPI Phase I"**). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (**"UPI Phase II"**). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the Covid-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days was made effective using the UPI Mechanism for applications by UPI Bidders (**"UPI Phase III"**) and modalities of the implementation of UPI Phase III has been notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, or notification issued by the SEBI from time to time.*

Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended by circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 has introduced certain additional measures for streamlining the process of initial public issue and redressing investor grievances.

This circular has come into force for initial public issue opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. Subsequently, vide the SEBI master circular bearing reference no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 ("SEBI RTA Master Circular") and circular (SEBI/HO/CFD/DIL2/P/CIR/2022/75) dated May 30, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 5,00,000 shall use the UPI Mechanism. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

The BRLM shall be the nodal entity for any issues arising out of public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular. No. SEBI/HO/CFD/TPD1 /CIR/P/2023/140 dated August 9, 2023 shall continue to form part of the agreements being signed between the intermediaries *involved in the public issuance process and BRLM 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 2 (two) Working Days from the Bid/Issue Closing Date, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding 4 (four) Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended by SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company, the BRLM and the members of the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus.

Further, our Company and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE

The phase wise implementation of Unified Payments Interface has been implemented in the following manner:

Phases	**Circular No.**	**Time Period**	**Applicability on the current issue**
Phase I	SEBI/HO/CFD/DIL2/CIR/P/2018/138	January 1, 2019 to March 31, 2019 or floating of five main board public issues.	Not applicable
Phase II	1. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. 2. (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8,2019	1. July 1, 2019 to March 31, 2020 2. March 31, 2020 to August 31, 2023.	Not applicable
Phase III	SEBI/HO/CFD/TPD1/CIR/P/2023/140	(i) **Voluntarily** from September 01, 2023 (ii) **Mandatory** from December 01, 2023 – till present date	Applicable In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI. Hence, the Issue is being made under Phase III of the UPI (on a mandatory basis).

BOOK BUILDING PROCEDURE

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the **"SCRR"**) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(1) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders NIIs out of which (a) one-third of the Non-Institutional Investor Category shall be available for allocation to Bidders with an application size of more than 2 (two) lots and up to such lots equivalent to not more than ₹ 10,00,000 and (b) two-thirds of the Non-Institutional Investor Category shall be available for allocation to Bidders with an application size of more than ₹10,00,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to other sub-category of Non-Institutional Investor and the remaining shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regards in Schedule XIII of SEBI ICDR Regulations and not less than 35% of the Net Issue shall be available for allocation to Individual Investor who applies for minimum application size, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, (for UPI Bidders using the UPI Mechanism) as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the issue, subject to applicable laws.

Bidders must ensure that their PAN is linked with Aadhaar and they are in compliance with the notification issued by the Central Board of Direct Taxes dated February 13, 2020 and press release dated June 25, 2021, September 17, 2021 and CBDT circular No. 7 of 2022 dated March 30, 2022 read with press release dated March 28, 2023.

ISSUE OF SECURITIES IN DEMATERIALISED FORM

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than two (2) lots wherein the minimum application amount shall not be less than ₹2,00,000 (Rupees Two Lakh) per application.

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be allotted only in dematerialized form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed by our Company with the respective Depositories and the Registrar to the issue before filing this Draft Red Herring Prospectus:

- Tripartite agreement among the CDSL, our Company and Registrar to the issue dated January 31, 2025.
- Tripartite agreement among the NSDL, our Company and Registrar to the issue dated January 25, 2025

As per the provisions of the Depositories Act, 1996 and regulations made there under and Section 29(1) of the Companies Act, 2013, the equity shares of an issuer shall be in dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this issue will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office/Corporate Office of the Book Running Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. An electronic copy of the application forms may also be downloaded from the website of BSE i.e. www.bseindia.com. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Red Herring Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

BID CUM APPLICATION FORM

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the stock exchange i.e. www.bseindia.com, at least 1 (one) day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds. ASBA Bidders must provide either (i) the bank account details or authorization to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form. Applications made by the Individual Investors using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/unblocked including details as prescribed in Annexure II of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Since the issue is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

i. Individual Investors (other than the Individual Investors using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
ii. Individual Investors using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

Anchor Investors are not permitted to participate in the Issue through the ASBA process.

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour*
Anchor Investor**	White
Resident Indians including resident QIBs, Non-Institutional Bidders, Individual Bidders who applies for minimum application size and Eligible NRIs applying on a non-repatriation basis	Blue
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. and registered bilateral and multilateral development financial institution applying on a repatriation basis (ASBA)	Blue

**Excluding Electronic Bid cum Application Form;*
*** Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.*

Note: Electronic Bid cum Application forms and the Abridged Prospectus will also be available for download on the websites of *the Stock Exchange (www.bseindia.com).*

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by Individual Investors (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of Stock Exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – **"Designated Intermediaries"**)

S. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained.
2.	A syndicate member (or sub-syndicate member).
3.	A stockbroker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (**'broker'**).
4.	A Depository Participant (**'DP'**) (whose name is mentioned on the website of the stock exchange as eligible for this activity).
5.	A registrar to an issue and share transfer agent (**'RTA'**) (whose name is mentioned on the website of the stock exchange as eligible for this activity).

*Individual investors submitting application with any of the entities at (2) to (5) above (hereinafter referred as **"Intermediaries"**), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by Investors to SCSB	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within 1 (one) day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock Exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For Individual Bidders using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to Individual Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to Individual Bidders s, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date (**"Cut-Off Time"**). Accordingly, Individual Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate Individual Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/investor complaints to the Sponsor Banks and the bankers to an issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.

WHO CAN BID

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies.

Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

1. Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta‖. Applications by HUFs would be considered at par with those from individuals;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. QIBs;
5. Mutual Funds registered with SEBI;
6. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
7. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
8. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
9. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
10. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
11. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI;
12. State Industrial Development Corporations;
13. Foreign Venture Capital Investors registered with the SEBI;

14. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
15. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
16. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
17. Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
18. Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
19. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
20. Multilateral and bilateral development financial institution;
21. Eligible QFIs;
22. Insurance funds set up and managed by army, navy or air force of the Union of India;
23. Insurance funds set up and managed by the Department of Posts, India;
24. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

APPLICATIONS NOT TO BE MADE BY

a) Minors (except through their Guardians);
b) Partnership firms or their nominations;
c) Foreign Nationals (except NRIs);
d) Overseas Corporate Bodies.

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Individual Applicants who applies for minimum application size:

The bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Bid Price payable by the Applicant exceed ₹ 2,00,000 and bid size of 2 lots. Individual Investors can only revise their Bids upwards and are not allowed to cancel/withdraw their Bids.

2. For Other than Individual Applicants who applies for minimum application size (Non-Institutional Applicants and QIBs):

The bid must be for a minimum of such number of Equity Shares that the bid Amount does not exceeds ₹ 10,00,000 and bid size of more than 2 lots and in multiples of [●] Equity Shares thereafter. A bid cannot be submitted for more than the Net Issue Size. However, the maximum bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, Non-Institutional Investors and QIBs cannot withdraw their bids and are required to pay 100% Margin upon submission of bid. In case of revision in Bids, the Non-Institutional Investors and QIBs have to ensure that they cannot revise their Bids downwards.

In case of upward revision in bids, the Non-Institutional Applicants, who are individuals, have to ensure that the bid Amount is more than ₹ 2,00,000 with more than 2 lots for being considered for allocation in the Non-Institutional Portion.

Bidders were advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

METHOD OF BIDDING PROCESS

The Price Band and the minimum Bid Lot size for the issue will be decided by our Company, in consultation with the Book Running Lead Manager (**"BRLM"**), and published by our Company in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated each with wide circulation at least 2 (two) Working Days prior to the Bid/Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid/Issue Period.

a) The Price Band and the minimum Bid Lot will be decided by our Company, in consultation with the Book Running Lead Manager (**"BRLM"**), and published by our Company in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated and also by indicating the change on the websites of the Book Running Lead Manager.

b) During the Bid/Issue Period, Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.

c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled ***"Bids at Different Price Levels and Revision of Bids"*** below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

d) The Bidder/Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph ***"Buildup of the Book and Revision of Bids".***

e) Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (**"TRS"**), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.

f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/Issue Period i.e. 1 (one) working day prior to the Bid/Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

g) Along with the Bid cum Application Form, Anchor Investors had made payment in the manner described in "***Payment Into Escrow Account For Anchor Investors***" in the section *"Issue Procedure"* on page 283 of the Red Herring Prospectus.

h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form prior to uploading such Bids with the Stock Exchange.

i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.

j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.

k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

BIDS AT DIFFERENT LEVELS AND REVISION OF BIDS

i. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.

ii. Our Company, in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.

iii. The Bidders can Bid at any price within the Price Band. Placing bids on cut-off price shall not be applicable to any category of bidding.

iv. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

v. Downward modifications and cancellations shall not be applicable to any of the category of bidding.

PARTICIPATION BY ASSOCIATES/AFFILIATES OF BRLM AND THE SYNDICATE MEMBERS

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

OPTION TO SUBSCRIBE IN THE ISSUE

1. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.

2. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

3. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

INFORMATION FOR THE BIDDERS

- Our Company and the Book Running Lead Manager have declare the Bid/Issue Opening Date and Bid/Issue Closing Date in the Draft Red Herring Prospectus to be file with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.

- Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/Issue Opening Date or such time as may be prescribed under the applicable laws.

- Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.

- Any Bidder who would like to obtain the Red Herring Prospectus and/or the Bid Cum Application Form can obtain the same from our Registered Office.

- Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

- Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

- The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.

- Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.

- Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be **"Suspended for Credit"** and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.

- The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

BIDS BY ANCHOR INVESTORS

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the Net QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹ 200.00 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 200.00 Lakhs.
3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4) Bidding for Anchor Investors will open one Working Day before the Bid/Issue Opening Date and be completed on the same day.
5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
   a) where allocation in the Anchor Investor Portion is up to ₹ 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
   b) where the allocation under the Anchor Investor Portion is more than ₹ 200.00 Lakhs but upto ₹ 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹ 100.00 Lakhs per Anchor Investor; and
   c) where the allocation under the Anchor Investor portion is more than ₹ 2500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto ₹ 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹ 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹ 100.00 Lakhs per Anchor Investor.
6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
10) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
13) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

BIDS BY ELIGIBLE NRI'S

Eligible NRIs could obtain copies of ASBA Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a repatriation basis were required to authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their NRE Accounts, or Foreign Currency Non-Resident (**"FCNR"**) accounts, and Eligible NRIs Bidding on a non-repatriation basis were required to authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their NRO Accounts for the full Bid amount, at the time of submission of the ASBA Form. `NRIs applying in the issue through the UPI Mechanism were advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Participation of Eligible NRI(s) in the issue was subjected to the FEMA Rules. In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Eligible NRIs were permitted to apply in the issue through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs could use Channel IV (as specified in the SEBI UPI Circulars) to apply in the issue, provided the UPI facility is enabled for their NRE/NRO Accounts.

Eligible NRIs Bidding on a repatriation basis were advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour). Eligible NRIs Bidding on non-repatriation basis were advised to use the Bid cum Application Form for residents (White in colour).

By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment.

NRIs applying in the Issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of restrictions on investment by NRIs, see the section titled "*Restrictions on Foreign Ownership of Indian Securities*" on page 314.

BIDS BY FPIs (FOREIGN PORTFOLIO INVESTORS)

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control)) shall be below 10% of our post-issue Equity Share capital on a fully diluted basis. In case the total holding of an FPI or investor group increase beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be reclassified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations was required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLM, reserved the right to reject any Bid without assigning any reason. FPIs who wished to participate in the issue were advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the issue to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

a) Such offshore derivative instruments are issued only by persons registered as Category I FPIs;
b) Such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;
c) Such offshore derivative instruments are issued after compliance with the ‘know your client’ norms as specified by SEBI; and
d) Such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs were not treated as multiple Bids:

a) FPIs which utilised the multi-investment manager structure;
b) Offshore derivative instruments which obtained separate FPI registration for ODI and proprietary derivative investments;
c) Sub funds or separate class of investors with segregated portfolio who obtained separate FPI registration;
d) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund had multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
e) Multiple branches in different jurisdictions of foreign bank registered as FPIs;
f) Government and Government related investors registered as Category 1 FPIs; and
g) Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN were collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Bid cum Application Form that the relevant FPIs making multiple Bids utilized any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Collecting Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids were rejected.

Participation of FPIs in the issue was subject to the FEMA Rules.

BIDS BY SEBI REGISTERED VCF’S, AIF’S AND FVCI’S

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the “**SEBI AIF Regulations**”) prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, the venture capital funds which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended (**“SEBI FVCI Regulations”**) prescribe the investment restrictions on FVCIs.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission. Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Participation of AIFs, VCFs and FVCIs was subject to the FEMA Rules.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least six months from the date of purchase by the venture capital fund or alternative investment fund I and II or foreign venture capital investor.

BIDS BY HUFS

Bids by Hindu Undivided Families or HUFs, should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: ***"Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta"***. Bid cum Bid/Applications by HUFs may be considered at par with Bid cum Applications from individuals.

BIDS BY MUTUAL FUNDS

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Bids made by Systemically Important NBFCs, registered with RBI, certified copies of (i) certificate of registration issued by the RBI, (ii) last audited financial information on a standalone basis and (iii) a net worth certificate from its statutory auditor(s), and (iv) such other approval as may be required by SI-NBFC, were required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserved the right to reject any Bid, without assigning any reason thereof.

Systemically Important NBFCs participating in the issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the 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 BRLM, reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- Equity shares of a company: the lower of 10%* of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- The industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower;
- The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be.
  **The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ystemically Importified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

In addition to the above, certain additional documents are required to be submitted by the following entities:

1. With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form;
2. With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form;
3. With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form;
4. With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form;
5. Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the

Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with BRLM, reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS BY BANKING COMPANY

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with BRLM, reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the **"Banking Regulation Act"**), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the banks' interest on loans/investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid- up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see *"Key Industrial Regulations"* on page 181 of this Red Herring Prospectus.

BIDS BY SCSB'S

SCSBs participating in the Issue are required to comply with the terms of the circular issued by SEBI dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

IN CASE OF RESERVED CATEGORY

BIDS BY EMPLOYEES

In case of Employee Category, minimum 2 lots (with minimum application size of above ₹ 2 Lakhs) and in multiple thereof not exceeding ₹ Five (5) Lakhs.

BIDS BY SHAREHOLDER AND POLICYHOLDER CATEGORY

In case of Shareholder and Policyholder Categories, minimum 2 lots (with minimum application size of above ₹ 2 Lakhs).

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue;
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA) BIDDERS

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

TERMS OF PAYMENT

The entire Issue price of ₹ [●]/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

PAYMENT MECHANISM

The Bidders shall specify the bank account number in their Bid cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, all Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

The above information is given for the benefit of the Bidders. Our Company and the members of Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that 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 or as specified in the Red Herring Prospectus and Prospectus.

PAYMENT INTO ESCROW ACCOUNT FOR ANCHOR INVESTORS

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

a. In case of resident Anchor Investors: - "Vivekanand Cotspin Limited-Anchor R Account"
b. In case of Non-Resident Anchor Investors: - "Vivekanand Cotspin Limited-Anchor NR Account"

Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange;

2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 4.00 p.m. of the Issue Closing Date;

3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to:

   a) the applications accepted by them;
   b) the applications uploaded by them;
   c) the applications accepted but not uploaded by them or;
   d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to:

   i. The applications accepted by any Designated Intermediaries;
   ii. The applications uploaded by any Designated Intermediariesor;
   iii. The applications accepted but not uploaded by any Designated Intermediaries.

5. The Stock Exchange will issue an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediariesand their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.

6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
a)	Symbol
b)	Intermediary Code
c)	Location Code
d)	Application No.
e)	Category
f)	PAN
g)	DP ID
h)	Client ID
i)	Quantity
j)	Amount

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields.*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:

   a) Name of Bidder:
   b) IPO Name:
   c) Bid Cum Application Form Number;
   d) Investor Category;
   e) PAN (of First Bidder, if more than one Bidder);
   f) DP ID of the demat account of the Bidder;
   g) Client Identification Number of the demat account of the Bidder;
   h) Number of Equity Shares Applied for;
   i) Bank Account details;
   j) Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
   k) Bank account number.

8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

11. In case of Non-Individual Bidders and Individual Bidders, applications would not be rejected except on the technical grounds as was mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 5.00 p.m. on the Bid/Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

14. The SCSBs shall be given one day after the Bid/Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.

15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

BUILD OF THE BOOK

a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/Issue Period.

b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/Issue Period.

WITHDRAWAL OF BIDS

QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid, and Individual Investors are not permitted to withdraw their Bids after Bid/Issue Closing Date.

PRICE DISCOVERY AND ALLOCATION

1. Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalise the Issue Price and the Anchor Investor Issue Price;

2. The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus;

3. Under-subscription in any category (except QIB Portion) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Portion is not available for subscription to other categories;

4. In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the Red Herring Prospectus;

5. In case if the Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage;

6. Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

ILLUSTRATION OF THE BOOK BUILDING AND PRICE DISCOVERY PROCESS

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20/- to ₹ 24/- per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1000	23	1500	50.00%
1500	22	3000	100.00%
2000	21	5000	166.67%
2500	20	7500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22/- in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22/-. All Bids at or above this Issue Price are valid Bids and are considered for allocation in the respective categories.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF RED HERRING PROSPECTUS WITH ROC

1) Our company has entered into an Underwriting Agreement dated August 13, 2026;

2) A copy of Red Herring Prospectus will be filed with RoC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

PUBLIC ANNOUNCEMENT AFTER FILING DRAFT RED HERRING PROSPECTUS

Subject to Section 30 of the Companies Act 2013, our Company shall, within 2 (two) working days of filing the Draft Red Herring Prospectus with the Designated Stock Exchange, make a public announcement in the form prescribed under Regulations 247 of the SEBI ICDR Regulations in one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language newspaper with wide circulation at the place where the registered office of the issuer is situated, disclosing the fact of filing of the Draft Red Herring Prospectus with the Designated Stock Exchange and inviting the public to provide their comments to the Designated Stock Exchange, the Issuer or the Book Running Lead Manager in respect of the disclosures made in the Draft Red Herring Prospectus.

PRE-ISSUE AND PRICE BAND ADVERTISEMENT

Subject to Section 30 of the Companies Act 2013, our Company shall, after filing the Red Herring Prospectus with the ROC, publish a pre-Issue and price band advertisement at least 2 (two) working days before the opening of the issue, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre-Issue and price band advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 and 264 of SEBI ICRD Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

ADVERTISEMENT REGARDING ISSUE PRICE AND RED HERRING PROSPECTUS

Our Company will issue a statutory advertisement after the filing the Red Herring Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Draft Red Herring Prospectus and the date of Red Herring Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS

Please note that downward modification and cancellation is not applicable to any of the category of bidders. Bidders are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

Do's:

i. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
ii. Ensure that you have Bid within the Price Band;
iii. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
iv. Ensure that you have mentioned the correct ASBA Account number if you are not an Individual Bidder (who applies for minimum application size) bidding using the UPI Mechanism in the Bid cum Application Form and if you are an Individual Bidder (who applies for minimum application size) using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
v. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
vi. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
vii. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
viii. QIBs, Non-Institutional Bidders and the Individual Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, Individual Investor may submit their bid by using UPI mechanism for payment.
ix. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
x. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
xi. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting

the Bid cum Application Form under the ASBA process or application forms submitted by Individual Investor using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);

xii. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

xiii. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

xiv. Ensure that the Demographic Details are updated, true and correct in all respects;

xv. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

xvi. 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;

xvii. Ensure that the category and the investor status is indicated;

xviii. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;

xix. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

xx. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;

xxi. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;

xxii. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;

xxiii. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;

xxiv. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;

xxv. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

xxvi. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and

xxvii. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

i. Do not Bid for lower than the minimum Bid size;

ii. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;

iii. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

iv. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

v. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;

vi. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

vii. Do not Bid at Cut-off Price (for Bids by any category);

viii. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;

ix. Do not Bid for a Bid Amount exceed ₹ 2,00,000/- (for Applications by Individual Bidders);

x. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and /or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

xi. Do not submit the General Index Register number instead of the PAN;

xii. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;

xiii. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;

xiv. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

xv. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

xvi. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

xvii. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please refer the section entitled *"General Information"* and *"Our Management"* on pages 64 and 194 of this Red Herring Prospectus, respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please refer the section titled *"General Information"* on page 64 of this Red Herring Prospectus

OTHER INSTRUCTIONS FOR THE BIDDERS

Joint Bids

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Multiple Bids

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

Investor Grievance

In case of any pre-issue or post issue related problems regarding demat credit/ refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

Nomination Facility to Bidders

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

Submission of Bids

- During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids;
- Placing bids on Cut-off price shall not be applicable/available to any of the category of bidding;
- For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the RHP.

GROUNDS OF TECHNICAL REJECTIONS

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Amount blocked does not tally with the amount payable for the Equity Shares applied for;
2. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;

3. Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
4. PAN not mentioned in the Bid cum Application Form;
5. Applications with PAN having the fourth character as **"P"** or **"H"** bidding in a category other than Individual (IND) and Shareholder (SHA) categories;
6. Applications with PAN having the fourth character as **"P"** bidding in a category other than Policyholder (POL) and Employee (EMP) categories. Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
7. GIR number furnished instead of PAN;
8. Bid for lower number of Equity Shares than specified for that category of investors;
9. Bids at Cut-off Price by any category;
10. Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
11. The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
12. Bids for lower number of Equity Shares than the minimum specified for that category of investors;
13. Category not ticked;
14. Multiple Bids as defined in the RHP;
15. In case of Applications where the DP ID/Client ID or PAN mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the DP ID/Client ID or PAN available in the database of Depositories, i.e., Applications with DP ID/Client ID or Pan mismatch status;
16. In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
17. Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
18. Signature of sole Bidder is missing;
19. Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the RHP and as per the instructions in the RHP and the Bid cum Application Forms;
20. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
21. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
22. Bid by OCBs;
23. Bids by US persons other than in reliance on Regulation(s) or **"Qualified Institutional Buyers"** as defined in Rule 144A under the Securities Act;
24. Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
25. Bids not uploaded on the terminals of the Stock Exchanges;
26. Where no confirmation is received from SCSB for blocking of funds;
27. Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
28. Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
29. Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
30. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
31. Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
32. Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding 4 (four) Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

1. The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.

2. Under-subscription in any category (except QIB Portion) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Portion is not available for subscription to other categories.

3. In case of under subscription in the issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Individual Investors who applies for minimum application size, Non Institutional Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Individual Investor who applies for minimum application size will be allotted less than the minimum Bid Lot subject to availability of shares in Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

Flow of Events from the closure of bidding period (T DAY) Till Allotment:

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details;
- RTA identifies cases with mismatch of account number as per bid file / Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection;
- Third party confirmation of applications to be completed by SCSBs on T+1 day;
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments;
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (**"DSE"**);
- DSE, post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software;
- The RTA uploads the drawal numbers in their system and generates the final list of allotees as per process mentioned below:

Process for generating list of allotees:

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category;
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times;
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.

On the basis of the above, the RTA will work out the allotees, partial allotees and non-allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Individual Investors who applies for minimum application size, Non Institutional Investors and Anchor Investors may be on proportionate basis. No Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis

FOR INDIVIDUAL BIDDERS

Bids received from the Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

FOR NON-INSTITUTIONAL BIDDERS

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Individual Investor shall be available for Allotment to Non-Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

FOR QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or Draft Red Herring Prospectus/Red Herring Prospectus. Bids received from QIBs Bidding in the QIB Portion (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Portion may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

a. In the first instance allocation to Mutual Funds for [●] % of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion;
- In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price;
- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below.

b. In the second instance Allotment to all QIBs shall be determined as follows:

- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion;
- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●]

Equity Shares thereafter, along with other QIB Bidders;

- Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

1) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:

- not more than 60% of the QIB Portion will be allocated to Anchor Investors;
- one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- allocation to Anchor Investors shall be on a discretionary basis and subject to:

a) a maximum number of two Anchor Investors for allocation up to ₹ 2 crores;
b) a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
c) in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

2) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

3) In the event that the Issue Price is higher than the Anchor Investor Allocation Price:

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

4) In the event the Issue Price is lower than the Anchor Investor Allocation Price:

Anchor Investors who have been allotted Equity Shares will directly receive Allotment Advice.

5) Allocation Price:

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

BASIS OF ALLOTMENT FOR QIBS (OTHER THAN ANCHOR INVESTORS) AND NIIS IN CASE OF OVER SUBSCRIBED ISSUE

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with BSE SME. The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for). The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

- For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:

  - Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.

- If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

- If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in the RHP.

Individual Investor' means an investor who applies for minimum bid size of 2 lots with minimum application size of above ₹ 2.00 Lakhs. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.

The Designated Person of BSE SME, the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

MEHTODOLODY ON ALLOTMENT AND ILLUSTRATION

Receipt & Validation of Bid data:

- Bid data is downloaded from the stock exchange(s) via SFTP and same is validated with depositories to check for Invalid demat accounts, Invalid client status and PAN Mismatch records;
- Upon completion of the validation, the error records are marked with respective rejection criteria.

Collection of FCs and Schedule Data:

- RTA will follow up with all SCSBs and collect the Final certificate confirming the total amount blocked and no. of applications along with schedule data comprising of detailed application wise details with number of shares applied and amount blocked;
- Reconciliation of bid data vs Bank schedule data will be completed, upon which applications without funds blocked, will be removed from application master;
- Once reconciliation of Final certificate with applications/ bids are completed, the final valid data with funds blocked will be taken for allotment process;
- Technical rejection process as per the terms of letter of offer will be carried out thereafter and total valid applications will be identified for preparation of basis of allotment.

Basis of allotment:

- Basis of allotment will be prepared category wise, i.e., Market Maker who are applying with value more than ₹ 2 Lakhs, Individual Investors who are applying for minimum bid size of 2 lots and minimum application size above ₹ 2 Lakhs and High Networth Individual Investor who are applying with value more than ₹ 2 Lakhs;
- The applications will be tagged as per above categories and considered for basis of allotment in respective category;
- The allocable shares for each category will as be mentioned in the RHP in the proportion of subscription amongst each category;
- Within each basis of allotment, the number of applications are pooled based on lot category and proportionate eligibility of allotment of shares for each category is calculated as per illustration of HNI basis as shown below:

Allotment Process:

The entire Basis of allotment is based on Reverse Application number so that the lottery system allotment is truly random and there is absolutely no scope of discretion. The basis will be submitted to stock exchange for their approval and draw of lucky numbers for the ratio. The lucky no’s are shared by the Exchange as per the ratio arrived for each category. Once the lucky numbers are assigned, the applications forming part of that category will be taken separately and their application numbers will be reversed. For example, if the application no. is 12345678, after reversal it will become 87654321. After reversing the application numbers, they will be arranged in ascending order and will be assigned with numbers starting from 1 according to the ratio. For example, in the first category of 1000 lot, the 30 application numbers will be reversed and arranged in ascending order. They will be assigned numbers from 1 to 3 repeatedly in loop. If the lucky numbers chosen by stock exchange is 1 & 3 for this category, then those applications which were assigned with numbers 1 & 3 will be allottee applications and the applications assigned with number 2 will be non-allottee application. This Process gets repeated for all the categories where allotment needs to be done on lottery basis.

ISSUANCE OF ALLOTMENT ADVICE

Upon approval of the Basis of Allotment by the Designated Stock Exchange.

(a) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue;
(b) The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder;
(c) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 (four) working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within 1 (one) working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the BSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

Equity Shares in Dematerialised Form with NSDL/CDSL:

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered into the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a) We have entered into a tripartite agreement between NSDL, our Company and Registrar to the issue dated January 25, 2025.
b) We have entered into a tripartite agreement between CDSL, our Company and Registrar to the issue dated January 31, 2025.
c) The Company's Equity shares bear an ISIN: INE1JJP01018.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form;
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant;
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository;
- If incomplete or incorrect details are given under the heading ***'Applicants Depository Account Details'*** in the Application Form or Revision Form, it is liable to be rejected;
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant;
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL;
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

DESIGNATED DATE

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid/Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the website of BSE i.e., www.bseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015, has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e., www.bseindia.com.

BIDDER'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain front the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as **'Demographic Details'**). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

SUBMISSION OF BID CUM APPLICATION FORM

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

DISPOSAL OF APPLICATION AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at BSE SME where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (Two) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company

and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

RIGHT TO REJECT APPLICATIONS

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

IMPERSONATION

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

1) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
2) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
3) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10 Lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10 Lakhs or 1.00% of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50 Lakh or with both.

UNDERTAKINGS BY OUR COMPANY

We undertake as follows:

- Adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of allotment;
- That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
- That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Issue Closure date;
- That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- That our Promoter 's contribution in full has already been brought in;
- That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Red Herring Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.;
- That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue and price band advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
- If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

UTILIZATION OF ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

i. All monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
ii. Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
iii. Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested; and
iv. Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue;
v. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received;
vi. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

(i) Tripartite agreement between NSDL, our Company and Registrar to the issue dated January 25, 2025;
(ii) Tripartite agreement between CDSL, our Company and Registrar to the issue dated January 31, 2025;
(iii) The Company’s Equity shares bear an ISIN: INE1JJP01018.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (**"FEMA"**). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (**"RBI"**) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (**"DIPP"**).

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the **"FDI Policy"**), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (**"Restricted Investors"**), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not Issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management. (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

Investment by FPIs under Portfolio Investment Scheme (PIS)

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paidup value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as **"Capital Instruments"**) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (**"US Securities Act"**) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of **"US Persons"** as defined in Regulation(s) of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no issue to the public (as defined under Directive 20003/71/EC, together with any amendments) and implementing measures thereto, (the **"Red Herring Prospectus Directive"**) has been or will be made in respect of the issue in any member State of the European Economic Area which has implemented the Red Herring Prospectus Directive except for any such issue made under exemptions available under the Red Herring Prospectus Directive, provided that no such Issue shall result in a requirement to publish or supplement a Red Herring Prospectus pursuant to the Red Herring Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION XI - DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

Pursuant to Schedule I of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

CONSTITUTION OF THE COMPANY

1. The Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company.

INTERPRETATION CLAUSE

2. The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings unless excluded by the subject or context:

a) 'The Act' or 'The Companies Act' shall mean 'The Companies Act, 2013, its rules and any statutory modifications or reenactments thereof.'
b) 'The Board' or 'The Board of Directors' means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.
c) 'The Company' or 'This Company' means **Vivekanand Cotspin Limited**.
d) 'Directors' means the Directors for the time being of the Company.
e) 'Writing' includes printing, lithograph, typewriting and any other usual substitutes for writing.
f) 'Members' means members of the Company holding a share or shares of any class.
g) 'Month' shall mean a calendar month.
h) 'Paid-up' shall include 'credited as fully paid-up'.
i) 'Person' shall include any corporation as well as individual.
j) 'These presents' or 'Regulations' shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.
k) 'Section' or 'Sec.' means Section of the Act.
l) Words importing the masculine gender shall include the feminine gender.
m) Except where the context otherwise requires, words importing the singular shall include the plural and the words importing the plural shall include the singular.
n) 'Special Resolution' means special resolution as defined by Section 114 in the Act.
o) 'The Office' means the Registered Office for the time being of the Company.
p) 'The Register' means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013.
q) 'Proxy' includes Attorney duly constituted under a Power of Attorney.

3. Except as provided by Section 67, no part of funds of the Company shall be employed in the purchase of the shares of the Company, and the Company shall not directly or indirectly and whether by shares, or loans, give, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company.

4. The Authorized Share Capital of the Company shall be as prescribed in Clause 5 of the Memorandum of Association of the Company.

5. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot 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 or at a discount (subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the person to whom the shares are offered, to renounce the shares offered to him in favour of any other person.

Subject to the provisions of the Act, any redeemable Preference Share, including Cumulative Convertible Preference Share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by special resolution, determine.

6. The Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount, (subject to compliance with the provisions of Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares.

7. The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely:

I. **(a)** Such further shares shall be offered to the persons who, at the date of the offer, are holder of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date.

(b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.

(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in clause (b) shall contain a statement of this right.

(**d)** After the expiry of the time specified in the notice aforesaid, or in respect of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company.

II. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any.

III. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by:

(a) A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and **(b)** The Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.

8. **(1)** The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of the class) may, subject to the provisions of Section 48 of the Act, be varied 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 General Meeting of the holders of the shares of that class.

(2) To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall Mutatis Mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.

9. Issue of further shares with disproportionate rights
Subject to the provisions of the Act, the rights conferred upon the holders of the shares of any class issued with preferred or other rights or not, unless otherwise expressly provided for by the terms of the issue of shares of that class, be deemed to be varied by the creation of further shares ranking pari passu therewith.

10. Not to issue shares with disproportionate rights
The Company shall not issue any shares (not being Preference Shares) which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being Preference Shares.

11. Power to pay commission
The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share, debenture or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, such commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures, the rate of commission shall not exceed, two and half percent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on

any issue of shares, pay such brokerage as may be lawful.

12. Liability of joint holders of shares

The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share or shares.

13. Trust not recognized

Save as otherwise provided by these Articles, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by a statute required, be bound to recognized any equitable, contingent, future or partial interest lien, pledge or charge in any share or (except only by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

14. Issue other than for cash

a) The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied or for services rendered or to be rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business and shares may be so allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares.
b) As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act.

15. Acceptance of shares

An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any share therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any share and whose name is on the Register shall, for the purpose of these Articles, be a shareholder.

16. Member' right to share Certificates

1. Every person whose name is entered as a member in the Register shall be entitled to receive without payment:

a. One certificate for all his shares; or
b. Share certificate shall be issued in marketable lots, where the share certificates are issued either for more or less than the marketable lots, sub-division/consolidation into marketable lots shall be done free of charge.

2. The Company shall, within two months after the allotment and within fifteen days after application for registration of the transfer of any share or debenture, complete and have it ready for delivery; the share certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide.

3. Every certificate shall be under the signature of two Directors and/or the Company Secretary of the Company and shall specify the shares to which it relates and the amount paid-up thereon.

4. The certificate of title to shares and duplicates thereof, when necessary, shall be issued under the signature of two Directors and/or the Company Secretary of the Company or authorized official(s) of the Company.

17. One Certificate for joint holders

In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of several joint holders shall be sufficient delivery to all such holders. Subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificates in accordance with Article 20 below.

18. Renewal of Certificate

If a certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, it shall, if requested, be replaced by a new certificate without any fee, provided however that such new certificate shall not be given except upon delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses as the Board may require in the case of the certificate having been destroyed or lost. Any renewed certificate shall be marked as such in accordance with the provisions of the act in force.

For every certificate issued under the last preceding Article, no fee shall be charged by the Company.

19. Splitting and consolidation of Share Certificate

The shares of the Company will be split up/consolidated in the following circumstances:

(i) At the request of the member/s for split up of shares in marketable lot.
(ii) At the request of the member/s for consolidation of fraction shares into marketable lot.

20. Directors may issue new Certificate(s)

Where any share under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they think fit from the certificate not so delivered up.

21. Person by whom installments are payable

If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, 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 or representatives, if any.

LIEN

22. Company's lien on shares

The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either or jointly with any other person, and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors, at any time, may declare any share to be exempt, wholly or partially from the provisions of this Article. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

23. As to enforcing lien by sale

For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount in respect of which the lien exists has been given to the registered holders of the shares for the time being or to the person entitled to the shares by reason of the death of insolvency of the register holder.

24. Authority to transfer

a. To give effect to such sale, the Board of Directors may authorize any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer.
b. The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

25. Application of proceeds of sale

The net proceeds of any such sale shall be applied in or towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of sale.

CALLS ON SHARES

26. Calls

Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and the member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board of Directors.

27. When call deemed to have been made

A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. The

Board of Directors making a call may by resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board of Directors making such calls.

28. Length of Notice of call

Not less than thirty days' notice of any call shall be given specifying the time and place of payment provided that before the time for payment of such call, the Directors may, by notice in writing to the members, extend the time for payment thereof.

29. Sum payable in fixed installments to be deemed calls

If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by installments at fixed time, whether on account 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, on which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or installment accordingly.

30. When interest on call or installment payable

If the sum payable in respect of any call or, installment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installment shall fall due, shall pay interest for the same at the rate of 12 percent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board of Directors shall also be at liberty to waive payment of that interest wholly or in part.

31. Sums payable at fixed times to be treated as calls

The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any such sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.

32. Payment of call-in advance

The Board of Directors, may, if it thinks fit, receive from any member willing to advance all of or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advance may (until the same would, but for such advance become presently payable) pay interest at such rate as the Board of Directors may decide but shall not in respect of such advances confer a right to the dividend or participate in profits.

33. Partial payment not to preclude forfeiture

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any share 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 in respect of any share, either by way of principal or interest nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein after provided.

FORFEITURE OF SHARES

34. If call or installment not paid, notice may be given

If a member fails to pay any call or installment of a call on the day appointed for the payment not paid thereof, the Board of Directors may during such time as any part of such call or installment remains unpaid serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest, which may have accrued. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other share.

35. Evidence action by Company against shareholders

On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of

Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

36. Form of Notice

The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice), on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.

37. If notice not complied with, shares may be forfeited

If the requirements of any such notice as, aforementioned are not complied with, any share in respect of which the notice has been given May at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

38. Notice after forfeiture

When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

39. Boards' right to dispose of forfeited shares or cancellation of forfeiture

A forfeited or surrendered share may be sold or otherwise disposed off on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit.

40. Liability after forfeiture

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys, which at the date of forfeiture is payable by him to the Company in respect of the share, whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys due in respect of the shares.

41. Effect of forfeiture

The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

42. Evidence of forfeiture

A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

43. Non-payment of sums payable at fixed times

The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable at a fixed time, whether, on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.

44. Validity of such sales

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the register 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.

TRANSFER AND TRANSMISSION OF SHARES

45. Transfer

a. The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof.
b. The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the certificate and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application on such terms in writing made by the transferee and bearing the stamp required for an instrument of transfer, register the transfer on such terms as to indemnity as the Board may think fit.

a. An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly paid shares, be effected unless the Company gives notice of the application to the transferee. The Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

b. For the purpose of Sub-clause (c), notice to the transferee shall be deemed to have been duly given if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be delivered in the ordinary course of post.

c. Nothing in Sub-clause (d) shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law.

46. Form of transfer

Shares in the Company shall be transferred by an instrument in writing in such common form as specified in Section 56 of the Companies Act.

47. Board's right to refuse to register

The Board, May, at its absolute discretion and without assigning any reason, decline to register;
1. The transfer of any share, whether fully paid or not, to a person of whom it do not approve or
2. Any transfer or transmission of shares on which the Company has a lien

a. Provided that registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on the shares.
b. If the Board refuses to register any transfer or transmission of right, it shall, within fifteen days from the date of which the instrument or transfer of the intimation of such transmission was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.
c. In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 58.
d. The provisions of this clause shall apply to transfers of stock also.

48. Further right of Board of Directors to refuse to register

a. The Board may, at its discretion, decline to recognize or accept instrument of transfer of shares unless the instrument of transfer is in respect of only one class of shares.
b. No fee shall be charged by the Company for registration of transfers or for effecting transmission on shares on the death of any member or for registering any letters of probate, letters of administration and similar other documents.
c. Notwithstanding anything contained in Sub-articles (b) and (c) of Article 46, the Board may not accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such a sub-division or consolidation is required to be made to comply with a statutory order or an order of a competent Court of Law or a request from a member to convert his holding of odd lots, subject however, to verification by the Company.
d. The Directors may not accept applications for transfer of less than 100 equity shares of the Company, provided however, that

these restrictions shall not apply to:

i. Transfer of equity shares made in pursuance of a statutory order or an order of competent court of law.

ii. Transfer of the entire equity shares by an existing equity shareholder of the Company holding less than hundred (100) equity shares by a single transfer to joint names.

iii. Transfer of more than hundred (100) equity shares in favour of the same transferee under one or more transfer deeds, one or more of them relating to transfer of less than hundred (100) equity shares.

iv. Transfer of equity shares held by a member which are less than hundred (100) but which have been allotted to him by the Company as a result of Bonus and/or Rights shares or any shares resulting from Conversion of Debentures.

v. The Board of Directors be authorised not to accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such sub-division or consolidation is required to be made to comply with a statutory order of a Court of Law or a request from a member to convert his holding of odd lots of shares into transferable/marketable lots, subject, however, to verification by the Company.

Provided that where a member is holding shares in lots higher than the transferable limit of trading and transfers in lots of transferable unit, the residual shares shall be permitted to stand in the name of such transferor not withstanding that the residual holding shall be below hundred (100).

49. Rights to shares on death of a member for transmission

a. In the event of death of any one or more of several joint holders, the survivor, or survivors, alone shall be entitled to be recognised as having title to the shares.

b. In the event of death of any sole holder or of the death of last surviving holder, the executors or administrators of such holder or other person legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased.

Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased shareholder.

Provided further that if the deceased shareholder was a member of a Hindu Joint Family, the Board, on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise the survivors of Karta thereof as having titles to the shares registered in the name of such member.

Provided further that in any case, it shall be lawful for the Board in its absolute discretion, to dispense with the production of probate or letters of administration or other legal representation upon such evidence and such terms as to indemnity or otherwise as the Board may deem just.

50. Rights and liabilities of person

1. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time be required by the Board and subject as herein, after provided elect either

a. to be registered himself as a holder of the share or

b. to make such transfer of the share as the deceased or insolvent member could have made.

2. The Board, shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

51. Notice by such a person of his election

a. If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

c. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice of transfer had been signed by that member.

52. No transfer to infant, etc.

No transfer shall be made to an infant or a person of unsound mind.

53. Endorsement of transfer and issue of certificate

Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some person for the time being duly authorized by the Board in that behalf.

54. Custody of transfer

The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.

55. Register of members

a. The Company shall keep a book to be called the Register of Members, and therein shall be entered the particulars of every transfer or transmission of any share and all other particulars of shares required by the Act to be entered in such Register.

Closure of Register of members

b. The Board may, after giving not less than seven days previous notice by advertisement in some newspapers circulating in the district in which the Registered Office of the Company is situated, close the Register of Members or the Register of Debenture Holders for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.

When instruments of transfer to be retained

c. All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.

56. Company's right to register transfer by apparent legal owner

The Company shall incur no liability or responsibility whatever in consequence of their 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 of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares not withstanding that the Company may have had notice of such equitable right or title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it 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 the books of the Company; but the Company shall nevertheless be at liberty to have regard and to attend to any such notice and give effect thereto, if the Board shall so think fit.

ALTERATION OF CAPITAL

57. Alteration and consolidation, sub-division and cancellation of shares

The Company may, from time to time, in accordance with the provisions of the Act, alter by Ordinary Resolution, the conditions of the Memorandum of Association as follows:

1. Increase its share capital by such amount as it thinks expedient by issuing new shares;
2. Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
3. Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of the denomination;
4. sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division on the proportion between the amount paid and the amount, if any, unpaid, on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived.
5. **(a).** Cancel shares which, at the date of passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.
(b). The resolution whereby any share is sub-divided may determine that, as between the holder of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others.
6. Classify and reclassify its share capital from the shares on one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may for the time being be permitted under legislative provisions for the time being in force in that behalf.

58. Reduction of capital, etc. by Company

The Company may, by Special Resolution, reduce in any manner with and subject to any incident authorized and consent as required by law:
a. its share capital;
b. any capital redemption reserve account; or
c. any share premium account.

SURRENDER OF SHARES

59. Surrender of shares

The Directors may, subject to the provisions of the Act, accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof.

MODIFICATION OF RIGHTS

60. Power of modify shares

The rights and privileges attached to each class of shares may be modified, commuted, affected, and abrogated in the manner provided in Section 48 of the Act.

SET OFF OF MONEY DUE TO SHAREHOLDERS

61. Set-off of moneys due to shareholders

Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person, to the Company in respect of calls.

CONVERSION OF SHARES INTO STOCK

62. Conversion of shares

The Company may, by Ordinary Resolution, convert all or any fully paid share(s) of any denomination into stock and vice versa.

63. Transfer of stock

The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations, under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit; provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

64. Right of stockholders

The holders of the stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and its assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

65. Applicability of regulations to stock and stockholders

Such of the regulations contained in these presents, other than those relating to share warrants as are applicable to paid-up shares shall apply to stock and the words shares and shareholder in these presents shall include stock and stockholder respectively.

66. DEMATERIALISATION OF SECURITIES

a) Definitions

For the purpose of this Article:

'Beneficial Owner' means a person or persons whose name is recorded as such with a depository;

'SEBI' means the Securities and Exchange Board of India;

'Depository' means a company formed and registered under the Companies Act, 2013, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and

'Security' means such security as may be specified by SEBI from time to time.

b) Dematerialization of securities

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize or rematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

c) Options for investors

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person, who is the beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the

Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

d) **Securities in depositories to be in fungible form**
All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

e) **Rights of depositories and beneficial owners:**
i. Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
ii. Save as otherwise provided in (a) above, the depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the securities held by it.
iii. Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his

f) **Service of documents**
Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

g) **Transfer of securities**
Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

h) **Allotment of securities dealt with in a depository**
Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

i) **Distinctive numbers of securities held in a depository**
Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository.

j) **Register and Index of Beneficial owners**
The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles.

k) **Company to recognize the rights of registered holders as also the beneficial owners in the records of the depository**
Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognize any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.

GENERAL MEETINGS

67. Annual General Meeting

The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Act.

68. Extraordinary General Meeting

1. Extraordinary General Meetings may be held either at the Registered Office of the Company or at such convenient place as the Board or the Managing Director (subject to any directions of the Board) may deem fit.

Right to summon Extraordinary General Meeting

2. The Chairman or Vice Chairman may, whenever they think fit, and shall if so directed by the Board, convene an Extraordinary General Meeting at such time and place as may be determined.

69. Extraordinary Meeting by requisition

a. The Board shall, on the requisition of such number of members of the Company as is specified below, proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.

b. The requisition shall set our matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office.

c. The requisition may consist of several documents in like forms, each signed by one or more requisitionists.

d. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold, on the date of the deposit of the requisition, not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of the voting in regard to the matter set out in the requisition.

e. If the Board does not, within 21 days from the date of receipt of deposit of the requisition with regard to any matter, proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such of the requisitionists, as represent either majority in the value of the paid-up share capital held by them or of not less than one tenth of such paid-up capital of the Company as is referred to in Sub-clause (d) above, whichever is less.

70. Length of notice for calling meeting

A General Meeting of the Company may be called by giving not less than twenty one days' notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded by the members holding not less than 95 per cent of the part of the paid- up share capital which gives the right to vote on the matters to be considered at the meeting.
Provided that where any member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members, shall be taken into account for purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter.

71. Accidental omission to give notice not to invalidate meeting

The accidental omission is to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of any resolution passed at such meeting.

72. Special business and statement to be annexed

All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.

73. Quorum

The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business:
Number of member's up to 1000: 5 members personally present
Number of member's 1000-5000: 15 members personally present
Number of member's more than 5000: 30 members personally present

74. If quorum not present, when meeting to be dissolved and when to be adjourned

If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week and at the same time and place or to such other day and to be at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

75. Chairman of General Meeting

The Chairman of the Board of Directors shall preside at every General Meeting of the Company and if he is not present within 15 minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman, the Vice Chairman of the Board of Directors shall preside over the General Meeting of the Company.

76. When Chairman is absent

If there is no such Chairman, or Vice Chairman or if at any General Meeting, either the Chairman or Vice Chairman is not present within fifteen minutes after the time appointed for holding the meeting or if they are unwilling to take the chair, themembers present shall choose one of their members to be the Chairman.

77. Adjournment of meeting

The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.

78. Questions at General Meeting how decided

At a General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands/result of electronic voting as per the provisions of Section 108, unless a poll is (before or on the declaration of the result of the show of hands/ electronic voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number of proportion of the votes recorded in favour of or against that resolution.

79. Casting vote

In the case of an equality of votes, the Chairman shall, whether on a show of hands, or electronically or on a poll, as the case may be, have a casting vote in addition to the vote or votes to which he may be entitled as a member.

80. Taking of poll

If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

81. In what cases poll taken without adjournment

A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. Where a poll is demanded on any other question, adjournment shall be taken at such time not being later than forty-eight hours from the time which demand was made, as the Chairman may direct.

82. Votes

a. Every member of the Company holding Equity Share(s), shall have a right to vote in respect of such capital on every resolution placed before the Company. On a show of hands, every such member present shall have one vote and shall be entitled to vote in person or by proxy and his voting right on a poll or on e-voting shall be in proportion to his share of the paid-up Equity Capital of the Company.
b. Every member holding any Preference Share shall in respect of such shares have a right to vote only on resolutions which directly affect the rights attached to the Preference Shares and subject as aforesaid, every such member shall in respect of such capital be entitled to vote in person or by proxy, if the dividend due on such preference shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of the meeting. Such dividend shall be deemed to be due on Preference Shares in respect of any period, whether a dividend has been declared by the Company for such period or not, on the day immediately following such period.
c. Whenever the holder of a Preference Share has a right to vote on any resolution in accordance with the provisions of this

article, his voting rights on a poll shall be in the same proportion as the capital paid-up in respect of such Preference Shares bear to the total equity paid-up capital of the Company.

83. Business may proceed notwithstanding demand for poll

A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded; The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

84. Joint holders

In the case of joint holders, the vote of the first named of such joint holders who tender a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

85. Member of unsound mind

A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll vote by proxy.

86. No member entitled to vote while call due to Company

No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

87. Proxies permitted on polls

On a poll, votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as resolution of its Directors in accordance with provisions of Section 113 is in force.

88. Instrument of proxy

a. The instrument appointing a proxy shall be in writing under the hand of the appointed or of the attorney duly authorized in writing, or if the appointer is a Corporation, either under the signature of two Directors and/or the Company Secretary of the Company or under the hand of an officer or attorney so authorized. Any person may act as a proxy whether he is a member or not.
b. A body corporate (whether a company within the meaning of this Act or not) may:
1. If it is a member of the Company by resolution of its Board of Directors or other governing body, authorize such persons as it thinks fit to act as its representatives at any meeting of the Company, or at any meeting of any class of members of the Company;
2. If it is a creditor (including a holder of debentures) of the Company, by resolution of its directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.
c. A person authorized 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 which he represents, as if he were personally the member, creditor or debenture holder.

89. Instrument of proxy to be deposited at the office

The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of authority shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, and in default, the instrument of proxy shall not be treated as valid.

90. Validity of vote by proxy

A vote given in accordance with the terms of an instrument of proxy shall be valid not withstanding the previous death of the appointer, or revocation of the proxy, or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.

91. Form of proxy

Any instrument appointing a proxy may be a two way proxy form to enable the shareholders to vote for or against any resolution at their discretion. The instrument of proxy shall be in the prescribed form as given in Form MGT-11.

DIRECTORS

***92. Number of Directors**
Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 and not more than 15.

a) First Directors of the Company
Mr. Nirav Bharatbhai Patel
Mr. Vishnubhai Prahladdas Patel

b) Same individual may be appointed as Chairperson and Managing Director / Chief Executive Officer
The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive of the Company.

***Amended Clause 92 of Articles of Association Vide Special Resolution Passed by the Members at the Extra-Ordinary General Meeting held on 17th January, 2025.**

93. Subject to the provisions of the Act as may be applicable, the Board may appoint any person as a Managing Director to perform such functions as the Board may decide from time to time. Such Director shall be a Member of the Board.

94. Qualification of Directors

Any person, whether a member of the Company or not, may be appointed as a director. No qualification by way of holding shares in the capital of the Company shall be required of any Director.

95. Director's remuneration

a. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 of the Act, and the Rules made thereunder. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-time Director of the Company who is a full time employee, drawing remuneration will not be paid any fee for attending Board Meetings.

b. Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies Act, sanction **and pay** to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit.

c. Subject to the provisions of the Act, the Company in General Meeting may by Special Resolution sanction and pay to the Director in addition to the said fees set out in sub-clause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held office respectively as such Directors.

d. Subject to the provisions of Section 188 of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of the Article.

96. Directors may act notwithstanding vacancy

The continuing Directors may act not withstanding any vacancy in their body, but subject to the provisions contained in Article 121 below:

97. Chairman of the Board

The Board may from time to time appoint any Director to be the Chairman of the Board. The Chairman of the Board shall be subject to the same provisions as to resignation and removal as the other Directors, and he ipso facto, and immediately ceases to be the Chairman if he ceases to hold the office of Director for any cause.

98. Casual vacancy

If the office of any Director becomes vacant before the expiry of the period of his Directorship in normal course, the resulting casual vacancy may be filled by the Board at a Meeting of the Board subject to Section 161 of the Act. Any person so appointed shall hold office only upto the date which the Director in whose place he is appointed would have held office if the vacancy had not occurred as aforesaid.

VACATION OF OFFICE BY DIRECTORS

99. Vacation of office by Directors

The office of a Director shall be vacated if:
1. He is found to be unsound mind by a Court of competent jurisdiction;
2. He applies to be adjudicated as an insolvent;
3. He is an undischarged insolvent;
4. He is convicted by a Court of any offence whether involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;
5. He fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call;
6. An order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force.
7. He has not complied with Subsection (3) of Section 152
8. He has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years.
9. He absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board;
10. He acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184.
11. He becomes disqualified by an order of a court or the Tribunal
12. He is removed in pursuance of the provisions of the Act,
13. Having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;

Notwithstanding anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect:
1. for thirty days from the date of the adjudication, sentence or order;
2. where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off; or
3. Where within the seven days as aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.

100. Alternate Directors

(a) The Board may appoint an Alternate Director to act for a Director hereinafter called in this clause “the Original Director” during his absence for a period of not less than 3 months from India.

(b) An Alternate Director appointed as aforesaid shall vacate office if and when the Original Director returns to India.

Independent Directors

(c) (i) The Directors may appoint such number of Independent Directors as are required under Section 149 of the Companies Act, 2013 or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from time to time.

(ii) Independent directors shall possess such qualification as required under Section 149 of the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(iii) Independent Director shall be appointed for such period as prescribed under relevant provisions of the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall not be liable to retire by rotation.

Women Director

(d) The Directors shall appoint at least one women director as per the requirements of section 149 of the Act.

Key Managerial Personnel

(e) Subject to the provisions of the Act,—

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of are solution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

(iii) The Managing Director shall act as the Chairperson of the Company for all purposes subject to the provisions contained in the Act and these articles.

101. Additional Directors

The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the maximum number of Directors fixed under Article 93 above. Any person so appointed as an Additional Director shall hold office upto the date of the next Annual General Meeting of the Company.

Proportion of retirement by rotation

The proportion of directors to retire by rotation shall be as per the provisions of Section 152 of the Act.

102. Debenture

Any trust deed for securing debentures or debenture-stocks may, if so arranged, provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person to be a Director of the Company and may empower such Trustees, holder of debentures or debenture-stocks, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as “Debenture Director” and the term “Debenture Director” means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any other provisions herein contained.

103. Corporation/Nominee Director

a. Notwithstanding anything to the contrary contained in the Articles, so long as any moneys remain owing by the Company the any finance corporation or credit corporation or body, (herein after in this Article referred to as “The Corporation”) out of any loans granted by them to the Company or as long as any liability of the Company arising out of any guarantee furnished by the Corporation, on behalf of the Company remains defaulted, or the Company fails to meet its obligations to pay interest and/or installments, the Corporation shall have right to appoint from time to time any person or person as a Director or Directors (which Director or Directors is/are hereinafter referred to as “Nominee Director(s)”) on the Board of the Company and to remove from such office any person so appointed, any person or persons in his or their place(s).

b. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s as long as such default continues. Such Nominee Director/s shall not be required to hold any share qualification in the Company, and such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s appointed shall hold the said office as long as any moneys remain owing by the Company to the Corporation or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, and of the Meeting of the Committee of which the Nominee Director/s is/are member/s.

The Corporation shall also be entitled to receive all such notices. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Director/s of the Company are entitled, but if any other fee, commission, monies or remuneration in any form is payable to the Director/s of the Company, the fee, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment to Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.

Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee

Director/s shall so accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

The Corporation may at any time and from time to time remove any such Corporation Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as a Corporation Director in his place. Such appointment or removal shall be made in writing signed by the Chairman or Joint Chairman of the Corporation or any person and shall be delivered to the Company at its registered office. It is clarified that every Corporation entitled to appoint a Director under this Article may appoint such number of persons as Directors as may be authorised by the Directors of the Company, subject to Section 152 of the Act and so that the number does not exceed 1/3 of the maximum fixed under Article 93.

104. Disclosure of interest of Directors

a. Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or otherwise, nor shall any such contract or any contract or arrangement entered into by on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but the nature of the interest must be disclosed by the Director at the meeting of the Board at which the contract or arrangements is determined or if the interest then exists in any other case, at the first meeting of the Board after the acquisition of the interest.

Provided nevertheless that no Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid or take part in the proceedings thereat and he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to indemnify the Directors or any of them against any loss they may suffer by becoming or being sureties for the Company.

A Director may be or become a Director of any company promoted by this Company or in which this Company may be interested as vendor, shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such company.

105. Rights of Directors

Except as otherwise provided by these Articles and subject to the provisions of the Act, all the Directors of the Company shall have in all matters equal rights and privileges, and be subject to equal obligations and duties in respect of the affairs of the Company.

106. Directors to comply with Section 184

Notwithstanding anything contained in these presents, any Director contracting with the Company shall comply with the provisions of Section 184 of the Companies Act, 2013.

107. Directors power of contract with Company

Subject to the limitations prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid.

ROTATION OF DIRECTORS

108. Rotation and retirement of Directors

At every annual meeting, one-third of the Directors shall retire by rotation in accordance with provisions of Section 152 of the Act.

109. Retiring Directors eligible for re-election

A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up vacated office by electing a person thereto.

110. Which Directors to retire

The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.

111. Retiring Directors to remain in office till successors are appointed

Subject to Section 152 of the Act, if at any meeting at which an election of Directors ought to take place, the place of the vacating or deceased Directors is not filled up and the meeting has not expressly resolved not to fill up or appoint the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday at the same time, place, and if at the adjourned meeting the place of vacating Directors is not filled up and the meeting has also not expressly resolved not to fill up the vacancy, then the vacating Directors or such of them as have not had their places filled up shall be deemed to have been reappointed at the adjourned meeting.

112. Power of General Meeting to increase or reduce number of Directors

Subject to the provisions of Sections 149, 151 and 152 the Company in General Meeting may increase or reduce the number of Directors subject to the limits set out in Article 93 and may also determine in what rotation the increased or reduced number is to retire.

113. Power to remove Directors by ordinary resolution

Subject to provisions of Section 169 the Company, by Ordinary Resolution, May at any time remove any Director except Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his place. The person so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforementioned. A Director so removed from office shall not be re-appointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed.

114. Rights of persons other than retiring Directors to stand for Directorships

Subject to the provisions of Section 160 of the Act, a person not being a retiring Director shall be eligible for appointment to the office of a Director at any general meeting if he or some other member intending to propose him as a Director has not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director, or the intention of such member to propose him as a candidate for that office, as the case may be "along with a deposit of such sum as may be prescribed by the Act or the Central Government from time to time which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than 25% of total valid votes cast either on show of hands or electronically or on poll on such resolution".

115. Register of Directors and KMP and their shareholding

The Company shall keep at its Registered Office a register containing the addresses and occupation and the other particulars as required by Section 170 of the Act of its Directors and Key Managerial Personnel and shall send to the Registrar of Companies returns as required by the Act.

116. Business to be carried on

The business of the Company shall be carried on by the Board of Directors.

117. Meeting of the Board

The Board may meet for the dispatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, provided that a meeting of the Board shall be held at least once in every one hundred and twenty days; and at least four such meetings shall be held in every year.

118. Director may summon meeting

A Director may at any time request the Secretary to convene a meeting of the Directors and seven days' notice of meeting of directors shall be given to every director and such notice shall be sent by hand delivery or by post or by electronic means.

119. Question how decided

a. Save as otherwise expressly provided in the Act, a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board.

b. In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.

120. Right of continuing Directors when there is no quorum

The continuing Directors may act notwithstanding any vacancy in the Board, but if and as long as their number if reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company and for no other purpose.

121. Quorum

The quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one third being rounded off as one) or two Directors whichever is higher; provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time.

122. Election of Chairman to the Board

If no person has been appointed as Chairman or Vice Chairman under Article 98(a) or if at any meeting, the Chairman or Vice Chairman of the Board is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the meeting.

123 Chairman EmeritusA.

(1) The Board shall be entitled to appoint any person who has rendered significant or distinguished services to the Company or to the industry to which the Company's business relates or in the public field, as the Chairman Emeritus of the Company.

(2) The Chairman Emeritus shall hold office until he resigns his office or a special resolution to that effect is passed by the members in a general meeting.

(3) The Chairman Emeritus may attend any meetings of the Board or Committee thereof but shall not have any right to vote and shall not be deemed to be a party to any decision of the Board or Committee thereof.

(4) The Chairman Emeritus shall not be deemed to be a director for any purposes of the Act or any other statute or rules made there under or these Articles including for the purpose of determining the maximum number of Directors which the Company can appoint.

(5) The Board may decide to make any payment in any manner for any services rendered by the Chairman Emeritus to the Company.

(6) If at any time the Chairman Emeritus is appointed as a Director of the Company, he may, at his discretion, retain the title of the Chairman Emeritus."

124. Power to appoint Committees and to delegate

a. The Board may, from time to time, and at any time and in compliance with provisions of the act and listing agreement constitute one or more Committees of the Board consisting of such member or members of its body, as the Board may think fit.

Delegation of powers

b. Subject to the provisions of Section 179 the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit and subject to provisions of the act and listing agreement.

c. The Board may from, time to time, revoke, add to or vary any powers, authorities and discretions so delegated subject to provisions of the act and listing agreement.

125. Proceedings of Committee

The meeting and proceedings of any such Committee 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 not superseded by any regulations made by the Directors under the last proceeding Article.

126. Election of Chairman of the Committee

a. The Chairman or the Vice Chairman shall be the Chairman of its meetings, if either is not available or if at any meeting either is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Chairman of the meeting.

b. The quorum of a Committee may be fixed by the Board and until so fixed, if the Committee is of a single member or two members, the quorum shall be one and if more than two members, it shall be two.

127. Question how determined

a. A Committee may meet and adjourn as it thinks proper.

b. Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.

128 Acts done by Board or Committee valid, notwithstanding defective appointment, etc.

All acts done by any meeting of the Board or a Committee thereof, or by any person acting as a Director shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or any person acting as aforesaid, or that any of them was disqualified, be as valid as if every such Director and such person had been duly appointed and was qualified to be a Director.

Resolution by circulation

129. Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with necessary papers, if any, to all the members of the Committee then in India (not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may) and to all other Directors or members at their usual address in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.

POWERS AND DUTIES OF DIRECTORS

130. General Powers of Company vested in Directors

The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting, shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

131. Attorney of the Company

The Board may appoint at any time and from time to time by a power of attorney under the signature of two Directors and/or the Company Secretary of the Company, any person to be the Attorney 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 Articles and for such period and subject to such conditions as the Board may from time to time think fit and any such appointment, may, if the Board thinks fit, be made in favour of the members, or any of the members of any firm or company, or the members, Directors, nominees or managers of any firm or company or otherwise in favour of anybody or persons whether nominated directly or indirectly by the Board and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit.

132. Power to authorize sub delegation

The Board may authorize any such delegate or attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in him.

133. Directors' duty to comply with the provisions of the Act

The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and keep a register of the Directors, and send to the Registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital and copies of special resolutions, and such other resolutions and agreements required to be filed under Section 117 of the Act and a copy of the Register of Directors and notifications of any change therein.

134. Special power of Directors

In furtherance of and without prejudice to the general powers conferred by or implied in Article 130 and other powers conferred by these Articles, and subject to the provisions of Sections 179 and 180 of the Act, that may become applicable, it is hereby expressly declared that it shall be lawful for the Directors to carry out all or any of the objects set forth in the Memorandum of Association and to the following things.

135. To acquire and dispose of property and rights

a. To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire at such price and generally on such terms and conditions as they think fit and to sell, let, exchange, or otherwise dispose of the property, privileges and undertakings of the Company upon such terms and conditions and for such consideration as they may think fit.

To pay for property in debentures, etc.b. At their discretion to pay for any property, rights and 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 shares may be issued either as fully paid-up or with such amount credited as paid-up, the sum as 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 secure contracts by mortgages
c. To secure the fulfillment of any contracts or agreements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they think fit.

To appoint officers, etc.

d. To appoint and at their discretion remove, or suspend such agents, secretaries, officers, clerks 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 fix their powers and duties and fix their salaries or emoluments and to the required security in such instances and to such amount as they think fit.

e. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payments or satisfaction of any dues and of any claims or demands by or against the Company.

To refer to arbitration
f. To refer to, any claims or demands by or against the Company to arbitration and observe and perform the awards.

To give receipt

g. To make and give receipts, releases and other discharges for money payable to the Company and of the claims and demands of the Company.

To act in matters of bankrupts and insolvents
h. To act on behalf of the Company in all matters relating to bankrupts and insolvents.

To give security by way of indemnity
i. 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 for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.

To give commission

j. To give any person 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.

To make contracts etc.

k. 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 consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

To make bye-laws

l. From time to time, make, vary and repeal bye-laws for the regulations of the business for the Company, its officers and servants.

To set aside profits for provided fund

m. Before recommending any dividends, to set-aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities or compensations; or to create any provident fund or benefit fund in such or any other manner as the Directors may deem fit.

To make and alter rules

n. To make and alter rules and regulations concerning the time and manner of payments of the contributions of the employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit.

o. And generally, at their absolute discretion, to do and perform every act and thing which they may consider necessary or expedient for the purpose of carrying on the business of the Company, excepting such acts and things as by Memorandum of Association of the Company or by these presents may stand prohibited.

136. Managing Director

a. Subject to the provisions of Section 196,197, 2(94), 203 of the Act, the following provisions shall apply:

b. The Board of Directors may appoint or re-appoint one or more of their body, not exceeding two, to be the Managing Director or Managing Directors of the Company for such period not exceeding 5 years as it may deem fit, subject to such approval of the Central Government as may be necessary in that behalf.

c. The remuneration payable to a Managing Director shall be determined by the Board of Directors subject to the sanction of the Company in General Meeting and of the Central Government, if required.

d. If at any time there are more than one Managing Director, each of the said Managing Directors may exercise individually all the powers and perform all the duties that a single Managing Director may be empowered to exercise or required to perform under the Companies Act or by these presents or by any Resolution of the Board of Directors and subject also to such restrictions or conditions as the Board may from time to time impose.

e. The Board of Directors may at any time and from time to time designate any Managing Director as Deputy Managing Director or Joint Managing Director or by such other designation as it deems fit.

f. Subject to the supervision, control and directions of the Board of Directors, the Managing Director/Managing Directors shall have the management of the whole of the business of the Company and of all its affairs and shall exercise all powers and perform all duties and in relation to the management of the affairs, except such powers and such duties as are required by Law or by these presents to be exercised or done by the Company in General Meeting or by the Board and also subject to such conditions and restrictions imposed by the Act or by these presents or by the Board of Directors. Without prejudice to the generality of the foregoing, the Managing Director/Managing Directors shall exercise all powers set out in Article 135 above except those which are by law or by these presents or by any resolution of the Board required to be exercised by the Board or by the Company in General Meeting.

137. Whole-time Director

1. Subject to the provisions of the Act and subject to the approval of the Central Government, if any, required in that behalf, the Board may appoint one or more of its body, as Whole-time Director or Whole time Directors on such designation and on such terms and conditions as it may deem fit. The Whole-time Directors shall perform such duties and exercise such powers as the Board may from time to time determine which shall exercise all such powers and perform all such duties subject to the control, supervision and directions of the Board and subject thereto the supervision and directions of the Managing Director. The remuneration payable to the Whole-time Directors shall be determined by the Company in General Meeting, subject to the approval of the Central Government, if any, required in that behalf.

2. A Whole-time Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be Whole-time Director, if he ceases to hold the Office of Director from any cause except where he retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Director at that Meeting.

138. Secretary

The Board shall have power to appoint a Secretary a person fit in its opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as it may determine. The Secretary shall have such powers and duties as May, from time to time, be delegated or entrusted to him by the Board.

139. Powers as to commencement of business

Subject to the provisions of the Act, any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as it shall think fit and further may be suffered by it to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

140. Delegation of power

Subject to Section 179 the Board may delegate all or any of its powers to any Director, jointly or severally or to any one Director at its discretion or to the Executive Director.

BORROWING

141. Borrowing Powers

a. The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 179 of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security.

Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company or by such other means as them may seem expedient.

142. Assignment of debentures

Such debentures, debenture stock, bonds or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.

143. Terms of debenture issue

a. Any such debenture, debenture stock, bond or other security may be issued at a discount, premium or otherwise, and with any special privilege as the redemption, surrender, drawing, allotment of shares of the Company, or otherwise, provided that debentures with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.

b. Any trust deed for securing of any debenture or debenture stock and or any mortgage deed and/or other bond for securing payment of moneys borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner may provide for the appointment from time to time, by any such mortgagee, lender, trustee of or holders of debentures or contracting party as aforesaid, of one or more persons to be a Director or Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a Director as aforesaid may, from time to time, remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debenture or on the termination of such contract and any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.

c. The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a Mortgage Director or Mortgage Directors and the Director if appointed as aforesaid under the provisions of a debenture trust deed shall be called "Debenture Director". The words "Mortgage" or "Debenture Director" shall mean the Mortgage Director for the time being in office. The Mortgage Director or Debenture Director shall not be required to hold any qualification shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provision as may be arranged between the Company and mortgage lender, the trustee or contracting party, as the case may be, and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Act.

d. The Directors appointed as Mortgage Director or Debenture Director or Corporate Director under the Article shall be deemed to be ex-officio Directors.

e. The total number of ex-officio Directors, if any, so appointed under this Article together with the other ex-officio Directors, if any, appointment under any other provisions of these presents shall not at any time exceed one-third of the whole number of Directors for the time being.

144. Charge on uncalled capital

Any uncalled capital of the Company may be included in or charged by mortgage or other security.

145. Subsequent assignees of uncalled capital

Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject such prior charge, and shall not be entitled, by notice to the shareholder or otherwise, to obtain priority over such prior charge.

146. Charge in favour of Director of indemnity

If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board 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 other person so becoming liable as aforesaid from any loss in respect of such liability.

147. Powers to be exercised by Board only at meeting

a. Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said power shall be exercised only by resolution passed at the meetings of the Board.

- (a) To make calls on shareholders in respect of money unpaid on their shares;
- (b) To authorise buy-back of securities under section 68;
- (c) To issue securities, including debentures, whether in or outside India;
- (d) To borrow monies;
- (e) To invest the funds of the company;
- (f) To grant loans or give guarantee or provide security in respect of loans;
- (g) To approve financial statement and the Board's report;
- (h) To diversify the business of the company;
- (i) To approve amalgamation, merger or reconstruction;
- (j) To take over a company or acquire a controlling or substantial stake in another company;
- (k) To make political contributions;
- (l) To appoint or remove key managerial personnel (KMP);
- (m) To take note of appointment(s) or removal(s) of one level below the Key Management Personnel;
- (n) To appoint internal auditors and secretarial auditor;
- (o) To take note of the disclosure of director's interest and shareholding;
- (p) To buy, sell investments held by the company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company;
- (q) To invite or accept or renew public deposits and related matters;
- (r) To review or change the terms and conditions of public deposit;
- (s) To approve quarterly, half yearly and annual financial statements or financial results as the case may be.
- (t) Such other business as may be prescribed by the Act.

b. The Board may by a meeting delegate to any Committee of the Board or to the Managing Director the powers specified in Sub-clauses, d, e and f above.

c. Every resolution delegating the power set out in Sub-clause d shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the said delegate.

d. Every resolution delegating the power referred to in Sub-clause e shall specify the total amount upto which the funds may be invested and the nature of investments which may be made by the delegate.

e. Every resolution delegating the power referred to in Sub-clause f above shall specify the total amount upto which loans may be made by the delegate, the purposes for which the loans may be made, and the maximum amount of loans that may be made for each such purpose in individual cases.

148. Register of mortgage to be kept

The Directors shall cause a proper register and charge creation documents to be kept in accordance with the provisions of the Companies Act, 2013 for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.

149. Register of holders of debentures

Every register of holders of debentures of the Company may be closed for any period not exceeding on the whole forty five days in any year, and not exceeding thirty days at any one time. Subject as the aforesaid, every such register shall be open to the inspection of registered holders of any such debenture and of any member but the Company may in General Meeting impose any reasonable restriction so that at least two hours in every day, when such register is open, are appointed for inspection.

150. Inspection of copies of and Register of Mortgages

The Company shall comply with the provisions of the Companies Act, 2013, as to allow inspection of copies kept at the Registered Office in pursuance of the said Act, and as to allowing inspection of the Register of charges to be kept at the office in pursuance of the said Act.

151. Supplying copies of register of holder of debentures

The Company shall comply with the provisions of the Companies Act, 2013, as to supplying copies of any register of holders of debentures or any trust deed for securing any issue of debentures.

152. Right of holders of debentures as to Financial Statements

Holders of debentures and any person from whom the Company has accepted any sum of money by way of deposit, shall on demand, be entitled to be furnished, free of cost, or for such sum as may be prescribed by the Government from time to time, with a copy of the Financial Statements of the Company and other reports attached or appended thereto.

153. Minutes

a. The Company shall comply with the requirements of Section 118 of the Act, in respect of the keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board.

b. The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.

154. Managing Director's power to be exercised severally

All the powers conferred on the Managing Director by these presents, or otherwise may, subject to any directions to the contrary by the Board of Directors, be exercised by any of them severally.

MANAGER

155. Manager

Subject to the provisions of the Act, the Directors may appoint any person as Manager for such term not exceeding five years at a time at such remuneration and upon such conditions as they may think fit and any Manager so appointed may be removed by the Board.

DIVIDENDS AND RESERVES

156. Rights to Dividend

The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the equity shareholders.

157. Declaration of Dividends

The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

158. What to be deemed net profits

The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.

159. Interim Dividend

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.

160. Dividends to be paid out of profits only

No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Act.

161. Reserve Funds

a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper 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 equalising 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 think prudent not to divide without setting them aside as Reserve.

162. Method of payment of dividend

a. Subject to the rights of persons, if any, entitled to share 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.

b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share.

c. 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 shares shall rank for dividend accordingly.

163. Deduction of arrears

The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls in relation to the shares of the Company or otherwise.

164. Adjustment of dividend against call

Any General Meeting declaring a dividend or bonus may make a call on the members of such amounts as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and themselves, be set off against the call.

165. Payment by cheque or warrant

a. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post directly 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 in the Register of Members or to such person and to such address of the holder as the joint holders may in writing direct.

b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

c. Every dividend or warrant or cheque shall be posted within thirty days from the date of declaration of the dividends.

166. Retention in certain cases

The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member in respect thereof or shall duly transfer the same.

Receipt of joint holders
(A) Where any instrument of transfer of shares has been delivered to the Company for registration on holders, the Transfer of such shares and the same has not been registered by the Company, it shall, and notwithstanding anything contained in any other provision of the Act:
a) transfer the dividend in relation to such shares to the Special Account referred to in Sections 123 and 124 of the Act, unless the Company is authorised by the registered holder, of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and
b) Keep in abeyance in relation to such shares any offer of rights shares under Clause(a) of Sub-section (1) of Section 62 of the Act, and any issue of fully paid-up bonus shares in pursuance of Sub-section (3) of Section 123 of the Act".

167. Deduction of arrears

Any one of two of the joint holders of a share may give effectual receipt for any dividend, bonus, or other money payable in respect of such share.

168. Notice of Dividends

Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.

169. Dividend not to bear interest

No dividend shall bear interest against the Company.

170. Unclaimed Dividend

No unclaimed dividends shall be forfeited. Unclaimed dividends shall be dealt with in accordance to the provisions of Sections 123 and 124 of the Companies Act, 2013.

171. Transfer of share not to pass prior Dividend

Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

CAPITALISATION OF PROFITS

172. Capitalisation of Profits

a. The Company in General Meeting, may on the recommendation of the Board, resolve:
1. That the whole or any part of any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Fund or any money, investment or other asset forming part of the undivided profits, including profits or surplus moneys arising from the realisation and (where permitted by law) from the appreciation in value of any Capital assets of the Company standing to the credit of the General Reserve, Reserve or any Reserve Fund or any amounts standing to the credit of the Profit and Loss Account or any other fund of the Company or in the hands of the Company and available for the distribution as dividend capitalised; and
2. That such sum be accordingly set free for distribution in the manner specified in Sub-clause (2) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.

b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in Subclause (3) either in or towards:
1. Paying up any amount for the time being unpaid on any share held by such members respectively;
2. paying up in full unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; or
3. Partly in the way specified in Sub-clause (i) and partly in that specified in Sub-clause (ii).

c. A share premium account and a capital redemption reserve account may for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

d. The Board shall give effect to resolutions passed by the Company in pursuance of this Article.

173. Powers of Directors for declaration of Bonus

a. whenever such a resolution as aforesaid shall have been passed, the Board shall:
1. Make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue or fully paid shares if any; and
2. Generally, do all acts and things required to give effect thereto.

b. The Board shall have full power:
1. to make such provision by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions and also;
2. to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on the existing shares.

c. Any agreement made under such authority shall be effective and binding on all such members.

ACCOUNTS

174. Books of account to be kept

a. The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expanded by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.
b. All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain in transactions.
c. The books of accounts shall be open to inspection by any Director during business hours.

175. Where books of account to be kept

The books of account shall be kept at the Registered Office or at such other place as the Board thinks fit.

176. Inspection by members

The Board shall, from time to time, determine whether and to what extent and at what time and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspection any account or book or document of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.

177. Statement of account to be furnished to General Meeting

The Board shall lay before such Annual General Meeting , financial statements made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extension of time as shall have been granted by the Registrar under the provisions of the Act.

178. Financial Statements

Subject to the provisions of Section 129, 133 of the Act, every financial statements of the Company shall be in the forms set out in Parts I and II respectively of Schedule III of the Act, or as near thereto as circumstances admit.

179. Authentication of Financial Statements

a. Subject to Section 134 of the Act, every financial statements of the Company shall be signed on behalf of the Board by not less than two Directors.
b. The financial statements shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.

180. Auditors Report to be annexed

The Auditor’s Report shall be attached to the financial statements.

181. Board’s Report to be attached to Financial Statements

a. Every financial statement laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any reserve either in such Balance Sheet or in a subsequent Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend.
b. The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any change which has occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries and generally in the classes of business in which the Company has an interest and material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report.
c. The Board shall also give the fullest information and explanation in its report or in case falling under the provision of Section 134 of the Act in an addendum to that Report on every reservation, qualification or adverse remark contained in the Auditor's Report.
d. The Board's Report and addendum, if any, thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not authorised, shall be signed by such number of Directors as is required to sign the Financial Statements of the Company under Article 181.
e. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-clauses (a) to (e) of this Article are complied with.

182. Right of member to copies of Financial Statements

The Company shall comply with the requirements of Section 136.

ANNUAL RETURNS

183. Annual Returns

The Company shall make the requisite annual return in accordance with Section 92 of the Act.

AUDIT

184. Accounts to be audited

a. Every Financial Statement shall be audited by one or more Auditors to be appointed as hereinafter mentioned.
b. Subject to provisions of the Act, The Company at the Annual General Meeting shall appoint an Auditor or Firm of Auditors to hold office from the conclusion of that meeting until the conclusion of the fifth Annual General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.
c. At every Annual General Meeting, reappointment of such auditor shall be ratified by the shareholders.
d. Where at an Annual General Meeting no Auditors are appointed or reappointed, the Central Government may appoint a person to fill the vacancy.
e. The Company shall, within seven days of the Central Government's power under Sub-clause (d) becoming exercisable, give notice of that fact to that Government.
f. 1. The first Auditor or Auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.
Provided that the Company may at a General Meeting remove any such Auditor or all or any of such Auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any such member of the Company and of whose nomination notice has been given to the members of the Company, not less than 14 days before the date of the meeting; and
2. If the Board fails to exercise its power under this Sub-clause, the Company in General Meeting may appoint the first Auditor or Auditors.
g. The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors, if any, may act, but where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.
h. A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless Special Notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 115 of the Act and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all other provisions of Section140 of the Act shall apply in the matter. The provisions of this Sub-clause shall also apply to a resolution that retiring Auditor shall be reappointed.
i. The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.
j. Subject to the provisions of Section 146 of the Act, the Auditor of the company shall attend general meetings of

the company.

185. Audit of Branch Offices

The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of Branch Offices of the Company.

186. Remuneration of Auditors

The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditor appointed to fill and casual vacancy may be fixed by the Board.

187. Rights and duties of Auditors

a. Every Auditor of the Company shall have a right of access at all times to the books of accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanations as may be necessary for the performance of his duties as Auditor.

b. All notices of, and other communications relating to any General Meeting of a Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor, and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.

c. The Auditor shall make a report to the members of the Company on the accounts examined by him and on Financial statements and on every other document declared by this Act to be part of or annexed to the Financial statements, which are laid before the Company in General Meeting during his tenure of office, and the report shall state whether, in his opinion and to the best of his information and according to explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view:

    1. In the case of the Balance Sheet, of the state of affairs as at the end of the financial year and
    2. In the case of the Statement of Profit and Loss, of the profit or loss for its financial year.

d. The Auditor's Report shall also state:

    (a) Whether he has sought and obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit and if not, the details thereof and the effect of such information on the financial statements;

    (b) whether, in his opinion, proper books of account as required by law have been kept by the company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him;

    (c) whether the report on the accounts of any branch office of the company audited under sub-section (8) by a person other than the company's auditor has been sent to him under the proviso to that sub-section and the manner in which he has dealt with it in preparing his report;

    (d) Whether the company's balance sheet and profit and loss account dealt with in the report are in agreement with the books of account and returns;

    (e) Whether, in his opinion, the financial statements comply with the accounting standards;

    (f) The observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company;

    (g) Whether any director is disqualified from being appointed as a director under sub-section (2) of section 164;

    (h) Any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;

    (i) Whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;

    (j) Whether the company has disclosed the impact, if any, of pending litigations on its financial position in its financial statement;

    (k) whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;

    (l) Whether there has been any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

e. Where any of the matters referred to in Clauses (i) and (ii) of Sub-section (2) of Section 143 of the Act or in Clauses (a), (b) and (c) of Sub-section (3) of Section 143 of the Act or Sub-clause (4) (a) and (b) and (c) hereof is answered in the negative or with a qualification, the Auditor's Report shall state the reason for such answer.

f. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

188. Accounts whether audited and approved to be conclusive

Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the accounts shall forthwith be corrected, and henceforth be conclusive.

189. Service of documents on the Company

A document may be served on the Company or any officer thereof by sending it to the Company or officer at the Registered Office of the Company by Registered Post, or by leaving it at the Registered Office or in electronic mode in accordance with the provisions of the act.

190. How documents to be served to members

a. A document (which expression for this purpose shall be deemed to included and shall include any summons, notice, requisition, process, order judgement or any other document in relation to or the winding up of the Company) may be served personally or by sending it by post to him to his registered address or in electronic mode in accordance with the provisions of the act., or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notices to him.
b. All notices shall, with respect to any registered shares to which persons are entitled jointly, be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.
c. Where a document is sent by post:
   i. service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a Certificate of Posting or by Registered Post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member, and such service shall be deemed to have been effected;
   a. in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted, and
   b. in any other case, at the time at which the letter should be delivered in the ordinary course of post.

191. Members to notify address in India

Each registered holder of share(s) shall, from time to time, notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

192. Service on members having no registered address in India

If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighborhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.

193. Service on persons acquiring shares on death or insolvency of members

A document may be served by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of deceased or assignees of the insolvent or by any like descriptions at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.

194. Notice valid though member deceased

Any notice of document delivered or sent by post or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member by then deceased and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or on her heirs, executors or administrators, and all other persons, if any, jointly interested with him or her in any such share.

195 Persons entitled to Notice of General Meeting

Subject to the provisions of Section 101 the Act and these Articles, notice of General Meeting shall be given to;

(a) Every member of the company, legal representative of any deceased member or the assignee of an insolvent member;

(b) The auditor or auditors of the company; and

(c) Every director of the company.

Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

196. Advertisement

a. Subject to the provisions of the Act, any document required to be served on or sent to the members, or any of them by the Company and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district where the Registered Office of the Company is situated.

b. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered in the Register shall be duly given to the person from whom he derived his title to such share or stock.

197. Transference, etc. bound by prior notices

Every person, who by the operation of law, transfer, or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which previously to his name and address being entered in the Register, shall have been duly served on or sent to the person from whom he derives his title to the share.

198. How notice to be signed

Any notice to be given by the Company shall be signed by the Managing Director or by such Director or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

AUTHENTICATION OF DOCUMENTS

199. Authentication of document and proceeding

Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, or the Managing Director or an authorised officer of the Company and need not be under its seal.

WINDING UP

200 Winding up

Subject to the provisions of the Act as to preferential payments, the assets of a Company shall, on its winding-up be applied in satisfaction of its liabilities pari-passu and, subject to such application, shall, unless the articles otherwise provide, be distributed among the members according to their rights and interests in the Company.

201 Division of assets of the Company in specie among members

If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, and part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators with the like sanction shall think fit. In case any shares, to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the Special Resolution by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.

INDEMNITY AND RESPONSIBILITY

202. Directors' and others' right to indemnity

a. Subject to the provisions of Section 197 of the Act every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, and expenses (including travelling expenses) which Service of documents on the Company any such Director, officer or employee may incur or becomes liable to by reason of any contract entered into or act or deed done by him or any other way in the discharge of his duties, as such Director, officer or employee.

b. Subject as aforesaid, every Director, Manager, Secretary, or other officer/employee of the Company shall be indemnified against any liability, incurred by them or him in defending any proceeding whether civil or criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is given to him by the Court and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurrable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies, or complying with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company

203. Subject to the provisions of Section 197 of the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company, or for the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any money invested, or for any loss or damages 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 judgement or oversight on his part of for any 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 act or default.

SECRECY CLAUSE

204. a. No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interests of the Company to communicate to the public.

b. Every Director, Managing Director, Manager, Secretary, Auditor, Trustee, Members of a Committee, Officers, 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, or at any time during his term of office sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required so to do by the Board or by any General Meeting or by a Court of Law or by the persons to whom such matters relate and except so far as may be necessary, in order to comply with any of the provisions contained in these Articles.

REGISTERS, INSPECTION AND COPIES THEREOF

205. a. Any Director or Member or person can inspect the statutory registers maintained by the company, which may be available for inspection of such Director or Member or person under provisions of the act by the company, provided he gives fifteen days' notice to the company about his intention to do so.

b. Any, Director or Member or person can take copies of such registers of the company by paying Rs. 10 per page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt of money.

BUY-BACK OF SHARES

206. 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.

EMPLOYEE STOCK OPTION SCHEME

207. Subject to and in accordance with the provisions of the Act and any other rules, regulations or guidelines as may be prescribed, if any, the Company may frame guidelines or scheme to be known as Employee Stock Option Scheme (ESOP) or Employees Stock Purchase Scheme (ESPS).

ESOP or ESPS may provide for the issue of shares/warrants, bonds or other debt instruments including the terms of payment.

The Board of Directors shall have the power to vary, alter or amend the terms and conditions of the ESOP or ESPS, at their sole discretion, in such manner as they may deem fit in the best interest of the Company.

ISSUE OF SWEAT EQUITY SHARES

208. Notwithstanding anything contained in these articles the Company shall have right to issue sweat equity shares to its promoters, Directors, employees or to such other persons as may be decided by the Board in accordance with the provisions of the Companies Act, 2013 and any statutory amendments or re-enactment thereof.

GENERAL AUTHORITY

209. Wherever in the applicable provisions under the Act, it has been provided that, any Company shall have any right, authority or that such Company could carry out any transaction only if the Company is authorised by its Articles, this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific regulation or clause in that behalf in this articles.

SECTION XII – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Red Herring Prospectus, delivered to the Registrar of Companies, for filling. Copies of the above-mentioned contracts and also the documents for inspection referred to hereunder, may be inspected online with Registrar of Companies and at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Red Herring Prospectus until the Bid/Issue Closing Date and online at website of company www.vcottonexport.com.

A. MATERIAL CONTRACTS

1. Issue Agreement dated May 07, 2026 between our Company and Book Running Lead Manager to the Issue;

2. Agreement dated May 07, 2026 executed between our Company and the Registrar to the Issue (MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited);

3. Market Making Agreement dated August 31, 2026 between our Company, Book Running Lead Manager and Market Maker;

4. Banker to the Issue Agreement dated August 13, 2026 among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue;

5. Underwriting Agreement dated August 13, 2026 between our Company, Book Running Lead Manager and Underwriters;

6. Tripartite Agreement dated January 31, 2025 among CDSL, the Company and the Registrar to the Issue;

7. Tripartite Agreement dated January 25, 2025 among NSDL, the Company and the Registrar to the Issue;

8. Syndicate Agreement dated August 13, 2026 between our Company, Book Running Lead Manager and Syndicate Member.

B. MATERIAL DOCUMENTS

1. Certified copies of the Memorandum and Articles of Association of the Company as amended;

2. Certificate of Incorporation dated August 05, 2024 issued by the Registrar of Companies, Central Registration Centre;

3. Fresh Certificate of Incorporation dated December 16, 2024 issued by the Registrar of Companies, consequent upon Conversion of the Company to Public Company;

4. Copy of the Board Resolution dated April 20, 2026 authorizing the Issue and other related matters;

5. Copy of Shareholder's Resolution dated April 20, 2026 authorizing the Issue and other related matters;

6. Copies of Standalone Audited Financial Statements of our Company for the financial year ended March 31, 2026, 2025 and 2024;

7. Peer Review Auditors Report dated May 30, 2026 on Restated Standalone Financial Statements of our Company for the financial year ended March 31, 2026, 2025 and 2024 and for the period ended August 04, 2024;

8. Copy of the Statement of Tax Benefits dated June 04, 2026 from the Peer Review Auditor;

9. Industry Report on cotton Yarn dated Augut 14, 2026 issued by Dun & Bradstreet;

10. Search Report issued by M/s. Parikh Dave & Associates, Practicing Company Secretary dated May 28, 2026;

11. Certification from M/s. Parikh Dave & Associates dated May 28, 2026 regarding eligibility of Independent Director under Section 149(6) of Companies Act, 2013;

12. Certificate from M/s. Mistry & Shah LLP, Chartered Accountants, dated August 14, 2026 regarding the Working Capital Requirement of the company;

13. Certificate from M/s. SVJK and Associates, Chartered Accountants, dated June 04, 2026 regarding Basis of Issue Price and Key Performance Indicators.

14. Audit Committee Resolution dated May 30, 2026 approving the KPI;

15. Chartered Engineer Certificate from Multi Engineers (P) Ltd., dated August 18, 2026 regarding Capacity installed and utilized by the company;

16. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Banker to our Company, Banker to the Issue, Sponsor Bank, Statutory Auditor of the Company, Peer Review Auditor, Promoters of our Company, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, as referred to, in their respective capacities;

17. Board Resolution dated June 05, 2026 for approval of Draft Red Herring Prospectus, dated September 10, 2026 for approval of Red Herring Prospectus and dated [●] for approval of Prospectus;

18. Due Diligence Certificate from Book Running Lead Manager dated June 05, 2026 for the Draft Red Herring Prospectus filed with BSE, September 10, 2026 for the Red Herring Prospectus filed with SEBI and BSE;

19. Site visit report dated May 13, 2026 prepared by the Book Running Lead Manager;

20. Approval from BSE vide letter dated August 05, 2026 to use the name of BSE in the Prospectus for listing of Equity Shares on the BSE SME.

21. Non-compete agreement dated March 24, 2026 with Ambica Cotseeds Limited, dated April 10, 2026 with Ambica Cotseeds Pte Limited, Vivekanand Industries, Avadh Cotton Industries;

22. Valuation Report, Akasam Consulting Private Limited, SEBI Registered Merchant Banker, dated March 12, 2026.

Any of the contracts or documents mentioned in the 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, with the consent of shareholder's subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India and the rules, guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures or undertakings made in this Red Herring Prospectus are true and correct.

SIGNED BY THE CHAIRMAN & MANAGING DIRECTOR OF OUR COMPANY

Sd/-

Nirav Bharatbhai Patel
Chairman cum Managing Director
DIN: 02055489

Place: Mehsana
Date: September 10, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India and the rules, guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures or undertakings made in this Red Herring Prospectus are true and correct.

SIGNED BY THE WHOLE-TIME DIRECTOR OF OUR COMPANY

Sd/-

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Jasmin Visnubhai Patel
Whole Time Director
DIN: 06923150

Place: Mehsana
Date: September 10, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India and the rules, guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures or undertakings made in this Red Herring Prospectus are true and correct.

SIGNED BY THE NON-EXECUTIVE DIRECTOR OF OUR COMPANY

Sd/-

Vishnubhai Prahladdas Patel
Non Executive Director
DIN: 00375791

Place: Mehsana
Date: September 10, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India and the rules, guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures or undertakings made in this Red Herring Prospectus are true and correct.

SIGNED BY THE NON-EXECUTIVE DIRECTOR OF OUR COMPANY

Sd/-

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Bharatbhai Prahaladbhai Patel
Non Executive Director
DIN: 00377202

Place: Mehsana
Date: September 10, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India and the rules, guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures or undertakings made in this Red Herring Prospectus are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Sd/-

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Bhavika Sanghani
Independent Director
DIN: 10492381

Place: Thane
Date: September 10, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India and the rules, guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures or undertakings made in this Red Herring Prospectus are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Sd/-

Rohit Khandelwal
Independent Director
DIN: 07038360

Place: Indore
Date: September 10, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India and the rules, guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures or undertakings made in this Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Sd/-

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Irfan Abdulbhai Mansuri
Chief Financial Officer
PAN: ATDPM4532B

Place: Mehsana
Date: September 10, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India and the rules, guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures or undertakings made in this Red Herring Prospectus are true and correct.

SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER OF OUR COMPANY

Sd/-

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Ankit Sanchiher
Company Secretary and Compliance Officer
PAN: CXTPS8072A

Place: Mehsana
Date: September 10, 2026