*(Please scan this QR Code to view Draft Prospectus)*

**Draft Prospectus**
**29th September, 2025**
Refer Section 26 of the Companies Act, 2013
(This Draft Prospectus will be updated upon filing with ROC)
**Fixed Price Issue**

# VINOD TEXWORLD LIMITED

**(Formerly known as Vinod Texworld Private Limited)**
**CIN: U17200GJ2012PLC071210**

| REGISTERED OFFICE | CORPORATE OFFICE | CONTACT PERSON | EMAIL, TELEPHONE & FAX | WEBSITE |
|---|---|---|---|---|
| 185/2, Saijpur, Gopalpur, Opp. Shanti Process, Piplaj Pirana Road, Ahmedabad, Gujarat, India, 382405 | N.A. | Foram Deep Parikh **Company Secretary & Compliance Officer** | ho@vinodtexworld.com, +91 7069030829 & N.A. | www.vinodtexworld.com |

**PROMOTER(S) OF THE COMPANY**

***MR. HARSH VINOD MITTAL, MR. YASH VINOD MITTAL AND MRS. SWETA YASH MITTAL***

**DETAILS OF THE ISSUE**

| Type | Fresh Issue Size (Rs. in Lakh) | OFS* Size (Rs. in Lakh) | Total Issue Size (Amount in Rs. Lakh) | Eligibility & Share Reservations |
|---|---|---|---|---|
| **Fresh Issue** | **Up to 45,56,800 Equity Shares at the Offer Price of Rs. [●] each aggregating [●] Lakhs** | **N.A.** | **Up to 45,56,800 Equity Shares at the Offer Price of Rs. [●] each aggregating [●] Lakhs** | This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 read with SEBI ICDR (Amendment) Regulations, 2025. The Issue is being made pursuant to Regulation 229 (2) of SEBI (ICDR) Regulations, as the Company's post issue paid up capital is More than Rs. 10.00 Cr. |

**OFS: Offer for Sale*

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

| NAME OF SELLING SHAREHOLDER | TYPE | NO. OF EQUITY SHARES OFFERED/ AMOUNT IN RS. | WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE |
|---|---|---|---|
| **NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES** | | | |

*WACA: Weighted Average Cost of Acquisition on fully diluted basis*

**RISKS IN RELATION TO THE FIRST ISSUE**

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of Equity Shares is ₹ 10/- each. The Issue Price (determined by our Company in consultation with the Lead Manager, in accordance with the SEBI ICDR Regulations), and based on the assessment of market demand for the Equity Shares by way of Fixed Price Process as stated in "Basis for Issue Price" beginning on page 136 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISK**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in 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. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the content of this Draft Prospectus. Specific attention of the investors is invited to 'Risk Factors' on page 35 of this Draft Prospectus.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft 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 Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft 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 of our Company offered through this Draft Prospectus are proposed to be listed on the SME Platform of National Stock Exchange of India Limited ("NSE Emerge") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, read with SEBI ICDR (Amendment) Regulations, 2025, as amended from time to time. Our Company has received an In-Principal approval letter dated [●] from National Stock Exchange of India Limited ("NSE Emerge") for using its name in the Draft Prospectus for listing of our shares on the SME Platform of National Stock Exchange of India Limited ("NSE"). For the purpose of this Issue, National Stock Exchange of India Limited ("**NSE Emerge**") shall be the Designated Stock Exchange.

**LEAD MANAGER TO THE ISSUE**

Fasttrack Finsec
Category-I Merchant Banker

**FAST TRACK FINSEC PRIVATE LIMITED**
**CIN:** U65191DL2010PTC200381
**SEBI Registration No**. INM000012500
**Registered Office:** Office No. V-116, 1st Floor, New Delhi House, 27, Barakhamba Road, New Delhi - 110001
**Tel No.**: +91-11-43029809
**Contact Person**: Ms. Sakshi/ Mr. Sagar Kapoor
**Email**: vinodipo@ftfinsec.com; investor@ftfinsec.com
**Website:** www.ftfinsec.com

**REGISTRAR TO THE ISSUE**

KFINTECH

**KFIN TECHNOLOGIES LIMITED**
**CIN:** L72400MH2017PLC444072
**SEBI Registration No.:** INR000000221
**Registered office:** 301, The Centrium, 3rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai – 400070, Maharashtra
**Corp. Office:** Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana
**Tel No**: +91 40 6716 2222;
**Contact Person**: Mr. M Murali Krishna
**Email:** vinodtex.ipo@kfintech.com
**Website:** www.kfintech.com
**Investor Grievance Email:** einward.ris@kfintech.com

**OFFER PROGRAMME**

| BID/ISSUE OPENS ON: [●] | BID/ISSUE CLOSES ON: [●] |
|---|---|

*(Please scan this QR Code to view Draft Prospectus)*

**Draft Prospectus**
**29th September, 2025**
Refer Section 26 of the Companies Act, 2013
(This Draft Prospectus will be updated upon filing with ROC)
**Fixed Price Issue**

# VINOD TEXWORLD LIMITED

**(Formerly known as Vinod Texworld Private Limited)**

Our Company was originally incorporated as "Shree Shiv Shakti Cot-Fab Private Limited" as a private limited company, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated July 19, 2012 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli having, Corporate Identification Number U17200GJ2012PTC071210. Subsequently in the Financial Year 2016-17, Vinod Mangalchand Mittal, Harsh Vinod Mittal and Yash Vinod Mittal acquired 100% shareholding in the Shree Shiv Shakti Cot-Fab Private Limited. Subsequently, Our Company changed its name from "Shree Shiv Shakti Cot-Fab Private Limited" to "Vinod Fabtex Private Limited" vide Certificate of Incorporation pursuant to change of name dated March 08, 2018 issued by Registrar of Companies, Ahmedabad, pursuant to special resolution passed in the Extra Ordinary General Meeting held on March 03, 2018. Subsequently, Our Company changed its name from "Vinod Fabtex Private Limited" to "Vinod Texworld Private Limited" vide Certificate of Incorporation pursuant to change of name dated May 25, 2018 issued by Registrar of Companies, Ahmedabad, pursuant to special resolution passed in the Extra Ordinary General Meeting held on May 23, 2018. Subsequently, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra Ordinary General Meeting held on November 05, 2024 and consequently the name of our Company was changed to "Vinod Texworld Limited" pursuant to fresh certificate of incorporation dated December 18, 2024 issued to our Company by the Registrar of Companies, Central Processing Centre, having Corporate Identification Number U17200GJ2012PLC071210. For details of change in name and registered office of our Company, please refer to chapter titled "Our *History and Certain Other Corporate Matters*" beginning on page 224 of this Draft Prospectus.

**Corporate Identification Number (CIN):** U17200GJ2012PLC071210
**Registered Office:** 185/2, Saijpur, Gopalpur, Opp. Shanti Process, Piplaj Pirana Road, Ahmedabad, Gujarat, India, 382405
**Telephone No**.: +91 7069030829 **Website**: https://vinodtexworld.com **E-Mail**: ho@vinodtexworld.com
**Company Secretary and Compliance Officer:** Foram Deep Parikh;

| **PROMOTERS OF THE COMPANY** | ***MR. HARSH VINOD MITTAL, MR. YASH VINOD MITTAL AND SWETA YASH MITTAL*** |
|---|---|

## THE ISSUE

**INITIAL PUBLIC ISSUE OF UP TO 45,56,800 EQUITY SHARES OF FACE VALUE OF 10/- EACH OF VINOD TEXWORLD LIMITED ("VTL" OR "VINOD" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●]/- PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO RS. [●] LAKHS ("THE ISSUE") OF WHICH UPTO [●] EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●]/- PER EQUITY SHARE AGGREGATING TO RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF [●] EQUITYSHARES OF FACE VALUE OF RS. 10/- EACH AT A PRICE OF RS. [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●]/- PER EQUITY SHARE AGGREGATING TO RS. [●] LAKHS (THE "NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE UPTO [●] AND [●] RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARECAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 370 OF THIS DRAFT PROSPECTUS.**

## THE FACE VALUE OF THE EQUITY SHARES IS 10 EACH AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE

In terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Issue is allocated for Individual Investor Applicant and the remaining shall be offered to individual applicants other than Individual Investor Applicants and other investors including corporate bodies or institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Individual Investor Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-Individual Investors offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price. Additionally, if the Individual Investor Applicants category is entitled to more than fifty per cent on proportionate basis, the Individual Applicants shall be allocated that higher percentage. For further details please refer the section titled "Issue Information" beginning on page 370 of this Draft Prospectus.

THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 ("SEBI (ICDR) REGULATIONS"), AS AMENDED. IN TERMS OF RULE 19(2)(b) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED, THIS IS AN ISSUE FOR AT LEAST 25% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253 OF SEBI (ICDR) REGULATIONS, AS AMENDED. FOR FURTHER DETAILS, PLEASE REFER "ISSUE PROCEDURE" ON PAGE 385 OF THIS DRAFT PROSPECTUS.

All potential investors shall participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor. For details in this regard, specific attention is invited to "Issue Procedure" on page 385 of this Draft Prospectus. A copy of Prospectus will be filled with the Registrar of Companies for filing in accordance with Section 26 of the Companies Act, 2013.

## THE FACE VALUE OF THE EQUITY SHARE IS RS. 10/- EACH AND THE ISSUE PRICE IS RS. [●]/- EACH i.e., [●] TIMES OF THE FACE VALUE OF THE EQUITY SHARES. THE MINIMUM LOT SIZE IS [●] EQUITY SHARES

## ELIGIBLE INVESTORS

**For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on page 385 of this Draft Prospectus.**

## RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for our Equity Shares of the Company. The face value of the Equity Shares is Rs. 10 and the issue price of Rs. [●] per Equity Share is [●] times of face value. The issue price (as determined by our Company in consultation with the Lead Manager and as stated in the chapter titled on "Basis for Issue Price" beginning on page 136 of this Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of the Company or regarding the price at which the equity shares will be traded after listing.

## GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in 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. For taking an investment decision, investors must rely on their own examination of our Company and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 35 of this Draft Prospectus.

## ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue which is material in the context of this Issue, that the information contained in this Draft 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 make this Draft 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 of our Company offered through this Draft Prospectus are proposed to be listed on the SME Platform of National Stock Exchange of India Limited ("NSE Emerge") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, read with SEBI ICDR (Amendment) Regulations, 2025, as amended from time to time. Our Company has received an In-Principal approval letter dated [●] from National Stock Exchange of India Limited ("NSE Emerge") for using its name in the Draft Prospectus for listing of our shares on the SME Platform of National Stock Exchange of India Limited ("NSE"). For the purpose of this Issue, National Stock Exchange of India Limited ("**NSE Emerge**") shall be the Designated Stock Exchange. | |
| **LEAD MANAGER** | **REGISTRAR TO THE ISSUE** |
| Fasttrack Finsec<br>Category-I Merchant Banker<br>**FAST TRACK FINSEC PRIVATE LIMITED**<br>**CIN:** U65191DL2010PTC200381<br>**SEBI Registration No**. INM000012500<br>**Registered Office:** Office No. V-116, 1st Floor, New Delhi House, 27, Barakhamba Road, New Delhi - 110001<br>**Tel No.**: +91-11-43029809<br>**Contact Person**: Ms. Sakshi/ Mr. Sagar Kapoor<br>**Email**: vinodipo@ftfinsec.com; investor@ftfinsec.com<br>**Website:** www.ftfinsec.com | KFINTECH<br>**KFIN Technologies Limited**<br>**CIN:** L72400MH2017PLC444072<br>**SEBI Registration No.:** INR000000221<br>**Registered office:** 301, The Centrium, 3rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai – 400070, Maharashtra<br>**Corp. Office:** Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana<br>**Tel No**: +91 40 6716 2222;<br>**Contact Person**: Mr. M Murali Krishna<br>**Email:** vinodtex.ipo@kfintech.com<br>**Website:** www.kfintech.com<br>**Investor Grievance Email:** einward.ris@kfintech.com |
| **OFFER PROGRAMME** | |
| **BID/ISSUE OPENS ON: [●]** | **BID/ISSUE CLOSES ON: [●]** |

*THIS PAGE HAS BEEN LEFT BLANK PURSUANT TO SCHEDULE VI OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.*

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## SECTION I - GENERAL

## DEFINITIONS AND ABBREVIATIONS

*This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as assigned below. References to any legislations, statutes, rules, regulations, guidelines and policies will, unless the context otherwise requires, be deemed to include all amendments, modifications and replacements notified thereto, as of the date of this Draft Prospectus, 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 Draft Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.*

*The terms not defined herein but used in* ***"Objects of the Offer", "Our History and Certain Corporate Matters", "Financial Indebtedness", "Basis for Offer Price", "Statement of Special Tax Benefits", "Industry Overview", "Key Regulations and Policies", "Financial Information", "Outstanding Litigation and Material Developments" "Offer Procedure"*** *and* ***"Description of Equity Shares and Terms of Articles of Association"****, on pages 122, 224, 337, 136, 144,149, 210, 267, 341, 385 and 422 respectively, will have the meaning ascribed to such terms in those respective sections.*

### GENERAL TERMS

| Terms | Description |
|---|---|
| "Vinod", "Vinod Texworld Limited", "VTL" "Our Company", "The Company", "The Issuer Company" or "the Issuer". | Vinod Texworld Limited, a public limited company, registered under the Companies Act, 1956 and having its registered office at 185/2, Saijpur, Gopalpur, Opp. Shanti Process, Piplaj Pirana Road, Ahmedabad, Gujarat, India, 382405 |
| "we", "us" "our" or "Group" | Unless the context otherwise indicates or implies refers to our Company. |
| "you", "your" or "yours" | Prospective investors in this Issue. |
| "Our Promoters" | Mr. Harsh Vinod Mittal, Mr. Yash Vinod Mittal and Mrs. Sweta Yash Mittal. |

### COMPANY RELATED AND CONVENTIONAL TERMS

| Term | Description |
|---|---|
| AOA/ Articles/ Articles of Association | Articles of Association of our Company, as amended from time to time. |
| Audit Committee | The Audit Committee of our Board is in accordance with Regulation 18 of the SEBI Listing Obligations and Disclosure Requirements Regulations, and Section 177 of the Companies Act, 2013. For further details, please refer to the chapter titled "Our Management beginning on page 230 of this Draft Prospectus. |

| | |
|---|---|
| Statutory Auditors | The Statutory Auditors of our Company being M/s. Rajiv Shah & Associates Chartered Accountants having office at 1111-1112, Shivalik Shilp II, Opp. ITC Narmada, Mansi Tower Road, Vastrapur, Ahmedabad-380015. |
| Associate Companies | A body corporate in which our company has a significant influence and includes a joint venture company. |
| Bankers to our Company | State Bank of India. For further details, please refer to the chapter titled "General Information" beginning on page 87 of this Draft Prospectus. |
| Board of Directors/ the Board/ our Board | The Board of Directors of our Company, including all duly constituted Committees thereof.<br><br>For further details of our Directors, please refer to section titled "Our Management" beginning on page 230 of this Draft Prospectus |
| Chief Financial Officer/ CFO | Chief Financial Officer of our Company, namely Mr. Anchal Tulsyan. For details, see "Our Management – Key Managerial Personnel" on page 230 of this Draft Prospectus. |
| CIN | Corporate Identification Number of our company being U17200GJ2012PLC071210. |
| Companies Act/ Act | The Companies Act, 2013 and amendments thereto and erstwhile Companies Act, 1956 as applicable. |
| Company Secretary and Compliance Officer | The Company Secretary & Compliance Officer of our Company being Ms. Foram Deep Parikh. For further details, please refer to the chapter titled "General Information" beginning on page 87 of this Draft Prospectus. |
| Chartered Engineer | Pranav Parikh & Associates, appointed in relation to certification of information relating to the installed capacity, available capacity, actual production and capacity utilisation of our products included in this Draft Prospectus. |
| Debt-equity ratio (times) | The debt-to-equity ratio compares an organization's liabilities to its shareholder's equity and is used to gauge how much debt or leverage the organization is using. |
| Director(s) / our directors | The Director(s) of our Company, unless otherwise specified. For details of our directors, see "Our Management" on page 230 of this Draft Prospectus. |
| Equity Shareholders/ Shareholders | Persons/ Entities holding Equity Shares of our Company. |
| Equity Shares | Equity Shares of the Company of face value of ₹ 10/- each unless otherwise specified in the context thereof. |
| Group Company or Group Companies or Group Entities | The Group Companies of our Company, includes companies (other than promoter) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards and other companies as considered material by our Board in terms of the Materiality Policy and as set forth in "Our Group Companies" on page no. 255 of this Draft Prospectus. |
| Factory | 185/2, Saijpur, Gopalpur, Opp. Shanti Process, Piplaj Pirana Road, Ahmedabad, Gujarat, India, 382405. |

| | |
|---|---|
| Fugitive economic offender | Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018). |
| GIR Number | General Index Registry Number |
| HNI | High Net worth Individual |
| HUF | Hindu Undivided Family |
| IBC | The Insolvency and Bankruptcy Code, 2016 |
| Independent Director | An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations. For details, see section titled "Our Management" on page 230 of this Draft Prospectus. |
| 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. |
| ISIN | International Securities Identification Number. In this case being INE1A5U01014. |
| IT Act | The Income Tax Act, 1961 as amended till date. |
| Key Management Personnel/ KMP | Key Management Personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI Regulations, Section 2(51) of the Companies Act, 2013. For details, see section titled "Our Management" on page 230 of this Draft Prospectus |
| Key Performance Indicators or KPIs | Key financial and operational performance indicators of our Company, as included in "Basis for Issue Price" beginning on page 136 of this Draft Prospectus. |
| MOA/Memorandum/Memorandum of Association | Memorandum of Association of our Company, as amended from time to time. |
| MD or Managing Director | The Managing Director of our Company being Mr. Yash Vinod Mittal. |
| Materiality Policy | The policy adopted by our Board on December 27, 2024 for identification of Group Companies, material outstanding litigation and material outstanding dues to creditors, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations, 2018 as amended from time to time. |
| Nomination and Remuneration Committee | The nomination and remuneration committee of our Board constituted in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations as described in the chapter titled "Our Management" beginning on page 230 of this Draft Prospectus |
| Non-Executive Director | The non-executive directors (other than the Independent Directors) of our Company in terms of the Companies Act, and the rules thereunder. For details, see section titled "Our Management" on page 230 of this Draft Prospectus. |
| NRIs/ Non-Resident Indians | Person of Indian origin as defined under Consolidated Foreign Direct Investment Policy, 2020 |
| 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 Independent Peer Reviewed Auditor of our Company M/s. S N Shah & Associates Chartered Accountants having office at Sapan House, 10-B, Gov. Servant Housing, Co-Operative Society, Opp Municipal Market, C G Road, Navrangpura, Ahmedabad - 380009. |
| Promoter Group or Members of our Promoter Group | Includes such Persons and companies constituting our promoter group covered under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section "Our Promoters and Promoter Group" beginning on page 249 of this Draft Prospectus. |
| Registered Office of our Company | The Registered Office of our Company situated at 185/2, Saijpur, Gopalpur, Opp. Shanti Process, Piplaj Pirana Road, Ahmedabad, Gujarat, India, 382405. |
| Reserve Bank of India/ RBI | Reserve Bank of India constituted under the RBI Act, 1934. |
| Restated Financial Information | The Restated Financial statements of our Company comprising of the Restated Statement of Assets and Liabilities as at March 31, 2025, March 31, 2024, March 31, 2023 and the Restated Statements of Profit and Loss and Cash Flows for the year ended March 31, 2025, March 31, 2024, March 31, 2023 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto. |
| RoC/ Registrar of Companies | Registrar of Companies, Ahmedabad. |
| Stakeholders' Relationship Committee | Stakeholders' relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and regulation 20 of SEBI (Listing obligations and disclosure requirements) regulations 2015 as described in the chapter titled "Our Management" beginning on page 230 of this Draft Prospectus |
| Shareholders | Shareholders of our Company from time to time. |
| Statutory Auditor | The Independent Statutory Auditor of our Company M/s. Rajiv Shah & Associates, Chartered Accountants having office at 1111-1112, Shivalik Shilp 2, Opp. ITC, Narmada Hotel, Mansi Tower Road, Keshavbaug, Vastrapur, Ahmedabad - 380015. |
| 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 Subscribers to MOA & AOA being, Mr. Khodabhai Bharwad, Mr. Mukeshbhai Sindhav and Mr. Sureshbhai Sindhav. |
| Warehouse Facility | Survey No. 128 of rvhich Godown No. 3, Bharwad Vas, Vibhag - 4, Opp. Nimesh Transport, Piplej-Pirana Road, Ahmedabad - 382425 |
| Whole-Time Directors | Whole-time directors/Executive Directors on our Board |

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| Wilful Defaulter(s) | Wilful defaulter as defined under Regulation 2(1) (lll) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. |

## ISSUE RELATED TERMS

| Terms | Description |
|---|---|
| Abridged Prospectus | Abridged Prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf. |
| Acknowledgement Slip | The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application. |
| Allotment Advice | Note or advice or intimation of Allotment sent to successful Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges. |
| Allotment/Allot/Allotted | Unless the context otherwise requires, the issue and allotment of Equity Shares, pursuant to the Issue to the successful Applicants. |
| Allottee(s) | The successful Applicant to whom the Equity Shares are allotted. |
| Applicant/Investor | Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus. |
| Application Lot | [●] Equity Shares and in multiples thereof subject to the minimum application size shall be two (2) lots per application. |
| Application Amount | The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Draft Prospectus / Prospectus subject to the minimum application size shall be above ₹2 lakhs. |
| Application Form | The Form in terms of which the applicant shall apply for the Equity Shares of our Company. |
| Application Supported by Blocked Amount / ASBA | An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB. |
| ASBA Account | An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form. |
| Allot / Allotment / Allotted /Allotment of Equity Shares | Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants |
| ASBA Form(s) | An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Applicant and which will be considered as an application for Allotment in terms of the Draft Prospectus. |
| Bank(s) / SCSB(s) | Banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services of ASBA, including blocking of bank account, a list of which is available http://www.sebi.gov.in/pmd/scsb.pdf |

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| Banker to the Issue Agreement or BTO" Agreement" | Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar, Sponsor Bank and the Banker to the Issue. |
| Bankers to the Issue/ Public Issue/ Refund Banker to the Issue/Bank/ Sponsor Bank | Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being [●] Bank. |
| Basis of Allotment | The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in the chapter "ISSUE PROCEDURE - BASIS OF ALLOTMENT" on page no. 385 of this Draft Prospectus. |
| Business Days | Monday to Friday (except public holidays). |
| Depository Participant or DP | A Depository Participant as defined under the Depositories Act, 1996. |
| Depository or Depositories | Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time. |
| Designated Stock Exchange | Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge"). |
| Draft Prospectus | This Draft Prospectus dated September 29th, 2025, filed with Stock Exchange and prepared in accordance with the SEBI (ICDR) Regulations, 2018, which does not contain complete particulars of the price at which the Equity Shares will be allotted and the Size of the Issue. |
| EBITDA | EBITDA is calculated as profit for the period / year, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), finance costs and depreciation and amortization expenses. |
| EBITDA Margin (%) | Calculated as EBITDA divided by Revenue from Operations. |
| Electronic Transfer of Funds | Refunds through NACH, NEFT, Direct Credit or RTGS as applicable. |
| Eligible NRI | 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 Prospectus will constitute an invitation to subscribe for the Equity Shares. |
| Engagement Letter | The engagement letter dated 2nd September, 2025 between our Company and the Lead Manager |
| Fraudulent Borrower | A company or person, as the case may be, categorized as a fraudulent borrower by any bank or financial institution or consortium thereof, in terms of the Master Directions on "Frauds – Classification and Reporting by commercial banks and select FIs" dated July 01, 2016. |
| Fresh Issue | The Fresh issue of up to 45,56,800 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- each (including premium of ₹ [●]/- per Equity Share) aggregating up to ₹ [●] Lakhs by Our Company. |
| Fugitive Economic Offender | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018. |
| Gross Margin (%) | Calculated as Gross Profit divided by Revenue from Operations. |

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| General Corporate Purposes | Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document. |
| Gross Profit | Calculated as Revenue from Operations less cost of goods sold. |
| Growth in Revenue from Operations (%) | Calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period. |
| Issue Agreement | The Issue Agreement dated September 19, 2025 between our Company and Lead Manager, Fast Track Finsec Private Limited. |
| Issue Price | The Price at which the Equity Shares are being issued by our Company under this Draft Prospectus being ₹ [●] per Equity share. |
| Issue Proceeds /Gross proceeds | Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled "Objects of the Issue" beginning on page no. 122 of this Draft Prospectus |
| Issue Opening Date | The date on which the Issue opens for subscription. |
| Issue Closing date | The date on which the Issue closes for subscription. |
| Issue Period | The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their application |
| Issue/ Public Issue/ Issue size/ Initial Public Issue/ Initial Public Offering/ IPO | The Initial Public Issue of up to 45,56,800 Equity shares of face value of ₹ 10/- each at issue price of ₹ [●]/- per Equity share, including a premium of ₹ [●]/- per equity share aggregating to ₹ [●] lakhs |
| Listing Agreement | The Equity Listing Agreement to be signed between our Company and the Stock Exchange. |
| LM / Lead Manager | Lead Manager to the Issue, in this case being Fast Track Finsec Private Limited |
| Mandate Request | Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment. |
| Market Maker | Market Maker appointed by our Company from time to time, in this case being **[●]** who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time. |
| Market Maker Reservation Portion | The Reserved Portion of up to [●] Equity Shares of face value of ₹ 10/- each fully paid for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs for the Market Maker in this Issue. |
| Market Making Agreement | The Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker. |
| Mutual Funds | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time. |

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| "National Payments Corporations of India" or "NPCI" | NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Bank Association (IBA). |
| "Net Working Capital Days" | Calculated as working capital (current assets minus current liabilities) as at the end of the period / year divided by revenue from operations multiplied by number of days in a period / year. |
| "Net Worth" | The aggregate of the paid-up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account |
| Net Fixed Asset Turnover | Calculated as Revenue from Operations divided by Fixed Assets. |
| Net Issue | The Issue (excluding the Market Maker Reservation Portion) of [●] equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share (the "Issue Price"), including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs. |
| Net Proceeds | The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled "Objects of the Issue" beginning on page 122 of this Draft Prospectus. |
| Operating Cash Flows | Means net cash generated from operating activities as mentioned in the Restated Financial Statements. |
| PAT Margin (%) | Calculated as Profit for the year/period as a percentage of Revenue from Operations. |
| Payment through transfer of funds | Payment through NECS, NEFT or Direct Credit, as applicable. |
| Person/ Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/ or incorporated in the jurisdiction in which it exists and operates, as the context requires. |
| Profit After Tax | Profit for the period/year as appearing in the Restated Financial Statements. |
| Prospectus | The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations, 2018 containing, inter alia, the Issue Price, the size of the Issue and certain other information, including any addenda or corrigenda thereto. |
| Public Offer Account(s) | Bank account to be opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date. |
| Public Offer Account Bank(s) | The bank(s) which are clearing members and registered with the SEBI as a banker to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, with which the Public Offer Account(s) shall be opened, being [●]. |
| Public Issue Account | Bank account to be opened with the Public Issue Account Bank, under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and ASBA Accounts on the Designated Date. |

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| "RoCE (%)" or "Return of Capital Employed" | Calculated as profit before tax plus finance costs divided by total equity plus non-current liabilities. |
| "RoNW" | Return on Net Worth is calculated as Restated Profit after tax divided by Restated Net worth of the Equity Shareholders. |
| Refund Account | Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made. |
| Refund Bank/ Refund Banker | Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being [●]. |
| Registrar / Registrar to the Issue | Registrar to the Issue being KFIN Technologies Limited. |
| Regulations | Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018. |
| Registrar Agreement | The agreement dated [●] entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue. |
| Registrar and Share Transfer Agents or RTAs | Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015 issued by SEBI. |
| Registrar/ Registrar to the Issue/ RTA/ RTI | Registrar to the Issue, in this case being KFIN Technologies Limited. |
| Regulation | Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 |
| Resident Indian | A person resident in India, as defined under FEMA. |
| 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. |
| RoE (%) or "Return on Equity | Calculated as profit for the year/period divided by Average of shareholders Equity. |
| SEBI (ICDR) Regulations/ ICDR Regulation/ Regulation | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time. |
| SEBI Act/ SEBI | Securities and Exchange Board of India Act, 1992, as amended from time to time. |
| SEBI Insider Trading Regulations | The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time. |
| SEBI Listing Regulations, 2015 / SEBI Takeover Regulations or SEBI (SAST) Regulations | The Securities and Exchange Board of India (Listing Obligation and Disclosure Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time. |
| Securities laws | Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder |

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| | and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board. |
| Self-Certified Syndicate Bank(s) / SCSB(s) | Shall mean a Banker to an Issue registered under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time. |
| SME Exchange | Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge"). |
| Specified Securities | Equity shares offered through this Draft Prospectus. |
| U.S. Securities Act | U.S. Securities Act of 1933, as amended |
| Underwriter | [●] has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, (Repeal) 2021, as amended from time to time. |
| Underwriting Agreement | The Agreement dated [●] entered between the Underwriter, Lead Manager and our Company. |
| UPI | UPI is an instant payment system developed by the NCPI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allow instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person's bank account |
| UPI Circulars / SEBI UPI Circulars | SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI Circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI Circular no. SEBI/HO/CFD/DIL2/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 no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023,along with (i) the circulars issued by the National Stock Exchange of India Limited having reference no. 23/2022 dated July 22, 2022 and reference no. 25/2022 dated August 3, 2022; and (ii) the circulars issued by BSE having reference no. 20220722-30 dated July 22, 2022 and reference no. 20220803-40 dated August 3, 2022; and any subsequent circulars or notifications issued by SEBI, BSE or National Stock Exchange of India Limited in this regard. |
| UPI ID | ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI). |
| UPI Mandate Request/ Mandate Request | A request (intimating the RII by way of notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII by sponsor |

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| | bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment. |
| UPI PIN | Password to authenticate UPI transaction |
| Wilful Defaulter(s) | Wilful defaulter as defined under Regulation 2(1) (lll) of the SEBI (ICDR) Regulations, 2018. |
| Working Day | i. Till Application / Issue closing date:<br>All days other than a Saturday, Sunday or a public holiday;<br>ii. Post Application / Issue closing date and till the Listing of Equity Shares:<br>All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no.<br>SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and in terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, 2018 |

## ISSUER AND INDUSTRY RELATED TERMS

| TERM | DESCRIPTION |
|---|---|
| AEPC | Apparel Export Promotion Council |
| ATUFS | Amended Technology Upgradation Fund Scheme |
| BOT | Build-Operate-Transfer |
| BTRA | The Bombay Textile Research Association |
| CAD | Current Account Deficit |
| CAZRI | Central Arid Zone Research Institute |
| CAGR | Compounded Annual Growth Rate |
| CAP | Corrective Action Plan |
| CCEA | Cabinet Committee on Economic Affairs |
| COA | Certificate of Analysis |
| CoE | Centers of Excellence |
| CoEK | Center of Excellence for Khadi |
| CPI | Consumer Price Index |
| CTE | Consent to Establish |
| CY | Current Year |
| DECENTRALISED POWER LOOMS | Decentralized power looms refer to small-scale, independently operated weaving machines powered by electricity, typically used in rural areas for fabric production. |
| DGFT | Directorate General of Foreign Trade |
| DYED YARNS | Dyed yarns are yarns that have been colored through a dyeing process before being woven or knitted into fabrics. |
| EMDE | Emerging Market and Developing Economies |
| EPCs | Exports Promotion Councils |
| ESI ACT | The Employees State Insurance Act, 1948 |
| FABS | Fabs are factories for manufacturing textiles or semiconductor chips. |
| FANCY YARNS | Fancy yarns are decorative yarns with irregular textures, patterns, or colors, used to create unique and visually interesting fabrics. |
| FDI | Foreign Direct Investment |

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| FIBRE | Fibre is a thin, thread-like material, often used as the basic building block for textiles, ropes, or other products, and can be natural (like cotton or wool) or synthetic (like polyester or nylon). |
| FIIS | Foreign Institutional Investors |
| FPI | Foreign Portfolio Investment |
| GDP | Gross Domestic Product |
| G-SECS | Government Securities |
| GVA | Gross Value Added |
| HFI | High-Frequency Indicators |
| HEPC | Handloom Export Promotion Council |
| HMA | Handloom Marketing Assistance |
| HOSIERY | Hosiery refers to clothing items worn on the lower part of the body, such as socks, stockings, and tights, typically made from knitted or woven fabric. |
| HR | Human Resources |
| HSN | Harmonized System Nomenclature |
| IIP | Index of Industrial Production |
| KVIC | Khadi and Village Industries Commission |
| MELANGE YARNS | Melange yarns are yarns made by blending different colored fibers, creating a multi-colored, speckled effect in the fabric they produce. |
| MMF | Manmade fabrics |
| MNCS | Multinational Corporations |
| MSMES | Micro, Small and Medium Enterprises |
| MoSPI | Ministry of Statistics & Programme Implementation |
| Mtrs | Meters |
| NHDP | National Handloom Development Programme |
| NIFT | National Institute of Fashion Technology |
| NTTM | National Technical Textile Mission |
| PATENTS ACT | The Patents Act, 1970 |
| POLYESTER BLENDED YARNS IN RING | Polyester blended yarns in ring refer to yarns made by blending polyester with other fibers, spun using the ring spinning method, which creates a smooth, strong, and durable yarn. |
| PPP | Purchasing Power Parity |
| R&D | Research & Development |
| RMG | Ready-Made Garments |
| SCBTS | Scheme for Capacity Building in Textile Sector |
| SHWW ACT | Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act, 2013 |
| SOLID TOP-DYED YARNS | Solid top-dyed yarns are yarns that are dyed after they are spun, resulting in a uniform color throughout the yarn, often used for rich, consistent coloring in fabrics. |
| SPECIALTY YARNS | Specialty yarns are unique, high-performance yarns designed for specific applications or effects, often incorporating unusual fibers, textures, or finishes. |
| SASMIRA | Synthetic and Art Silk Mills Research Association |
| SYNTHETIC/MAN-MADE FIBRES | Synthetic/man-made fibers are fibers produced through chemical processes, typically from petroleum-based resources, such as polyester, nylon, and acrylic. |
| TAX ACT | Income Tax Act,1961 |
| TAX AMENDMENT ACT 2019 | Taxation Laws (Amendment) Act,2019 |
| TECHNICAL TEXTILES | Technical textiles are fabrics engineered for specific industrial or functional applications, such as in medical, automotive, or construction sectors. |
| TENCEL YARNS | Tencel yarns are made from lyocell fibers, a sustainable, biodegradable material derived from wood pulp, known for its softness, strength, and moisture-wicking properties. |

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| THERMAL PROTECTION | Thermal protection refers to specialized fabric designed to resist high temperatures and protect against heat, often used in firefighting, industrial workwear, or space suits. |
| TRI BLEND YARNS | Tri-blend yarns are yarns made from a combination of three different fibers, typically cotton, polyester, and rayon, creating a soft, durable, and comfortable fabric with enhanced texture and performance. |
| TTC | Tennants Textiles Colours |
| US | United States |
| VISCOSE | Viscose is a type of semi-synthetic fiber made from regenerated cellulose, commonly used in textiles for its silk-like feel and versatility. |
| WAGE CODE | Code on Wages, 2019 |
| WATER ACT | The Water (Prevention and control of Pollution) Act, 1974 |
| WEAVERS | Weavers are individuals who create fabric by interlacing threads. |
| WEO | World Economic Outlook |
| YARNS | Yarns are long, continuous strands of fibers twisted or spun together, used to make textiles, fabrics, and other products. |

## ABBREVIATIONS

| Abbreviation | Full Form |
|---|---|
| "₹" or "Rs." or "Rupees" or "INR" | Indian Rupee |
| "Consolidated FDI Policy" or "FDI Policy" | Consolidated Foreign Direct Investment Policy notified by DPIIT through notification issued by DPIIT, effective from October 15, 2020 |
| "Financial Year" or "Fiscal Year" or "FY" | Period of 12 months ending March 31 of that particular year |
| "OCBs" or "Overseas Corporate Body" | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA |
| A/c | Account |
| ACS | Associate Company Secretary |
| AGM | Annual General Meeting |
| AIF | Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended. |
| AMT | Amount |
| AOA | Articles of Association |
| Approx | Approximately |
| AS/ Accounting Standard | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| ASBA | Applications Supported by Blocked Amount |
| AY | Assessment Year |
| B. Com | Bachelor of Commerce |
| BIFR | Board for Industrial and Financial Reconstruction |
| Bn | Billion |
| C.P.C. | Code of Civil Procedure, 1908 |

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| CA | Chartered Accountant |
| CAGR | Compounded Annual Growth Rate |
| CAN | Confirmation of Allocation Note |
| CB | Controlling Branch |
| CC | Cash Credit |
| CDSL | Central Depository Services (India) Limited |
| CENVAT | Central Value Added Tax |
| CFO | Chief Financial Officer |
| CIN | Corporate Identification Number |
| CIT | Commissioner of Income Tax |
| Companies Act, 1956 | Companies Act, 1956 (without reference to the provisions that have ceased upon notification of the Companies Act, 2013) along with the relevant rules made thereunder. |
| Companies Act, 2013 | Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, 2013 along with the relevant rules made thereunder as amended |
| Consolidated FDI Policy or FDI Policy | Consolidated Foreign Direct Investment Policy notified by DPIIT through notification issued by DPIIT, effective from October 15, 2020 |
| CPI-C inflation | CPI-C inflation refers to inflation measured by the Consumer Price Index for industrial workers (CPI-IW), excluding certain items like food and energy. |
| CRM | Customer Relationship Management |
| CrPC | Code of Criminal Procedure, 1973 |
| CS | Company Secretary |
| CS & CO | Company Secretary & Compliance Officer |
| CSR | Corporate Social Responsibility |
| CST | Central Sales Tax |
| CWA/ ICWA | Cost and Works Accountant |
| Digitization | Digitization is the process of converting information, processes, or systems into digital formats, often for easier storage, access, and management. |
| DIN | Director Identification Number |
| DIPP | Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India |
| Disinflation | Disinflation is a decrease in the rate of inflation, where prices rise at a slower pace. |
| DSA | Direct Selling Agent |
| EBITDA | Earnings Before Interest, Taxes, Depreciation & Amortization |
| ECS | Electronic Clearing System |
| ED | Executive Director |
| EGM/ EOGM | Extraordinary General Meeting |
| Emerging Market | An emerging market is a country with a developing economy, rapid growth, and increasing industrialization. |
| EMI | Equated Monthly Instalments |
| EPFA | Employee's Provident Funds and Miscellaneous Provisions Act, 1952 |
| EPS | Earnings Per Share |
| ESIC | Employee's State Insurance Corporation |
| ESOP | Employee Stock Option Plan |
| Euro Area | The Euro area refers to the group of European Union countries that have adopted the euro as their official currency. |
| FBT | Fringe Benefit Tax |
| FCNR Account | Foreign Currency Non-Resident Account |
| FDI | Foreign Direct Investment |

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| FEMA | Foreign Exchange Management Act, 1999, including the rules and regulations thereunder |
| FEMA Rules | Foreign Exchange Management (Non-debt Instruments) Rules, 2019 |
| FEMA Regulations | The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 |
| FIIs | Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India |
| Finance Act | Finance Act, 1994 |
| FIPB | Foreign Investment Promotion Board |
| FIs | Financial Institutions |
| Fiscal policy | Fiscal policy is the use of government spending and taxation to influence economic activity and achieve macroeconomic goals. |
| FPIs | "Foreign Portfolio Investor" means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992. |
| Fraudulent Borrower | A fraudulent borrower as defined in Regulation 2(1) (lll) of the SEBI ICDR Regulations. |
| FV | Face Value |
| FVCI | Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000. |
| FY/ Fiscal/ Financial Year | Period of twelve months ended March 31 of that particular year, unless otherwise stated |
| GDP | Gross Domestic Product |
| GoI/ Government | Government of India |
| GST | Goods and Services Tax |
| HFIs | High-frequency indicators are real-time economic data updated frequently, tracking short-term trends. |
| HNI | High Net Worth Individual |
| HP | Horse power |
| HUF | Hindu Undivided Family |
| I.T. Act | Income Tax Act,1961, as amended from time to time |
| IBC | The Insolvency and Bankruptcy Code, 2016 |
| ICAI | The Institute of Chartered Accountants of India |
| ICSI | The Institute of Company Secretaries of India |
| ICWAI | The Institute of Cost Accountants of India |
| IFRS | International Financial Reporting Standards |
| IIP | Index of Industrial Production |
| IMF | International Monetary Fund |
| Ind AS Rules | The Companies (Indian Accounting Standard) Rules, 2015 |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| Inflation | Inflation is the rate at which the general level of prices for goods and services rises, eroding purchasing power. |
| IPO | Initial Public Offer |
| IRDA | Insurance Regulatory and Development Authority |
| ISIN | International Securities Identification Number |
| IST | Indian Standard Time |
| IT | Information Technology |
| IT Act | Information Technology Act, 2000 |

| | |
|---|---|
| IT Authorities | Income Tax Authorities |
| IT Rules | Income Tax Rule, 1962, as amended, except as stated otherwise |
| KVA | Kilo-volt-amperes |
| KL | Kilolitre |
| LM | Lead Manager |
| LL.B. | Bachelor of Law |
| Ltd. | Limited |
| MAPIN | Market Participants and Investors Database |
| MAT | Minimum Alternate Tax |
| MBA | Master of Business Administration |
| MCA | Ministry of Corporate Affairs, Government of India |
| MD | Managing Director |
| Merchant Banker | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 |
| MFPs | MFPs (Multifactor Productivity) measure the efficiency with which multiple inputs, such as labor and capital, are used together in the production process, reflecting overall productivity growth. |
| Mm | Millimeter |
| Mn | Million |
| MoF | Ministry of Finance, Government of India |
| Monetary policy | Monetary policy is the process by which a central bank controls money supply and interest rates to manage economic growth, inflation, and employment. |
| MoU | Memorandum of Understanding |
| MSME | Micro, Small and Medium Enterprises |
| NA | Not Applicable |
| NACH | National Automated Clearing House |
| NAV | Net Asset Value |
| NCLT | National Company Law Tribunal |
| NCT | National Capital Territory |
| NECS | National Electronic Clearing System |
| NED | Non-executive director |
| NEFT | National Electronic Funds Transfer |
| Net worth | The aggregate of paid-up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account |
| Nm | Nanometre |
| NOC | No Objection Certificate |
| Nominal GDP | Nominal GDP is the total value of all goods and services produced in a country, measured at current market prices, without adjusting for inflation. |
| NPV | Net Present Value |
| NRE Account | Non-Resident External Account |
| NRIs | Non-Resident Indians |
| NRO Account | Non-Resident Ordinary Account |
| NSDL | National Securities Depository Limited |

| | |
|---|---|
| OCB or Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue. |
| P/E Ratio | Price/ Earnings Ratio |
| PAN | Permanent Account Number |
| PAT | Profit After Tax |
| PBT | Profit Before Tax |
| PFUTP Regulations | Trade Practices relating to Securities Markets) Regulations, 2003 |
| PSU | Public Sector Undertaking(s) |
| Pvt. | Private |
| QTY | Quantity |
| R&D | Research & Development |
| RBI | The Reserve Bank of India |
| Real wages | Real wages are income adjusted for inflation, reflecting purchasing power |
| Registration Act | Registration Act, 1908 |
| RMGs | Readymade Garments |
| RoC | Registrar of Companies |
| ROE | Return on Equity |
| RONW | Return on Net Worth |
| Rs. / Rupees/ INR/ ₹ | Indian Rupees, the legal currency of India |
| RTGS | Real Time Gross Settlement |
| SCRA | Securities Contracts (Regulation) Act, 1956, as amended from time to time |
| SCRR | Securities Contracts (Regulation) Rules, 1957, as amended from time to time |
| SCSB | Self-Certified syndicate Banks |
| SEBI | Securities and Exchange Board of India |
| SEBI (PFUTP) Regulations/ | SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 |
| SEBI Act | Securities and Exchange Board of India Act, 1992, as amended |
| SEBI AIF Regulations | Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended. |
| SEBI FII Regulations | Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time. |
| SEBI FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time. |
| SEBI FVCI Regulations | Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time. |
| SEBI Insider Trading Regulations | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended |
| SEBI Regulations/ SEBI ICDR Regulations | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. |
| Sec. | Section |
| SEZ | SEZ (Special Economic Zone) is a region with unique economic policies, offering tax incentives and relaxed regulations to attract investment. |
| SICA | Sick Industrial Companies (Special Provisions) Act, 1985 |
| SME | Small and Medium Enterprises |
| SPV | Special Purpose Vehicle |

| | |
|---|---|
| SSI | Small Scale Industry |
| STT | Securities Transaction Tax |
| TAN | Tax Deduction Account Number |
| Tariff Structure | Tariff structure refers to the system of taxes or duties imposed on imported and exported goods, detailing rates and classifications based on product types or countries. |
| Tax Buoyancy | Tax buoyancy refers to the responsiveness of tax revenue to changes in a country's economic growth or income levels. |
| TIN | Taxpayers Identification Number |
| Total Income | Total Income includes the total revenue of the business after considering income from all sources, excluding finance income and helps our Company to assess the scale of the business. |
| Trade Marks Act | Trade Marks Act, 1999 |
| TPA | Tonnes per annum |
| TRS | Transaction Registration Slip |
| TR | Ton of refrigeration |
| U.N. | United Nations |
| U.S. GAAP | Generally Accepted Accounting Principles in the United States of America |
| U.S. Securities Act | The United States Securities Act, 1933 |
| UIN | Unique identification number |
| UPI | Unified Payments Interface |
| US/ United States | United States of America |
| USD/ US$/ $ | United States Dollar, the official currency of the Unites States of America |
| VCF | Venture Capital Funds |
| VCFs | Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be. |
| w.e.f. | With effect from |
| WDV | Written Down Value |
| Wilful Defaulter(s) | Company or person categorised as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes any company whose directors or promoters is categorised as such and as defined under Regulation 2(1) (III) of the SEBI (ICDR) Regulations, 2018. |
| WTD | Whole Time Director |
| YoY | year-over-year |

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## CERTAIN CONVENTION, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF FINANCIAL PRESENTATION

### CERTAIN CONVENTIONS

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

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

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

In this Draft 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 crores". In this Draft Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off.

### FINANCIAL DATA

Unless stated otherwise, the financial data included in this Draft Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled "***Financial Information***", as Restated beginning on page 267 this Draft Prospectus. Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year or fiscal year are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Draft Prospectus are to a calendar year and references to a Fiscal/Fiscal Year are to the year ended on March 31 of that calendar year.

The degree to which the financial information included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Indian GAAP, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with the aforementioned policies and lawson the financial disclosures presented in this Draft Prospectus should be limited. There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide a reconciliation of its financial statements with Indian GAAP, IFRS or U.S. GAAP requirements. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. For further details in connection with risks involving differences between Indian GAAP and other accounting principles, see "***Risk Factors - Significant differences exist between Indian GAAP and other accounting principles, such as Ind AS, IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows***."

on page 35 of this Draft Prospectus.

*Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.*

In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points. Certain Non-GAAP Measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, PAT Margin, and others, have been included in this Draft Prospectus. We compute and disclose such non-GAAP measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These Non- GAAP measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by the accounting standards and may not be comparable to similarly titled measures presented by other companies.

For additional definitions used in this Draft Prospectus, see the section "***Definitions and Abbreviations***" on page 1 of this Draft Prospectus. In the section titled "***Main Provisions of the Articles of Association***", on page 422 of the Draft Prospectus, defined terms have the meaning given to such terms in the Articles of Association of our Company.

## USE OF INDUSTRY AND MARKET DATA

Unless stated otherwise, industry data used throughout the Draft Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in the Draft Prospectus is reliable, it has not been independently verified. Further, the extent to which the industry and market data presented in the Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

In accordance with the SEBI ICDR Regulations, 2018, the section titled "***Basis for Offer Price***" on page 136 of the Draft Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the LM, have independently verified such information.

## CURRENCY OF FINANCIAL PRESENTATION

All references to "Rupees" or "INR" or "Rs." or "₹" are to Indian Rupees, the official currency of the Republic of India. All references to "US$" or "USD" are to United States Dollars, the official currency of the United States of America. Except where specified, including in the section titled "***Industry Overview***" on page 149 throughout the Draft Prospectus, all figures have been expressed in Lakhs.

Any percentage amounts, as set forth in "***Risk Factors***", "***Our Business***", "***Management's Discussion and Analysis of Financial Conditions and Results of Operations***" on page 35, 177 and 314 respectively of this Draft Prospectus, unless otherwise indicated, have been calculated based on our restated financial statements prepared in accordance with Indian GAAP.

## EXCHANGE RATE

This Draft Prospectus may contain conversion of certain other currency amounts into Indian Rupees that has 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:

**Exchange rate as on (in ₹)**

| Currency | March 31, 2025 | March 31, 2024 | March 31, 2023 |
|---|---|---|---|
| 1 USD | 85.58 | 83.37 | 82.22 |

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

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## FORWARD LOOKING STATEMENTS

*All statements contained in the Draft Prospectus that are not statements of historical facts constitute forward-looking statements". All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Draft Prospectus regarding matters that are not historical Facts. These forward-looking statements and any other projections contained in the Draft Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.*

*These forward-looking statements can generally be identified by words or phrases such as "will", "aim", "will likely 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. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:*

- Our ability to successfully implement our growth strategy and expansion plans;
- Our Company's inability to meet its working capital requirements or maintain its existing credit facilities
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Failure to successfully upgrade our product portfolio, from time to time;
- Our ability to attract and retain qualified personnel;
- Our inability to maintain quality standards;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Our inability to respond to new innovations in our industry;
- Any adverse outcome in the legal proceedings in which we and our promoters are involved;
- Conflict of Interest with affiliated companies, the promoter group and other related parties;
- General social and political conditions in India which have an impact on our business activities or investments;
- Adverse natural calamities and man-made disaster having significant impact on our business;
- Other Factors beyond our control;
- Developments affecting the Indian economy;
- Loss of consumers;

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on page 35, 177 and 314, respectively of this Draft 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.

Forward-looking statements reflects views as of the date of the Draft Prospectus and not a guarantee of future performance. 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.

Neither our Company / our directors nor the Lead Manager, nor any of its 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 Lead Manager will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange(s).

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## SECTION II – SUMMARY OF OFFER DOCUMENT

*This section is a general summary of certain disclosures included in this Draft Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Prospectus or all details relevant to prospective investor. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Prospectus, including the sections titled* ***'Risk Factors'****,* ***'The Issue'****,* ***'Capital Structure'****,* ***'Objects of the Issue'****,* ***'Industry Overview'****,* ***'Our Business'****,* ***'Financial Information'****,* ***'Outstanding Litigation and Material Developments'****,* ***'Issue Procedure' and 'Main Provisions of the Articles of Association'*** *beginning on at pages no. 35, 80, 101, 122, 149, 177, 267, 341, 385 and 422 respectively, of this Draft Prospectus.*

### OVERVIEW

Our Company was originally incorporated as "Shree Shiv Shakti Cot-Fab Private Limited" as a private limited company, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated July 19, 2012 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli having, Corporate Identification Number U17200GJ2012PTC071210. Subsequently in the Financial Year 2016-17, Vinod Mangalchand Mittal, Harsh Vinod Mittal and Yash Vinod Mittal acquired 100% shareholding in the Shree Shiv Shakti Cot-Fab Private Limited. Subsequently, Our Company changed its name from "Shree Shiv Shakti Cot-Fab Private Limited" to "Vinod Fabtex Private Limited" vide Certificate of Incorporation pursuant to change of name dated March 08, 2018 issued by Registrar of Companies, Ahmedabad, pursuant to special resolution passed in the Extra Ordinary General Meeting held on March 03, 2018. Subsequently, Our Company changed its name from "Vinod Fabtex Private Limited" to "Vinod Texworld Private Limited" vide Certificate of Incorporation pursuant to change of name dated May 25, 2018 issued by Registrar of Companies, Ahmedabad, pursuant to special resolution passed in the Extra Ordinary General Meeting held on May 23, 2018. Subsequently, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra Ordinary General Meeting held on November 05, 2024 and consequently the name of our Company was changed to "Vinod Texworld Limited" pursuant to fresh certificate of incorporation dated December 18, 2024 issued to our Company by the Registrar of Companies, Central Processing Centre, having Corporate Identification Number U17200GJ2012PLC071210. For details of change in name and registered office of our Company, please refer to chapter titled "***Our History and Certain Other Corporate Matters***" beginning on page 224 of this Draft Prospectus.

### ABOUT US

"Vinod Texworld Limited" is engaged in the business of manufacturing, processing, and supplying textile products. The company operates in India and caters to both domestic and international markets. Its core operations include dyeing and printing of greige fabric, which is subsequently marketed and sold. The company's product portfolio includes cotton, polyester, and blended fabrics.

Our Company is engaged in the production of fabrics for fast fashion by combining modern technology, creative design, and traditional skills. We manage the entire process—from Greige Fabric to Dyed fabric and Printed fabric ensuring quality and the ability to quickly adapt to evolving market demands. Our key focus areas include fostering innovation, adopting a customer-centric approach, and driving research and development along with technological advancements. The Company has also undertaken certain initiatives aimed at incorporating sustainable practices, including steps towards the use of renewable energy across its operations.

The company's focus is on Innovation, Customer Orientation, R & D, Technology Up Gradation, Continuous Improvement and Moving towards Green Energy. Our Company manufacture and sells its products like Dyed Fabric and Printed Fabric.

With a domestic network, the Company serves various locations across India, including states such as Gujrat, Punjab, Haryana, Delhi, Rajasthan, Uttar Pradesh, and West Bengal, among others.

The Company undertakes initiatives aimed at process improvement, adoption of new technologies, and operational efficiency. It has also initiated steps to incorporate green energy solutions with the objective of reducing its carbon footprint and improving energy efficiency across its operations.

The Company supplies its dyed and printed fabrics based on customer specifications to buyers across India and in international markets. During Fiscal 2025, the Company exported its products to Nepal. A break-up of revenue from domestic and export sales for Fiscal 2025, Fiscal 2024, and Fiscal 2023 is set forth in the table below.

*For further details of our business please refer chapter titled "**Our business**" on page 177 of this Draft Prospectus.*

## SUMMARY OF OUR INDUSTRY

The textile industry plays a vital role in the manufacturing sector, providing a wide range of fabrics for apparel, home furnishings, and industrial use. Within this industry, fabric dyeing is a crucial process that adds color, style, and value to textiles. Dyeing involves treating fabrics with colorants in a controlled environment to ensure uniformity, vibrancy, and durability of the colors.

Textile businesses engaged in dyeing must maintain high standards of quality, consistency, and environmental compliance. From selecting the right type of dyes and auxiliaries to optimizing water usage and managing waste, each step is carefully monitored. Advanced machinery and skilled craftsmanship come together to meet market demands and customer preferences.

In India, the textile dyeing sector is rapidly evolving with a growing focus on sustainable practices, eco-friendly dyes, and innovative techniques that reduce environmental impact while enhancing product quality. Businesses that adapt to these trends are better positioned for long-term growth and competitiveness in both domestic and international markets.

In order to attract private equity and employee more people, the government introduced various schemes such as the Scheme for Integrated Textile Parks (SITP), Technology Upgradation Fund Scheme (TUFS) and Mega Integrated Textile Region and Apparel (MITRA) Park scheme.

*For detail information please refer to chapter tittle "**Industry Overview**" on page 149 of this Draft Prospectus.*

## OUR PROMOTERS

Promoters of our company are as follows:

1. Mr. Harsh Vinod Mittal;
2. Mr. Yash Vinod Mittal; and
3. Mrs. Sweta Yash Mittal.

*For detail information please refer to chapter tittle "**Our Promoters and Promoter Group**" on page 249 of the Draft Prospectus.*

## DETAILS OF THE ISSUE

Initial Public Issue of up to 45,56,800 Equity Shares of face value of ₹10 each ("**Equity Shares**") of Vinod Texworld Limited (the "**Company**" or the "**Issuer**") for cash at a price of ₹[●]/- per equity share including a securities premium of ₹[●]- per Equity Share (the "**Issue Price**"), aggregating upto ₹[●] lakhs (the "**The Issue**"), out of which upto [●] Equity Shares of face value of ₹10 each for cash at a price of ₹[●]/- per Equity Share aggregating up to ₹[●] lakhs will be reserved for subscription by the market maker to the issue (the "**Market Maker Reservation Portion**"). The Issue less Market Maker Reservation Portion i.e. Issue of [●] Equity Shares of face value of ₹10 each, at an issue price of ₹ [●]/- per Equity Share for cash, aggregating to ₹ [●] lakhs is hereinafter referred to as the "**Net Issue**". The Public Issue and Net Issue will constitute [●] and [●] respectively of the post- issue paid-up Equity Share capital of our Company.

*For further details, kindly refer to chapters titled "**The Issue**" and "**Terms of the Issue**" beginning on page 80 and 370 of this Draft Prospectus.*

## OBJECTS OF THE ISSUE

Our Company proposes to utilize the Proceeds from the issue towards the following objects:

1. Expansion of Existing Plant;
2. Repayment of Loan;
3. To meet Working Capital Requirement;
4. General Corporate Purposes;
5. For Issue Expenses.

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

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

*For further details of our business please refer chapter titled "**Our business**" on page 177 of this Draft Prospectus.*

## UTILIZATION OF PROCEEDS

The details of utilization of proceeds are set out in the following tables:

| Sr. No | Particulars | Amount (Rs. in Lacs) |
|---|---|---|
| 1. | Expansion of Existing Plant; | 638.77 |
| 2. | Repayment of Loan; | 650.00 |
| 3. | To meet working capital requirements; | 1,850.00 |
| 4. | General Corporate Purpose; and* | [●] |
| 5. | Issue Expenses. * | [●] |
| | **Total** | [●] |

**To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC and the amount to be utilized for general corporate purposes shall not exceed 15% of the amount raised by our Company or Rs. 10 Cr. whichever is lower.*

*For further details please refer to the chapter titled "**Object of the Issue**" beginning on page 122 of this Draft Prospectus.*

## AGGREGATE PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP

Our Promoters and Promoter Group collectively hold 1,08,01,200 Equity shares of our Company aggregating to 93.10% of the pre- issue paid-up Share Capital of our Company.

Following are the details of the shareholding of the Promoters and Promoter Group, as on date of this Draft Prospectus:

| Sr. No. | Name of the Shareholder | Pre-Issue | | Post Issue | |
|---|---|---|---|---|---|
| | | No. of Equity Shares | % of Pre-Issue Capital | No. of Equity Shares | % of post-Issue Capital |
| I | II | III | IV | V | VI |
| **A. PROMOTERS** | | | | | |
| 1. | Mr. Harsh Vinod Mittal | 42,13,145 | 36.32% | [●] | [●] |
| 2. | Mr. Yash Vinod Mittal | 43,91,795 | 37.86% | [●] | [●] |
| 3. | Mrs. Sweta Yash Mittal | 2,95,000 | 2.54% | [●] | [●] |
| **TOTAL(A)** | | **88,99,940** | **76.72%** | [●] | [●] |
| **B. PROMOTER GROUP** | | | | | |
| 1. | Mr. Vinod Mangalchand Mittal | 5,80,060 | 5.00% | [●] | [●] |
| 2. | Mrs. Radha Vinodkumar Mittal | 9,00,000 | 7.76% | [●] | [●] |
| 3. | Mrs. Poonam Harsh Mittal | 3,21,200 | 2.77% | [●] | [●] |
| 4. | M/s Harsh V Mittal HUF | 50,000 | 0.43% | [●] | [●] |
| 5. | M/s Yash V Mittal HUF | 50,000 | 0.43% | [●] | [●] |
| **TOTAL(B)** | | **1,901,260** | **16.39%** | [●] | [●] |
| **TOTAL (A+B)** | | **1,08,01,200** | **93.10%** | [●] | [●] |

*For further details please refer to the chapter titled "**Capital Structure**" beginning on page 101 of this Draft Prospectus.*

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## SHAREHOLDING OF PROMOTER/ PROMOTER GROUP AND ADDITIONAL TOP 10 SHAREHOLDERS OF THE COMPANY AS AT ALLOTMENT:

Below are details of Equity Shares held by our Promoters, the members of our Promoter Group and additional top 10 shareholders as on the date of Advertisement/ Allotment:

| S. No. | Name of the Shareholder | Pre-Issue shareholding as at the date of Advertisement | | Post-Issue shareholding as at Allotment (4) | |
|---|---|---|---|---|---|
| | | | | At the Issue Price | |
| | | Number of Equity Shares (3) | Shareholding (in %) (3) | Number of Equity Shares (3) | Shareholding (in %) (3) |
| **A. Promoters of the Company** | | | | | |
| **P-1** | Mr. Harsh Vinod Mittal | [●] | [●] | [●] | [●] |
| **P-2** | Mr. Yash Vinod Mittal | [●] | [●] | [●] | [●] |
| **P-3** | Mrs. Sweta Yash Mittal | [●] | [●] | [●] | [●] |
| **TOTAL (A)** | | [●] | [●] | [●] | [●] |
| **B. Promoter Group of the Company** | | | | | |
| **PG-1** | Mr. Vinod Mangalchand Mittal | [●] | [●] | [●] | [●] |
| **PG-2** | Mrs. Radha Vinodkumar Mittal | [●] | [●] | [●] | [●] |
| **PG-3** | Mrs. Poonam Harsh Mittal | [●] | [●] | [●] | [●] |
| **PG-4** | M/s Harsh V Mittal HUF | [●] | [●] | [●] | [●] |
| **PG-5** | M/s Yash V Mittal HUF | [●] | [●] | [●] | [●] |
| **TOTAL (B)** | | [●] | [●] | [●] | [●] |
| **Additional Top 10 Shareholders of the Company** | | | | | |
| Other Top 10 Shareholders (Public Shareholders) * | | [●] | [●] | [●] | [●] |
| **TOTAL (C)** | | [●] | [●] | [●] | [●] |
| **GRAND TOTAL (A+B+C)** | | [●] | [●] | [●] | [●] |

*Subject to finalization of basis of allotment.
# The shareholding of the company is held by the Public, Promoter and the Promoter Group.

**Note:**

1) Here, "**P"** refers to the ***Promoter*** and "**PG"** refers to the ***Promoter Group***.
2) The Promoter Group shareholders are Mr. Vinod Mangalchand Mittal, Ms. Radha Vinodkumar Mittal, Ms. Poonam Harsh Mittal, M/s Harsh V Mittal HUF and M/s Yash V Mittal HUF.

3) Includes all options that have been exercised until date of Prospectus and any transfers of equity shares by existing shareholders after the date of the pre-issue and price band advertisement until date of Prospectus.
4) Based on the Issue price of ₹[●] and subject to finalization of the basis of allotment.

## SUMMARY OF FINANCIAL INFORMATION

Following are the details as per the restated financial statements for the financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023.

***Amount (Rs. in Lakhs unless otherwise stated)***

| S. No. | Particulars | For the year ended as at March 31, 2025 | For the year ended as at March 31, 2024 | For the year ended as at March 31, 2023 |
|---|---|---|---|---|
| **1.** | **Equity Share Capital** | 1,160.12 | 1,160.12 | 1,147.62 |
| **2.** | **Net worth** | 3,198.00 | 2,277.24 | 1,647.56 |
| **3.** | **Total Income/ Revenue** | 33,556.04 | 27,165.39 | 20,073.23 |
| **4.** | **Profit/ (Loss) after tax** | 920.76 | 529.68 | 67.65 |
| **5.** | **Earnings per Share (In ₹) Basic** | 7.94 | 4.62 | 0.61 |
| **6.** | **Earnings per Share (In ₹) Diluted** | 7.94 | 4.62 | 0.61 |
| **7.** | **Net Asset Value per Equity share as Restated** | 27.57 | 19.84 | 14.92 |
| **8.** | **Total Borrowings** | **6,627.76** | **4,700.91** | **3,487.79** |
| | • Long Term Borrowings | 1,747.63 | 1,946.95 | 1,923.76 |
| | • Short Term Borrowings | 4,880.13 | 2,753.96 | 1,564.03 |

For further details, please refer to the section titled "***Financial Information***" beginning on page 267 of this Draft Prospectus.

## AUDITOR QUALIFICATIONS

There are no qualifications included by the Statutory Auditors in their audit report and hence no effect is required to be given in the Restated Financial Statement.

## SUMMARY OF OUTSTANDING LITIGATIONS

A summary of outstanding litigations proceedings involving our Company, Promoters, Directors, and Promoter Group and Group Company as on the date of this Draft Prospectus are as below: -

| Nature of Cases | No. of Outstanding Cases | Amount in disputed/ demanded to the extent ascertainable (Amount in Lakhs) |
|---|---|---|
| **Proceedings against our Company** | | |
| Civil | 0 | 0 |
| Criminal | 0 | 0 |
| Statutory/tax notices | 3 | 48.58 |
| **Proceedings by our Company** | | |
| Civil | 0 | 0 |
| Criminal | 0 | 0 |

| | | |
|---|---|---|
| Statutory/tax notices | 0 | 0 |
| **Proceedings against /by our promoters/directors** | | |
| Civil | 0 | 0 |
| Criminal | 0 | 0 |
| Statutory/tax notices | 0 | 0 |
| **Proceedings involving our Group entities** | | |
| Civil | 0 | 0 |
| Criminal | 0 | 0 |
| Statutory/tax notices | 0 | 0 |
| **Proceedings against or by Key Managerial Personals/Senior Management Personals** | | |
| Civil | 0 | 0 |
| Criminal | 0 | 0 |
| Statutory/tax notices | 0 | 0 |

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Draft Prospectus.

*For details related to 'Outstanding Litigations and Material Developments' please refer to chapter titled 'Legal and Other Information' on page 314 of this Draft Prospectus.*

## RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. Potential Investors should carefully consider all the information in this Draft Prospectus. The following is a summary of the top ten risk factors in relation to our Company.

1. *Our top ten customers contribute Major portion in the revenue of the Company. Any loss of business from one or more of them may adversely affect our revenues and profitability.*
2. *Our Company has not entered into any long-term contracts with any of its customers and we typically operate on the basis of purchase orders. Inability to maintain regular order flow would adversely impact our revenues and profitability.*
3. *Our Company has negative cash flows from its operating activity and investing activity, details of which are* given *below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.*
4. *Our Company, Promoters and Directors are not involved in certain legal and regulatory proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, financial condition, cash flows and results of operations.*
5. *Our Company has extended a corporate guarantee of ₹7,627.00 lakhs for a loan availed by a Promoter Group company, Vinod Cotfab Private Limited, as of March 31, 2025. This amount significantly exceeds our net worth of ₹3,198.00 lakhs, and any default by the borrower could materially impact our financial health.*
6. *Any change in our consumer's likes, preferences or a change in their perception regarding the quality of our products may negatively affect the image and our reputation and in turn affect our revenues and profitability.*
7. *We derive a significant portion of our revenue from operations from domestic sales which exposes us to risks specific to Indian market and geographies.*
8. *We are exposed to competition from both domestic and international manufacturers and new entrants and consequent pricing pressures could have a material adverse effect on our business growth and prospects, financial condition and results of operations.*
9. *We have only one production unit that is located in Ahmedabad, Gujarat and any localized social unrest, natural disaster breakdown of services, or any other natural disaster in and around Ahmedabad, Gujarat*

*or any disruption in production at, or shutdown of, our production unit could have material adverse effect on our business and financial condition.*

10. *Our registered office and manufacturing facility, located at 185/2, Saijpur, Gopalpur, Piplaj Pirana Road, Ahmedabad, Gujarat, India – 382405, was transferred to the Company through a non-consideration assignment.*

For further details of the risks applicable to us, Potential Investors are advised to read the section titled "Risk Factors" beginning on page 35 of this Draft Prospectus, including the risks and uncertainties, before making/ taking an investment decision in our Equity Shares. In making an investment decision prospective investor must rely on their own examination of our Company and the terms of this issue including the merits and risks involved. The risks described in the said sections are relevant to the industry our Company is engaged in, our Company and our Equity Shares. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries.

## SUMMARY OF CONTINGENT LIABILITIES

As per the Restated Financial Information as at March 31, 2025, March 31, 2024, March 31, 2023, following is the detail of contingent liabilities of our Company:

***Amount in (Rs. Lakhs)***

| S. No. | Particulars | For the year ended as at March 31, 2025 | For the year ended as at March 31, 2024 | For the year ended as at March 31, 2023 |
|---|---|---|---|---|
| i. | GST demand | 22.86 | 0.20 | 0.20 |
| ii. | Bank Guarantee includes Performance Guarantee and advance Receipt Bank Guarantee | 77.64 | 40.37 | 47.96 |
| iii. | Corporate Guarantee to Private Limited Company | 7,627.00 | 7,789.00 | - |
| **Total** | | **7727.50** | **7829.57** | **48.16** |

*For further details please refer to the chapter titled "**Restated Financial Information**" beginning on page 267 of this Draft Prospectus.*

## SUMMARY OF RELATED PARTY TRANSACTIONS

As per the Restated Financial Information for the financial year ended March 31, 2025, March 31, 2024, March 31, 2023, following are the details of the related party transactions of our Company:

**Associate Concerns/ Entities in which managerial personnel/relative of key managerial personnel have significant influence:**

| | |
|---|---|
| 1. Anil Exports (India) | 4. Vinod Denim Limited |
| 2. Vinod Texspin LLP | 5. Vinod Fabrics Private Limited |
| 3. Vinod Cotfab Private Limited | 6. Chandi Mahal |

**Key Management Personnel**

| | |
|---|---|
| 1. Yash Vinod Mittal | 5. Anchal Tulsyan (Chief Finacial Officer from 25-10-2024) |
| 2. Harsh Vinod Mittal | 6. Saket Jagdishchandra Agarwal (Appointed as additional director from 25-10-2024) |

| | |
|---|---|
| 3. Sweta Yash Mittal (Appointed as additional director from 25-10-2024) | |
| 4. Foram Deep Parikh (Company Secretary) | |

**Relative of Key Management Personnel**

| | |
|---|---|
| 1. Radha Vinod Mittal | 7. Yaana Mittal |
| 2. Sweta Yash Mittal (Marketing Manager Upto 24-10-2024) | 8. Subhash Chandra Kanoi |
| 3. Poonam Harsh Mittal | 9. Bela Kanoi |
| 4. Vinod Mangalchand Mittal | 10. Shaan Kanoi |
| 5. Siddh Mittal | 11. Shreya Kanoi |
| 6. Yug Mittal | |

**Summary of the transactions with the above related parties:**

***Amount (Rs. in Lakhs unless otherwise stated)***

| | | | Financial Year | | |
|---|---|---|---|---|---|
| **Nature of Transaction** | **Related Parties** | **Relation** | **2024-25** | **2023-24** | **2022-23** |
| **Remuneration (including bonus)** | Harsh Vinod Mittal | Key Managerial Personal | 12.00 | 12.00 | 12.00 |
| | Yash Vinod Mittal | Key Managerial Personal | 12.00 | 12.00 | 12.00 |
| | Sweta Yash Mittal | Key Managerial Personal | 5.50 | - | - |
| | | | | | |
| **Salary** | Sweta Yash Mittal | Relative of Key Management personnel | 7.70 | - | - |
| | Foram Deep Parikh | Company Secretary | 2.58 | 2.58 | 1.94 |
| | Anchal Tulsyan | Chief Finacial Officer | 3.30 | - | - |
| | | | | | |
| **Purchase net of Returns** | Vinod Cotfab Private Limited | Entity in which Appointed director interested | 12,830.59 | 3,962.28 | 392.45 |
| **(Exclusive of GST)** | Anil Exports (India) | Entity in which Appointed director interested | 4.81 | 39.31 | 130.15 |
| | | | | | |
| **Rent Received** | Vinod Cotfab Private Limited | Entity in which Appointed director interested | 1.02 | 1.02 | 1.02 |
| | Vinod Texspin LLP | Entity in which Appointed director interested | 0.6 | 0.6 | 0.6 |
| | Anil Exports (India) | Entity in which Appointed director interested | 0.68 | 1.56 | 1.56 |
| | | | | | |
| **Sales net off Returns (Exclusive of GST)** | Vinod Denim Limited | Entity in which Appointed director interested | 5,469.71 | 3,908.73 | 392.21 |
| **(Inclusive of Jobwork)** | Anil Exports (India) | Entity in which Appointed director interested | - | 493.04 | 1,331.84 |

| | | | | | |
|---|---|---|---|---|---|
| | Vinod Fabrics Private Limited | Entity in which Appointed director interested | 7.05 | - | - |
| | | | | | |
| **Loans Taken** | Harsh Vinod Mittal | Key Managerial Personal | 395.26 | 29.49 | 87.36 |
| | Yash Vinod Mittal | Key Managerial Personal | 345.71 | 50.15 | 100.55 |
| | Sweta Yash Mittal | Key Managerial Personal | 80.94 | 21.55 | 26.2 |
| | Vinod Mangalchand Mittal | Relative of Key Management personnel | - | 10.00 | 8.00 |
| | Poonam Harsh Mittal | Relative of Key Management personnel | 19.89 | 13 | 22.4 |
| | Radha Vinod Mittal | Relative of Key Management personnel | 20.67 | 15.3 | 15.89 |
| | Anil Exports (India) | Entity in which Appointed director interested | 5.57 | - | - |
| | | | | | |
| **Loans Repaid** | Harsh Vinod Mittal | Key Managerial Personal | 405.68 | 81.74 | 65.00 |
| | Yash Vinod Mittal | Key Managerial Personal | 358.63 | 105.2 | 139.2 |
| | Sweta Yash Mittal | Key Managerial Personal | 69.13 | 35.33 | 16.8 |
| | Vinod Mangalchand Mittal | Relative of Key Management personnel | 0.83 | 15.3 | 1.02 |
| | Poonam Harsh Mittal | Relative of Key Management personnel | 13.46 | 25 | 7.23 |
| | Radha Vinod Mittal | Relative of Key Management personnel | 15.5 | 29.41 | 11.43 |
| | Anil Exports (India) | Entity in which Appointed director interested | 5.57 | - | - |
| | | | | | |
| **Interest paid on Loan** | Harsh Vinod Mittal | Key Managerial Personal | 2.36 | 0.87 | 4.39 |
| | Yash Vinod Mittal | Key Managerial Personal | 8.19 | 1.36 | 8.21 |
| | Sweta Yash Mittal | Key Managerial Personal | 2.64 | 0.24 | 0.61 |
| | Vinod Mangalchand Mittal | Relative of Key Management personnel | 0.27 | 0.59 | 0.1 |
| | Poonam Harsh Mittal | Relative of Key Management personnel | 1.63 | 0.59 | 0.49 |
| | Radha Vinod Mittal | Relative of Key Management personnel | 0.9 | 0.43 | 0.43 |
| | | | | | |
| **Outstanding balance of Loan at the year end** | Harsh Vinod Mittal | Key Managerial Personal | 10.85 | 19.15 | 70.61 |
| | Yash Vinod Mittal | Key Managerial Personal | 7.35 | 12.9 | 66.72 |
| | Sweta Yash Mittal | Key Managerial Personal | 14.41 | 0.22 | 13.78 |
| | Vinod Mangalchand Mittal | Relative of Key Management personnel | 2.83 | 3.42 | 8.19 |
| | Poonam Harsh Mittal | Relative of Key Management personnel | 16.67 | 8.78 | 20.24 |
| | Radha Vinod Mittal | Relative of Key Management personnel | 6.39 | 0.40 | 14.12 |
| | | | | | |

| | | | | | |
|---|---|---|---|---|---|
| **Outstanding balance of Remuneration/Salary at the year end** | Harsh Vinod Mittal | Key Managerial Personal | 0.69 | 0.69 | 0.69 |
| | Yash Vinod Mittal | Key Managerial Personal | 0.88 | 0.88 | 0.90 |
| | Sweta Yash Mittal | Key Managerial Personal | 1.48 | - | - |
| | Foram Deep Parikh | Company Secretary | 0.21 | 0.21 | 0.21 |
| | Anchal Tulsyan | Chief Finacial Officer | 0.35 | - | - |
| | | | | | |
| **Outstanding balance of Sundry Balances at the year end** | Vinod Cotfab Private Limited (Cr. Balance) | Entity in which Appointed director interested | 3,961.28 | 714.87 | 211.87 |
| | Anil Exports (India) | Entity in which Appointed director interested | - | 12.94 Cr. | 17.59 Dr. |
| | Vinod Denim Limited (Dr. Balance) | Entity in which Appointed director interested | 493.23 | 506.63 | 211.48 |

For further details please refer to Note AB of the chapter titled "***Restated Financial Information***" beginning on page 267 of this Draft Prospectus.

## FINANCING ARRANGEMENTS

There are no financing arrangements whereby the promoters, members of the promoter group, the Directors of our Company and their relatives (as defined in Companies Act, 2013), have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Prospectus.

## WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY EACH OF OUR PROMOTERS IN THE ONE YEAR PRECEDING THE DATE OF THIS DRAFT PROSPECTUS.

| Name | Promoter / Promoter Group | No. of Shares held | Weighted Avg. Cost of Acquisition*(in ₹ ) |
|---|---|---|---|
| Mr. Harsh Vinod Mittal | Promoter | NIL | NIL |
| Mr. Yash Vinod Mittal | Promoter | NIL | NIL |
| Ms. Sweta Yash Mittal | Promoter | NIL | NIL |

*As Certified by Peer Reviewed Auditors of Our Company, M/s S N Shah & Associates, Chartered Accountants dated 15th September, 2025 vide UDIN 25144892BMHWSB7914.

*The weighted average cost of acquisition of Equity Shares by our Promoters have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them divided by number of shares acquired during the last one year.*

***The remainder of this page has been left blank intentionally.***

## AVERAGE COST OF ACQUISITION OF SHARES FOR THE PROMOTERS

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

| Name | Promoter / Promoter Group | No. of Shares held | Avg. Cost of Acquisition*(in ₹ ) |
|---|---|---|---|
| Mr. Harsh Vinod Mittal | Promoter | 42,13,145 | 8.86 |
| Mr. Yash Vinod Mittal | Promoter | 43,91,795 | 8.73 |
| Ms. Sweta Yash Mittal | Promoter | 2,95,000 | 14.34 |

Note: - Including the Equity Shares issued pursuant to transfer and right issue.
*As Certified by Peer Reviewed Auditors of Our Company, M/s S N Shah & Associates, Chartered Accountants dated 15th September, 2025 vide UDIN 25144892BMHWSB7914

*The average cost of acquisition of Equity Shares by our Promoters have been calculated by taking into account the amount paid by them to acquire the Equity Shares, by way of fresh issuance or transfer or right issue, etc. less amount received by them on sale of Equity Shares and the net cost of acquisition is divided by total number of shares held as on the date of the Draft Prospectus.*

*For further details of the average cost of acquisition of our Promoters, see chapter titled "Capital Structure – Build-up of the shareholding of our Promoters in our Company since incorporation" on page 101 of this Draft Prospectus.*

## PRE IPO-PLACEMENT

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Prospectus until the listing of the Equity Shares. Our Company undertakes:

1. That Pre-IPO proceeds being discretionary in nature, if raised, shall be completely attributed/adjusted towards GCP portion; unless auditor certified disclosures are made with regards to its utilization towards the disclosed specific objects of the issue. A confirmation to this effect we shall submit at the time of filing of Draft Prospectus/ Prospectus with the Exchange and the confirmation should form part of material documents available for inspection.

2. Disclosure shall be made of the price and the name of the shareholder on the day of the allotment in case if any Pre-IPO placement is done, through public advertisement. A confirmation to this effect we shall submit at the time of filing of Draft Prospectus/ Prospectus with the Exchange and the confirmation should form part of material documents available for inspection. The details of the Pre-IPO shall also form part of the Price Band Advertisement.

## EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH

our Company has not issued any Equity Shares for consideration other than cash in the one (1) year preceding the date of this Draft Prospectus.

## SPLIT/ CONSOLIDATION OF EQUITY SHARES

Our Company has not undertaken split or consolidation of the Equity Shares in the one (1) year preceding the date of this Draft Prospectus.

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

As on date of the Draft Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI.

***The remainder of this page has been left blank intentionally.***

## SECTION III – RISK FACTORS

***An investment in Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision prospective investors must rely on their own examination of our Company and the terms of this offer including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.***

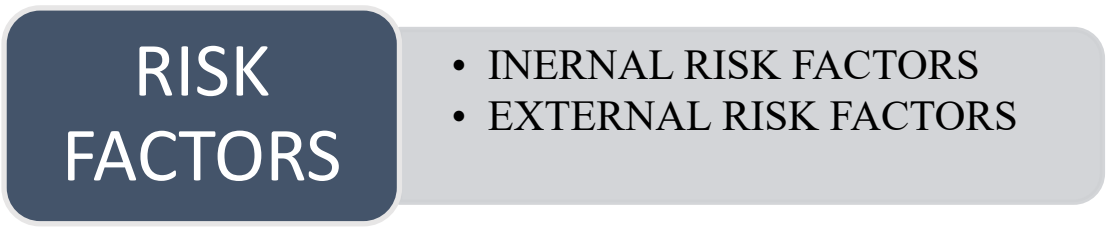
*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. To obtain a complete understanding, you should read this section in conjunction with the chapters titled "Our Business" beginning on page no. 177, "Industry overview" beginning on page on 149 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page on 314 respectively, of this Draft Prospectus as well as other financial information contained herein.*

*The following factors have been considered for determining the materiality of Risk Factors:*

- *Some events may have material impact quantitatively;*
- *Some events may not be material individually but may be found material collectively;*
- *Some events may have material impact qualitatively instead of quantitatively;*
- *Some events may not be material at present but may have material impact in future.*

*The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Draft Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled "Definitions and Abbreviations" beginning on page no. 01 of this Draft Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.*

*The risk factors are classified as under for the sake of better clarity and increased understanding:*



## INTERNAL RISK FACTOR

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

Our Company derive revenues from diversified customers. Based on restated audited financial statements for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, our revenue from top one (1), top Three (3), top five (5) and top ten (10) customers are as follows:

| Sr. No. | Particulars | FY 2024-25 | | FY 2023-24 | | FY 2022-23 | |
|---|---|---|---|---|---|---|---|
| | | Amount (₹ in lakhs) | % of our revenue from operations | Amount (₹ in lakhs) | % of our revenue from operations | Amount (₹ in lakhs) | % of our revenue from operations |
| 1. | Revenue from top one (1) customer | 5,469.71 | 16.30% | 4,163.50 | 15.33% | 1,787.15 | 8.90% |
| 2. | Revenue from top three (3) customer | 10,989.05 | 32.75% | 9,381.33 | 34.53% | 4,624.35 | 23.04% |
| 3. | Revenue from top five (5) customers | 13,328.51 | 39.72% | 11,387.81 | 41.92% | 6,824.68 | 34.00% |
| 4. | Revenue from top ten (10) customers | 17,060.38 | 50.84% | 14,871.39 | 54.74% | 9,778.78 | 48.72% |

As seen above, in Fiscal 2025, our top ten customers contributed 50.84% of our revenue from operations, while in Fiscal 2024 and Fiscal 2023, the contribution was 54.74% and 48.72%, respectively. Although no single customer accounts for an overwhelming share of our revenue, the fact that more than half of our revenue is derived from our top ten customers indicates a concentration risk.

Although no single customer contributes disproportionately to our revenues, a major portion of our revenues is generated from our top ten customers. Some of these customers may exert pressure on pricing, reduce their order volumes, or explore alternate suppliers, which could adversely impact our revenue and profitability.

If one or more of these major customers were to reduce their purchases, delay their orders, renegotiate pricing terms, or stop sourcing from us entirely, our revenues and profitability could be materially and adversely affected. Dependence on a limited set of major customers also exposes us to risks such as:

- **Pricing pressure:** Large customers may demand lower prices, extended credit terms, or additional commercial concessions, which could adversely affect our margins.
- **Business volatility:** Our revenues may fluctuate in line with the procurement cycles, order volumes or financial health of these customers.
- **Payment delays or defaults:** If one or more major customers delay payments or default on their obligations, it could adversely affect our cash flows, working capital, and liquidity position.
- **Reduced bargaining power:** Our reliance on certain customers may reduce our ability to negotiate favorable terms in the future.

There can be no assurance that these customers will continue to do business with us at historical levels, on commercially favorable terms, or at all. Any disruption in our relationships with such customers, whether due to competitive pressures, disputes, operational issues, or a shift in their sourcing policies, could materially and adversely impact our results of operations and financial condition.

While we continue to expand our customer base and diversify our revenue streams, there is no assurance that such diversification will mitigate the risk of losing one or more of our major customers. Accordingly, our business remains significantly exposed to the risk of customer concentration.

*For Further details, please refer to chapter titled "Our Business" beginning on Page 177 of this Draft Prospectus.*

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

Our Company has had long standing business relationships with certain customers and has been supplying our products to such customers. However, we have not entered into any long-term contracts with these customers and we cater to them on purchase order basis. Our customers may also terminate their relationships with us without any notice which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products. Our Company's customers have no obligation to place order with us and may either cancel, reduce or delay orders. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business. In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. 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, fluctuation in demand for our Company's products and customer's inventory management. Although we place a strong emphasis on quality, timely delivery of our products, etc., in the absence of contracts, any sudden change in the buying pattern of customers could adversely affect the business and the profitability of our Company.

**3. *Our Company has negative cash flows from its operating activity and investing activity, details of which are* given *below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.***

Our Company has reported certain negative cash flows in operating and investing activities in previous years as per the Restated Financial Statements, as set out below:

| Particulars | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
|---|---|---|---|
| **Cash flow from operating activities** | (1,184.93) | (668.25) | (586.24) |
| **Cash flow from investing Activities** | (208.19) | (585.77) | (593.62) |
| **Cash flow from financing Activities** | 1,400.23 | 1,050.68 | 1,380.12 |

Cash flows of our Company are an important indicator of our ability to generate funds from operations to meet capital expenditure, service debt, pay dividends and undertake new investments without dependence on external financing. Based on our audited restated financial statements, our Company has reported negative net cash flow from operating activities of ₹1,184.93 lakhs, ₹668.25 lakhs and ₹586.24 lakhs for Fiscals 2025, 2024 and 2023 respectively. While our financing activities have contributed positive net cash inflows of ₹1,400.23 lakhs, ₹1,050.68 lakhs and ₹1,380.12 lakhs in the corresponding periods, such inflows were primarily on account of changes in borrowings.

There can be no assurance that our cash flows from operating activities will be positive in the future. Any insufficiency in generating adequate operating cash flows may adversely impact our ability to meet working capital requirements, repay loans, or fund growth and capital expenditure without raising additional finance. If our Company is unable to generate sufficient cash flows from its operations, our business, financial condition, and results of operations may be adversely affected.

For further details, please see "*Management's Discussion and Analysis of Financial condition and Results of Operations*" and "*Restated Financial Information***"** on page 314 and 267 respectively of this Draft Prospectus.

4. **Our Company, Promoters and Directors are involved in certain legal and regulatory proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, financial condition, cash flows and results of operations.**

There are no outstanding legal proceedings involving our Company and our Promoter which are pending at different levels of adjudication before various courts, tribunals and other authorities. Such proceedings could divert management time and attention, and consume financial resources in their defense or prosecution. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and quantifiable and include amounts claimed jointly and severally from our Company and Promoter. Any unfavorable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, financial condition and results of operations. Certain details of such outstanding legal proceedings as of date of this Draft Prospectus are set out below:

| **Particulars** | **No. of Cases** | **Total Amount Involved (Amt in Lakhs)** |
|---|---|---|
| Proceedings against our Company | | |
| Civil | NIL | NIL |
| Criminal | NIL | NIL |
| Tax* | 3 | 48.58 |
| Proceedings by our Company | | |
| Civil | NIL | NIL |
| Criminal | NIL | NIL |
| Tax | NIL | NIL |
| Proceedings against our Promoters/Directors | | |
| Civil | NIL | NIL |
| Criminal | NIL | NIL |
| Tax | NIL | NIL |
| Proceedings against by Promoters/Directors | | |
| Civil | NIL | NIL |
| Criminal | NIL | NIL |
| Tax | NIL | NIL |

***Note: The company has a contingent liability for Goods and Services Tax (GST), which totals Rs. 22.86 Lakhs. This GST liability is also contingent upon final settlement and any ongoing discussions or disputes with tax authorities.***

Further, there is no assurance that in future, we, our promoters, our directors or promoter group companies may not face legal proceedings and any adverse decision in such legal proceedings may impact our business. 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. If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Company.

Delay in making any Statutory payments viz. Tax Deducted at Source, Income Tax, Good and Service Tax, Employee Provident Fund, or any other Statutory dues which may attract any penalty or demand raised by statutory authorities in future will affect financial position of the Company. Our Company is engaged in the manufacturing business, which attracts tax liability such as Goods and Service tax and Income tax and other

Statutory taxes as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, Employee State Insurance and Professional Tax. Any demand or penalty imposed by the concerned authority in future for late payments or non-payments, both for any previous year and current year, will have an impact on the financial position of the Company.

5. **The Company is currently involved in multiple legal proceedings for which it has received all legal communication in the Gujarati language and as on the date of the Draft Prospectus the company is unable to provide the translated copies.**

The Company is currently involved in multiple legal proceedings for which it has received all legal communication in the Gujarati language. As of the date of this Draft Prospectus, the Company does not possess officially translated English copies of the following orders:

- **Vimlesh Shree Kuvarpal Yadav vs Vinod Texworld Private Limited** (RECO33C2 LC/0000601/2024)
- **Umya Engineering Works vs Government of Gujarat & Ors Vinod Texworld Private Limited** (CR A/0000314/2024)
- **Vimlesh Shree Kuvarpal Yadav vs Vinod Texworld Private Limited** (REFERENCE T LC/0000094/2025)

Due to the absence of official translations, the Company is currently unable to provide a complete and accurate summary of the nature, implications, or potential liabilities arising out of these orders. While the Company intends to obtain the certified English translations and assess any legal or financial impact, there is a possibility that these orders may have material adverse implications on the Company's operations, financial condition, reputation, or future prospects. The amount involved above said case is below the limit of material litigation as per the policy of materiality defined by the board of directors and prescribed under SEBI ICDR 2018.

Investors are cautioned that until such translations are received and fully reviewed, the extent of exposure or liability, if any, remains uncertain. Any adverse findings or directions in these untranslated orders could result in unforeseen risks or obligations for the Company.

6. ***Our Company has extended a corporate guarantee of ₹7,627.00 lakhs for a loan availed by a Promoter Group company, Vinod Cotfab Private Limited, as of March 31, 2025. This amount significantly exceeds our net worth of ₹ 3,198.00 lakhs, and any default by the borrower could materially impact our financial health.***

As of March 31, 2025, our Company has provided a corporate guarantee to State Bank of India in respect of loans availed by Vinod Cotfab Private Limited, a Promoter Group entity, amounting to ₹7,627.00 lakhs. In comparison, our net worth as on the same date was ₹3,198.00 lakhs. The guaranteed amount represents approximately 2.38 times of our net worth.

If Vinod Cotfab Private Limited defaults or delays in meeting its repayment obligations, the lender may invoke the corporate guarantee, thereby obligating our Company to settle the dues. Such an event could have a **material adverse effect** on our financial condition, cash flows, operations, and reputation. It may also impair our ability to raise further funds or meet our own financial obligations in the future.

There is no assurance that similar guarantees or support arrangements will not be extended to Promoter Group entities in the future, thereby increasing our contingent liabilities and exposure to credit risk.

7. **Any change in customer preferences or perception of our product quality, or our failure to meet customer-specified quality standards and technical specifications, may adversely affect our reputation, business relationships, and financial performance.**

We are engaged in the business of processing greige fabric into finished fabrics, which are ultimately used by clothing brands and other end-users. Our industry is highly competitive and characterized by rapidly changing

consumer preferences, evolving fashion trends, and heightened sensitivity to quality and technical standards. In such an environment, our reputation, brand image, and goodwill play a critical role in maintaining customer relationships and securing new business.

Any adverse change in customer preferences, expectations, or perceptions regarding the quality, authenticity, or finish of our products could negatively impact our reputation and credibility in the market. Similarly, our failure to anticipate or respond effectively to evolving consumer demands or quality expectations could result in reduced demand, loss of business, and a decline in revenues and profitability.

Our customers prescribe strict quality requirements and technical specifications. Despite our quality control procedures and checks at various stages of production, there can be no assurance that our products will consistently meet the required standards. Any failure to meet these standards may lead to rejection or reworking of our products, cancellation of current or future orders, or even the termination of business relationships. This may also expose us to customer disputes, complaints, warranty claims, or potential legal liabilities.

We currently do not have product liability insurance, and any claims or liabilities arising from product defects would have to be borne by the Company. Even isolated quality lapses—whether justified or not—could lead to negative publicity, loss of customer confidence, and damage to our long-standing customer relationships, which are among our key strengths.

For further details on our business operations, product portfolio, please refer to the chapter titled **"Our Business"** beginning on page 177 of this Draft Prospectus.

**8.** ***We derive a significant portion of our revenue from operations from domestic sales which exposes us to risks specific to Indian market and geographies.***

Based on audited restated financial statements, our Company derived a significant portion of our revenue from operations from domestic and export sales from our customers for the Fiscals 2025, 2024 and 2023, as set out below:

| Particulars | FY 2024-25 | | FY 2023-24 | | FY 2022-23 | |
|---|---|---|---|---|---|---|
| | Amount (₹ in lakhs) | % of our revenue from operations | Amount (₹ in lakhs) | % of our revenue from operations | Amount (₹ in lakhs) | % of our revenue from operations |
| Domestic | 33,205.65 | 99.01% | 26,663.86 | 98.21% | 19,896.87 | 99.15% |
| Export | 331.28 | 0.99% | 484.94 | 1.79% | 170.03 | 0.85% |
| **Total** | **33,536.93** | **100.00%** | **27,148.80** | **100.00%** | **20,066.90** | **100.00%** |

* *As certified by our Peer Reviewed Auditors, M/s. **S N Shah & Associates**, Chartered Accountant, vide their certificate dated September 15, 2025 vide UDIN: 25144892BMHWRQ1723.

Our Company does not provide exclusive dealership rights for its finished products. We operate through dealers and traders who regularly purchase processed fabric from us and supply the same to their customers. However, we do not enter into any exclusive contractual arrangements with such dealers in relation to specific products or market territories.

Historically, we have derived a predominant proportion of our revenue from operations from domestic sales. This concentration exposes us to risks associated with regional economic fluctuations, regulatory changes, and market conditions specific to India. A slowdown in the domestic economy, increased competition, or changes in consumer demand could adversely affect our financial performance. Furthermore, our limited international presence may restrict our ability to capitalize on global growth opportunities and reduce our ability to diversify risks arising from reliance on a single market. Consequently, our revenue growth and long-term expansion prospects may be constrained by domestic market conditions, which could also limit diversification of our customer base.

**9. We are exposed to competition from both domestic and international manufacturers and new entrants and consequent pricing pressures could have a material adverse effect on our business growth and prospects, financial condition and results of operations.**

The Textile industry is highly competitive and we face intense competition from the existing domestic and international manufacturers with a significant market presence and new entrants. These competitors offer variety of products, utilize advanced technologies and have larger production capacities, which may impact our business growth and results of operations. If the products are available at cheaper prices from existing manufacturers, it may pressurize us on pricing without compromising product quality which may put strain on our profit margin.

Some of our competitors may increase their production capacities and target the same products as us. If we do not maintain or gain sufficient market presence or are unable to differentiate ourselves from our competitors, we may not be able to compete effectively with our competitors. Our ability to compete effectively may be constrained by the following factors:

- Loss of key members of our management team and experienced employees (in particular, those that have relationships with our customers) to our competitors;
- Our competitors may be able to procure funding for their operations at more favorable terms than us;
- Our competitors may deploy more advanced technology; and
- Certain domestic or regional as well as international competitors may have a lower cost base than ours.

While we have historically been able to conduct our business at competitive margins and on a cost-effective basis, there can be no assurance that we will be able to do so in the future. Some of our competitors may have larger technical and financial resources, provide better pricing, or provide shorter delivery times, larger customer base and may have greater market reach as compared to us. Also, our ability to compete depends on a number of factors beyond our control, including the ability of our competitors to attract, train, motivate and retain highly skilled technical employees which may adversely affect our business, financial condition and results of operations.

**10. *We have only one production unit that is located in Ahmedabad, Gujarat and any localized social unrest, natural disaster breakdown of services, or any other natural disaster in and around Ahmedabad,* Gujarat *or any disruption in production at, or shutdown of, our production unit could have material adverse effect on our business and financial condition.***

As of the date of this Draft Prospectus, our production unit is located in the state of Ahmedabad, Gujarat, India. Our processing operations and consequently our business is dependent upon our ability to manage this unit, which is subject to operating risks, including those beyond our control. In the event of any disruptions at our unit, due to natural or man-made disasters, workforce disruptions, delay in regulatory approvals, fire, failure of machinery, lack of continued access to assured supply of electrical power and water at reasonable costs, changes in the policies of the states or local government or authorities or any significant social, political or economic disturbances or civil disruptions in and around Ahmedabad, Gujarat our ability to produce our products may be adversely affected.

Our production facility located in Gujarat, is subject to operating risks such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output, raw material shortage or unsuitability, obsolescence, labour disputes, strikes, lock-outs, non-availability of services of our external contractors, earthquakes and other natural disasters, pandemic, social unrests, industrial accidents, our ability to respond to technological advances and emerging industry and safety standards and practices in the industries in which we operate and propose to operate on a cost-effective and timely basis and any other factors which may or may not be within our control and also we need to comply with the directives of relevant government authorities. The occurrence of any of these risks could significantly affect our operating results. Although we take precautions to minimize the risk of any significant operational problems at our facilities, our business, financial condition, results of operations and the trading price of our Equity Shares may be adversely affected by any disruption of operations at our facilities, including due to any shutdown of our operations.

Disruptions in and around our unit could delay production or require us to shut down the unit. Any contravention of or non-compliance with the terms of various regulatory approvals applicable to the unit may also require us to cease or limit production until such noncompliance is remedied to the satisfaction of relevant regulatory authorities. We cannot assure you that we will not experience work disruptions in the future resulting from any dispute with our employees or other problems associated with our employees and the labor involved in our unit, which may hinder our regular operating activities and lead to disruptions in our operations, which could adversely affect our business, prospects, financial condition, cash flows and results of operations.

Further, any materially adverse social, political, or economic development, civil disruptions, or changes in the policies of the state government or state or local governments in this region could adversely affect our processing operations, and require a modification of our business strategy, or require us to incur significant capital expenditure or suspend our operations. Any such adverse development affecting continuous operations at our processing facility could result in significant loss due to an inability to meet customer contracts and production schedules, which could materially affect our business reputation within the industry. The occurrence of our inability to effectively respond to, any such events or effectively manage the competition in the region, could have an adverse effect on our business, results of operations, financial condition, cash flows, and future business prospects. Further, any increase in manpower costs, including due to rising wage levels or higher employee benefit expenses, could adversely impact our margins and cost competitiveness.

However, there have been no such occurrence or instances of the disclosed event since the incorporation of the company. The risk mentioned above shows the risks which may or may not occur in future which could impact the business of our Company.

**11. Our registered office and manufacturing facility, located at 185/2, Saijpur, Gopalpur, Piplaj Pirana Road, Ahmedabad, Gujarat, India – 382405, which was transferred to the Company through a non-consideration assignment**

Our registered office and manufacturing facility, located at 185/2, Saijpur, Gopalpur, Piplaj Pirana Road, Ahmedabad, Gujarat, India – 382405, was acquired on July 5, 2018, from Mr. Lalabhai Lakhabhai Bharwad. The property was transferred to the Company through a **non-consideration assignment**, which means no monetary payment was made for its acquisition.

While the assignment deed has been duly executed and registered, and all applicable stamp duties have been paid, a transfer of property without consideration may be interpreted as a gift under applicable laws. This could make the Company's title to the property vulnerable to legal challenge by third parties or the legal heirs of the assignor.

Any future dispute or successful legal challenge to the validity of our title could prevent us from using, mortgaging, or transferring the property, which could materially and adversely affect our business, financial condition, and results of operations.

**12. Majority of revenue contribution comes from the Gujarat which contributed 64.60%, 61.41% and 49.38% of our revenue from operations for the Fiscal 2025, 2024 and 2023, respectively.**

Our operations are susceptible to local and regional factors, including accidents, political developments, economic conditions, weather patterns, natural disasters, demographic shifts, outbreaks of infectious diseases, and other unforeseen events and circumstances. Such factors may have a material impact on demand, supply chain, and overall business performance in the regions where we operate.

The table below sets forth the revenues generated from various states/union territories and their contribution as a percentage of our revenue from operations for the Financial Years indicated:

| S. No. | Place | For the period ended | % of revenue | For the period | % of revenue | For the period ended | % of revenue |
|---|---|---|---|---|---|---|---|

| | | 31st March, 2025 | | ended 31st March, 2024 | | 31st March, 2023 | |
|---|---|---|---|---|---|---|---|
| **DOMESTIC** | | | | | | | |
| **1.** | Punjab | 4,570.79 | 13.63% | 4,699.00 | 17.31% | 6,432.71 | 32.06% |
| **2.** | Haryana | 0 | 0.00% | 2.82 | 0.01% | 0 | 0.00% |
| **3.** | Delhi | 1,694.97 | 5.05% | 1,080.59 | 3.98% | 958.34 | 4.78% |
| **4.** | Rajasthan | 32.12 | 0.10% | 9.87 | 0.04% | 88.02 | 0.44% |
| **5.** | Uttar Pradesh | 657.74 | 1.96% | 418.04 | 1.54% | 688.14 | 3.43% |
| **6.** | West Bengal | 2,328.58 | 6.94% | 1,989.88 | 7.33% | 1,092.91 | 5.45% |
| **7.** | Jharkhand | 2.10 | 0.01% | 0 | 0.00% | 0 | 0.00% |
| **8.** | Madhya Pradesh | 531.81 | 1.59% | 287.40 | 1.06% | 55.54 | 0.28% |
| **9.** | Gujarat | 21,664.49 | 64.60% | 16,672.40 | 61.41% | 9,909.48 | 49.38% |
| **10.** | Maharashtra | 715.34 | 2.13% | 502.94 | 1.85% | 58.30 | 0.29% |
| **11.** | Karnataka | 527.78 | 1.57% | 242.60 | 0.89% | 158.90 | 0.79% |
| **12.** | Tamil Nadu | 38.49 | 0.11% | 96.19 | 0.35% | 12.04 | 0.06% |
| **13.** | Telangana | 15.48 | 0.05% | 40.22 | 0.15% | 1.79 | 0.01% |
| **14.** | Andhra Pradesh | 425.95 | 1.27% | 621.91 | 2.29% | 440.68 | 2.20% |
| **TOTAL (A)** | | **33,205.64** | **99.01%** | **26,663.86** | **98.21%** | **19,896.87** | **99.15%** |
| **EXPORT** | | | | | | | |
| **1.** | Nepal | 331.28 | 0.99% | 484.94 | 1.79% | 170.03 | 0.85% |
| | | | | | | | |
| **Total (B)** | | **331.28** | **0.99%** | **484.94** | **1.79%** | **170.03** | **0.85%** |
| **TOTAL (A+B)** | | **33,536.93** | **100.00%** | **27,148.80** | **100.00%** | **20,066.90** | **100.00%** |

*Note: Percentage of sales is calculated on the basis of total sales.*
**As certified by our Statutory Auditors, M/s S N Shah & Associates, Chartered Accountant, vide their certificate dated September 15, 2025 vide UDIN: 25144892BMHWRD4159.*

A significant portion of our revenue is concentrated in the state of Gujarat. Based on our audited restated financial statements, Gujarat contributed **49.38%**, **61.41%**, and **64.60%** of our revenue from operations for the Fiscals 2023, 2024 and 2025 respectively. This increasing reliance on a single state exposes us to concentration risks. Any adverse economic, political, regulatory or other developments in Gujarat, including changes in local demand patterns, may materially and adversely affect our business, financial condition, and results of operations.

Further, our revenue contribution from Punjab has declined substantially from **32.06% in Fiscal 2023** to **17.31% in Fiscal 2024** and **13.63% in Fiscal 2025**. Such a decline indicates weakening contribution from a previously significant market, thereby increasing our dependence on Gujarat and a limited number of other states.

Further, any change in governmental policies or occurrence of natural disasters in any of this states/ union territory may impact our impact on our business, results of operations and cash flows.

Our ability to sustain and grow revenues will depend on maintaining and expanding our presence across multiple geographies. If we are unable to diversify our customer base across states or if we lose demand in Gujarat or Punjab, our business, results of operations, and financial performance may be adversely affected.

**13. We have made an application seeking registration of trademark " " There is no assurance that this application shall result in us being granted registration in a timely manner.**

Failure to protect our intellectual property may adversely affect our reputation, goodwill and business operations. We have not yet received registration of logo under the provisions of the Trademarks Act, 1999. As such, we do not enjoy the statutory protection accorded to a registered trademark as on date. There can be no assurance that we will be able to register the trademark in future or that, third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill.

Further, we cannot assure you that any application for registration of our trademark by our Company will be granted by the relevant authorities in a timely manner or at all. 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. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property.

**14. Our top ten suppliers contribute a significant portion of our purchases. Any loss of business with one or more of them may adversely affect our business operations and profitability.**

Our Company is significantly dependent on a limited number of suppliers for its raw material requirements. Based on audited restated financial statements for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, our Purchase from top one (1), top three (3), top five (5) and top ten (10) Suppliers are as follows:

| Sr. No. | Particulars | FY 2024-25 | | FY 2023-24 | | FY 2022-23 | |
|---|---|---|---|---|---|---|---|
| | | Amount (₹ in lakhs) | % of our revenue from operations | Amount (₹ in lakhs) | % of our revenue from operations | Amount (₹ in lakhs) | % of our revenue from operations |
| 1. | Revenue from top one (1) Supplier | 12,830.17 | 43.08% | 4,492.45 | 17.70% | 7,360.25 | 43.04% |
| | Revenue from top three (3) Supplier | 18,462.69 | 62.00% | 12,849.84 | 50.62% | 10,260.12 | 60.00% |
| 2. | Revenue from top five (5) Suppliers | 23,415.64 | 78.63% | 17,929.51 | 70.63% | 12,282.20 | 71.82% |
| 3. | Revenue from top ten (10) Suppliers | 27432.01 | 92.12% | 21809.16 | 85.91% | 14644.93 | 85.64% |

Our supplier base is concentrated, and we rely on a few significant suppliers for the majority of our purchases. Consequently, the loss of one or more of these suppliers, or a reduction in the volume of supplies from them (including but not limited to disputes, disqualification, capacity constraints, adverse market conditions, or financial difficulties), could materially and adversely affect our ability to procure raw materials in a timely, cost-effective manner. This in turn may disrupt our production schedules, business operations, and profitability.

Although we believe we have maintained long-standing and cordial relationships with our suppliers, we do not have long-term, binding agreements with them that obligate continued supply on favorable terms, or at all. There can be no assurance that such suppliers will continue to engage with us in the future on commercially favorable terms, or at all. The concentration of our purchases with relatively few suppliers increases our exposure to risks such as price fluctuations, supply shortages, and extended credit terms.

Our top ten suppliers may vary from period to period depending on demand, pricing, and supply conditions. Accordingly, the composition of such suppliers and the purchases made from them is subject to change as we continue to expand and diversify our supplier base in the normal course of business. However, in the past three years, our top suppliers have not remained consistent, and there have been fluctuations in the percentage of purchases contributed by them.

Any disruption in supply or loss of one or more such suppliers could have a material adverse effect on our purchases, business operations, cash flows, and overall financial performance.

For further details, please refer to the chapter titled "Our Business" beginning on Page 177 of this Draft Prospectus.

**15. Our inability to manage inventory in an effective manner could affect our business.**

Our business model requires us to maintain adequate levels of raw material and finished goods inventory in order to meet present and anticipated customer orders. Based on our audited financial statements, our inventory turnover ratio for the for FY 2022-23, FY 2023-24, FY 2024-25 was 8.58, 6.82 and 5.35 respectively, which we believe is sufficient to cater to the current demand.

However, in the future, underestimation of customer demand may lead to inventory shortages and potential loss of business opportunities. Conversely, overestimation of demand may result in excess stocking, leading to increased holding costs and potential risk of obsolescence or deterioration of goods. In the textile industry, processed fabrics and raw materials are particularly vulnerable to quality deterioration if stored for prolonged periods, which may further aggravate such risks.

Any mismanagement in maintaining optimum inventory levels could adversely affect our operations, profitability, and financial condition. In the past three years, no such adverse instances have occurred in our Company.

**16. 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 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 "Financial Information" beginning on Page 267 of this draft Prospectus.

**17. The loss, shutdown or slowdown of operations of our facility or the under-utilization of any such facility may have a material effect on our results of operations and financial condition.**

Our business and results of operations are dependent on our ability to effectively plan our manufacturing processes and on our ability to optimally utilize our processing capacities for the various products we manufacture. Following are the details of capacity Utilization by our company.

| Capacity type | For the financial year ended 31.03.25 | | For the financial year ended 31.03.24 | | For the financial year ended 31.03.23 | |
|---|---|---|---|---|---|---|
| | Capacity (MTRS/Annum) | As % of installed capacity (in%) | Capacity (MTRS/Annum) | As % of installed capacity (in%) | Capacity (MTRS/Annum) | As % of installed capacity (in%) |
| Installed Capacity | 2,25,00,000 | 100.00% | 1,90,00,000 | 100.00% | 1,00,00,000 | 100.00% |
| Utilised capacity | 1,98,40,507 | 88.18% | 1,62,57,755 | 85.57% | 84,08,733 | 84.09% |

**As per the chartered engineer certificate dated 1st September, 2025 issued by M/s Pranav Parikh & Associates, Chartered Engineer.*

For further details on installed capacities refer section titled "Our Business" on page 177. We cannot assure you that we will achieve higher manufacturing capacities than we have achieved in the past and will be able to achieve optimal capacity utilization at our existing manufacturing facilities.

The capacity utilization at our manufacturing facilities is subject to various factors such as timely and adequate supply of raw material, uninterrupted power supply, efficient working of machinery and equipment and optimal production planning, technical support. Higher capacity utilization is critical to achieving higher revenues and profitability. If we are unable to achieve and consistently maintain, higher levels of capacity utilization or if our capacity utilization falls below the current level, our revenues and profitability could be adversely affected. Also, lower manufacturing capacity level could also adversely impact our ability to build our customer base and grow our business.

**18. Supply Chain Disruptions or dependence on dealers and agents without formal agreements may adversely affect our sales, operations, and profitability.**

Our Company primarily distributes its products through a network of dealers and agents who facilitate the sale of our fabrics to customers. However, we currently do not have formal written agreements with these intermediaries, and our arrangements are largely based on long-standing business relationships, trust, and mutual understanding. While this model has worked for us in the past, the absence of binding contractual agreements exposes us to risks such as:

- Discontinuation or termination of services by any dealer or agent at short notice;
- Diversion of business by dealers/agents to competitors, particularly in case of better incentives or terms being offered by others;
- Disputes relating to pricing, commissions, or delivery timelines, which could disrupt operations;
- Lack of control over end-customer relationships, since dealers and agents act as the primary interface; and
- Geographical limitations in scaling operations if agents are unwilling or unable to expand their outreach.

Any breakdown in our distribution arrangements may result in loss of sales, delays in supply of goods to customers, higher operating expenses (if we are required to set up alternate channels), and a consequent impact on our profit margins and working capital cycle. Over time, sustained disruptions in supply chain and dealer relationships could also erode our overall profitability and adversely affect our liquidity ratios, which are critical for assessing financial health.

While in the past, we have not experienced any material supply chain disruption, there can be no assurance that such events will not occur in the future. Any prolonged disruption in supply chain or dealer/agent relations may have a material adverse effect on our business operations, financial condition, and results of operations.

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

As on the date of this Draft Prospectus, our Promoter and Promoter Group hold 93.10% of the issued and outstanding paid-up share capital of our Company. Following the completion of the Issue, our Promoter and Promoter Group will continue to hold together 66.85% 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.

**20. We rely on affidavits provided by our promoter group and group companies regarding shareholding in other entities**

As per the SEBI ICDR Regulations, our Draft Prospectus is required to disclose details of companies in which members of our Promoter Group and our Group Companies hold shareholding. For the purpose of such disclosures, we have relied on information and confirmations provided by our Promoter Group members and Group Companies, including through affidavits furnished by them, declaring their shareholding in other entities.

While such information has been included in this Draft Prospectus based on the disclosures made to us, we have not independently verified the accuracy or completeness of such details. In the event it is discovered that any such disclosure is inaccurate, incomplete, or if any relevant entity has been omitted, this may result in regulatory scrutiny, reputational harm or could adversely affect investors' confidence in our corporate governance standards.

**21. The Company has obtained credit ratings from Acuité Ratings & Research and CRISIL Ratings which are not favourable for the company.**

Acuité Ratings & Research has reaffirmed the long-term rating of ACUITE BBB- (read as ACUITE Triple B Minus) and the short-term rating of ACUITE A3 (read as ACUITE A Three) for the ₹63.25 crore bank facilities of Vinod Texworld Limited (VTL). These ratings continue to carry the "Issuer Not Cooperating" flag and are based on the best available information, as per Acuité's report dated November 22, 2024. Additionally, CRISIL Ratings has reaffirmed the long-term rating of CRISIL D | Issuer Not Cooperating for the ₹20.00 crore bank facilities of the Company, as per its report dated September 17, 2024.

These credit ratings indicate concerns regarding the Company's financial discipline and transparency, particularly due to the "Issuer Not Cooperating" status, which reflects the rating agencies' inability to obtain sufficient information from the Company. The rating of CRISIL D further implies a history of delays or defaults in servicing debt obligations.

A lower credit rating may significantly impact the Company's financial and operational flexibility. It could result in higher borrowing costs, more stringent loan terms, and restricted access to credit facilities, potentially affecting the Company's ability to fund working capital or expansion requirements. Lenders may demand higher interest rates, additional collateral, or shorter repayment tenures, leading to liquidity constraints and potential delays in discharging financial obligations towards employees, suppliers, and creditors.

Furthermore, adverse credit ratings may erode investor confidence, limiting the Company's capacity to raise capital through debt or equity markets. Suppliers may respond by tightening credit terms or requiring advance payments, thereby disrupting supply chains and increasing operational costs. Customers, particularly large institutional buyers, may be reluctant to enter into long-term contracts due to concerns over the Company's financial stability.

22. **We require high working capital for our smooth day to day operations of business and any discontinuance or our inability to acquire adequate working capital timely and on favourable terms may have an adverse effect on our operations, profitability and growth prospects.**

Our business demands substantial funds towards working capital requirements. Normal debtors day in Textile industry in country ranges from 30 days to 45 days. Our debtors' day were 95 days, 103 days and 119 days for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023 respectively. Our Company's available net working capital was ₹ 7,134.18 lakhs, ₹ 4,162.99 lakhs and ₹ 2,348.73 lakhs for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023 respectively. We intend to follow in future the prevailing credit term practices to our customers i.e. debtors. The working capital requirement for the financial years 2026 and 2027 is projected to be ₹ 8,348.45 lakhs and ₹ 9,958.53 lakhs, respectively. A major portion of our working capital is utilized towards trade receivables. We operate in a working capital-intensive industry therefore our business demands substantial funds towards working capital requirements. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favourable terms, at a future date, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects. For further details regarding incremental working capital requirement, please see "Objects of the Issue" on page 122 of this draft prospectus.

23. **We have significant power requirements for continuous running of our factories. Any disruption to our operations on account of interruption in power supply or any irregular or significant hike in power tariffs may have an effect on our business, results of operations and financial condition.**

Our facility and offices have substantial electricity requirements for their continuous operations. Any interruption in power supply, whether due to grid failures, outages, load shedding, or other unforeseen circumstances, may result in disruption of our production processes, delays in meeting customer orders, and underutilization of capacity. Such disruptions may adversely impact our business operations, revenues, and profitability.

We are significantly dependent on third-party providers for meeting our power requirements, as we currently have limited alternative arrangements for captive generation or renewable energy-based back-up systems such as solar plants. Our reliance on external sources makes us vulnerable to the availability, reliability, and pricing of power in the regions where we operate. For further details, please refer to the chapter titled **"Our Business"** beginning on page 177 of this Draft Prospectus.

Further, since our operations are power-intensive, any unexpected or significant increase in electricity tariffs may lead to an increase in our operating and production costs. Given the competitive nature of our industry, we may not be able to pass on such cost escalations to our customers, which could negatively impact our margins. In the regions where our factories are located, there are a limited number of electricity suppliers, thereby restricting our ability to source cost-effective alternatives in the event of tariff hikes or supply constraints.

Although in the past three years there have been no significant instances of power supply disruptions or abnormal tariff hikes adversely affecting our operations, there can be no assurance that such events will not occur in the future. Any prolonged disruption or significant increase in power costs could materially and adversely affect our business, financial condition, and results of operations.

For further details, please refer to the chapter titled **"Our Business"** beginning on page 177 of this Draft Prospectus.

24. **We are dependent on third party logistic and support service providers for the delivery of raw materials and finished products and any disruptions in their services including transportation services or a decrease in the quality of their services may adversely affect our business, financial condition and results of operations.**

We rely on third party logistic and support service providers including for transportation services at multiple stages of our business activities, including for procurement of raw materials from our suppliers and for transportation of our finished products from our manufacturing facility to our customers and warehousing facilities. We generally use road and rail transportation services to meet our transportation requirements. However, we do not enter into any long-term contracts with any logistics service provider.

We typically engage and hire service providers through the spot contracts based on factors including cost, availability and delivery schedules. Accordingly, our transportation costs may vary and are based on rates that are offered to us from time to time. Our business is also vulnerable to increased transportation costs or delivery delays due to various factors, including increase in fuel costs, freight rates, increase in port, road and toll taxes, shipping congestions, damage or losses of goods in transit, disruption of transportation services because of weather related problems, strikes, lock-outs, accidents, inadequacies in road infrastructure, currency fluctuations, changes in tariff or import policies, political uncertainty or other similar events.

We may face transportation risks including damage or losses of goods in transit, delay in deliveries to our customers etc. due to loss or pilferage, which we may not be able to fully recover from our service provider or from our insurance coverage. Further, while we adjust freight costs in the cost of products sold to our customers, we bear transportation risk for the duration of transit. In addition, we may be required to replace a service provider if its services do not meet our safety, quality or performance standards or the partner's non-compliance with applicable laws or if it should unexpectedly discontinue operations due to reasons beyond its or our control. While freight costs have increased as a percentage to the total expenses in the last 3 financial years, these costs are passed on to our customers. Any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or inability to deliver our products to our customers, or may require us to look for alternative means of transportation which may not be cost or time efficient, thereby adversely affecting our operations, profitability, reputation and market position.

Our operations and profitability are dependent upon the availability of reliable logistic and support services in a timely and cost-efficient manner and any disruption in these services including transportation services or increase in their cost may affect our business, financial condition and results of operations.

**25. Our Company is yet to place orders for the machineries for the expansion of the existing plant. Any delay in placing orders of such machinery may delay the schedule of implementation and possibly increase the cost of commencing operations.**

Our Company has received third party quotations for the machineries for expansion of the existing plant proposed to be installed at 185/2, Saijpur, Gopalpur, Opp. Shanti Process, Piplaj Pirana Road, Ahmedabad, Gujarat, India, 382405. Although, we have identified the vendor purchase of machinery for expansion of the existing plant proposed to be purchased from the Net Proceeds, the cost of the proposed purchase of machinery is based on the quotations received from third party vendors and such quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. For details, please refer to the chapter titled "Objects of the Issue" beginning on page 122 of this Draft Prospectus.

We cannot assure that we will be able to procure the machineries for expansion of the existing plant in a timely manner and at the same price at which the quotations have been received. In the event of any delay in placing the orders, or an escalation in the cost of acquisition of the machineries for expansion of the existing plant or in the event the vendors are not able to provide machineries for expansion of the existing plant in a timely manner, or at all, we may encounter time and cost overruns in expanding the capacity of the business operation. Further, if we are unable to procure machinery from the vendors from whom we have procured quotations, we cannot assure you that we may be able to identify alternative vendors to provide us with the machineries for expansion of the existing plant which satisfy our requirements at acceptable prices. Our inability to procure the machinery at acceptable prices or in a timely manner, may result in an increase in capital expenditure, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, prospects and results of operations.

**26. Our Company had filed certain ROC forms with delayed fees and Company cannot assure that no proceedings or regulatory actions will be initiated against it in relation to the non-filing and delayed filing.**

Our company has filed certain roc forms with delayed fees with ROC in the past years. Although, no show cause notice in respect of the above has been received by the Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent.

We would like to inform you that following are the forms that the company has filed with delayed fees with ROC:

| S. No. | Particulars of e-forms | Date of Event | Date of Filing | Financial year | Normal Fees | Additional Fees |
|---|---|---|---|---|---|---|
| **1.** | Form 20B | 31-03-13 | 31-12-14 | FY 2013-14 | 600 | 1800 |
| **2.** | Form 23AC | 31-03-13 | 31-12-14 | FY 2013-14 | 600 | 1800 |
| **3.** | ADT-1 | 30-09-14 | 30-12-14 | FY 2014-15 | 600 | 3600 |
| **4.** | CHG-1 | 27-03-15 | 05-05-15 | FY 2014-15 | 600 | 1200 |
| **5.** | Form 20B | 30-09-14 | 27-12-14 | FY 2014-15 | 600 | 1200 |
| **6.** | Form 23AC | 30-09-14 | 31-12-14 | FY 2014-15 | 600 | 2400 |
| **7.** | Form-66 | 30-09-14 | 27-12-14 | FY 2014-15 | 600 | 2400 |
| **8.** | MGT-14 | 02-09-14 | 30-12-14 | FY 2014-15 | 600 | 3600 |
| **9.** | ADT-1 | 30-09-15 | 02-12-15 | FY 2015-16 | 600 | 2400 |
| **10.** | ADT-1 | 30-09-17 | 27-09-25 | FY 2016-17 | 600 | 7200 |
| **11.** | ADT-1 | 30-09-18 | 27-09-25 | FY 2017-18 | 600 | 7200 |
| **12.** | DPT-3 | 30-06-19 | 04-07-19 | FY 2019-20 | 600 | 1200 |
| **13.** | DPT-3 | 30-06-19 | 04-07-19 | FY 2019-20 | 600 | 1200 |
| **14.** | CHG-1 | 12-11-21 | 03-01-22 | FY 2021-22 | 600 | 3600 |
| **15.** | CRA-2 | 01-09-21 | 23-09-22 | FY 2021-22 | 600 | 7200 |
| **16.** | MGT-14 | 28-04-21 | 27-09-25 | FY 2021-22 | 600 | 7200 |
| **17.** | CHG-1 | 19-07-23 | 13-09-23 | FY 2023-24 | 600 | 3600 |
| **18.** | DIR-12 | 25-10-24 | 30-11-24 | FY 2024-25 | 600 | 1200 |
| **19.** | INC-27 | 05-11-24 | 13-12-24 | FY 2024-25 | 600 | 1200 |
| **20.** | DIR-12 | 25-10-24 | 30-11-24 | FY 2024-25 | 600 | 1200 |
| **21.** | MGT-14 | 05-08-25 | 08-09-25 | FY 2025-26 | 600 | 1200 |

*Note:*

1. *the above data is based on the Challans available on the website of Ministry of Corporate Affairs i.e. (https://www.mca.gov.in/mcafoportal/checkFilingStatus.do).*

**27. Certain statutory filings made with the Registrar of Companies in the past may contain defects, and we may be required to re-file such forms, which could result in additional costs, penalties, or delays.**

We have identified that certain statutory forms (e-forms) previously filed with the Registrar of Companies ("RoC") may contain defects due to historical clerical errors, incomplete disclosures, or other inadvertent omissions. While these issues may not have been identified as non-compliant at the time of filing, there can be no assurance that they will not be scrutinized in the future by regulatory authorities, including the RoC.

If any such defects are identified, whether by us or by the RoC, we may be required to re-file the relevant forms and make appropriate disclosures. This could result in additional costs, penalties, or fines and may also lead to delays in obtaining approvals, completing corporate actions, or progressing with other regulatory or legal matters. In certain cases, adjudication proceedings may be initiated by the RoC.

The full extent of the implications of such non-compliances, if any, cannot be ascertained at this stage, and any regulatory action in this regard could adversely affect our business operations, reputation, or proposed transactions under this Offer.

**28. Our Company has duly filed all returns and made statutory payments such as Tax Deducted at Source, Income Tax, Goods and Services Tax, Employee Provident Fund, Employees State Insurance, and other applicable statutory dues within the prescribed timelines. However, there can be no assurance that there will be no delay in filing or payment of such statutory dues in the future. Any delay in making statutory payments or filing returns, if it occurs, may attract penalties or demands raised by the concerned statutory authorities and could have an adverse impact on the financial position of the Company.**

Our Company is required to make various statutory payments and filings within prescribed timelines, including but not limited to Tax Deducted at Source, Income Tax, Goods and Services Tax, Employee Provident Fund, Employees State Insurance, and other applicable statutory dues under prevailing laws. We are also required to comply with labour and employment laws, including timely deposit of contributions and filing of related returns. While our Company endeavours to comply with all applicable statutory requirements, there can be no assurance that we will not experience delays or lapses in the future due to inadvertence, system-related issues, resource constraints, interpretation of law, changes in applicable regulations, or other unforeseen factors. Any delay or default in making such statutory payments or filings may attract penalties, interest, or demands from the concerned authorities, and in certain cases, could also lead to litigation or prosecution. Such actions may have an adverse effect on our financial condition, results of operations, cash flows, and reputation.

For further details regarding our statutory compliances, please refer to the chapters titled "Our Business" and "Financial Information" beginning on pages 177 and 267 of this Draft Prospectus.

**29. Our business is manpower intensive and any unavailability of our employees or shortage of labour or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing hiring of labour may have an adverse impact on our cash flows and results of operations.**

Our business is manpower intensive and we are dependent on the availability of our permanent employees and the supply of a sufficient pool of laborers at our factories. currently we have 103 employees:

| **Count of Employee Code**<br>**Department** | **No. of Employees (as on 31st August, 2025)** |
|---|---|
| Finance & Accounts | 10 |
| Legal and Compliance | 2 |
| Mechanical Engineer | 2 |
| Designer | 1 |
| Sample – Fabric Sample Checking | 4 |
| Fitter/ Fitter helper/ Welder | 10 |
| Driver | 3 |
| Electric Engineer | 1 |
| Electricians | 4 |
| Dispatch Department | 6 |
| Dispatch Driver | 3 |
| Finish Department | 5 |
| Grey Department | 1 |
| Human Resource | 1 |
| LAB Department | 3 |
| Manager | 5 |
| Production Department | 16 |
| Printing department | 2 |
| Packing Department | 2 |

| Count of Employee Code<br>Department | No. of Employees (as on 31st August, 2025) |
|---|---|
| Salesman/Market | 10 |
| Store Department & Store Incharge | 5 |
| Mechanical Store Clerk | 1 |
| Administration (Office Staff, Receptionist) | 1 |
| Others (Office Boy/ Helper/House Keeping) | 5 |
| **Grand Total** | **103** |

Our employee attrition rate is as follows:

| Particulars | Associate | Sub staff | Staff | Total |
|---|---|---|---|---|
| **Financial Year 2022-23** | | | | |
| Opening | 8 | 7 | 58 | 73 |
| Add | 3 | 3 | 23 | 29 |
| less | 2 | 1 | 21 | 24 |
| Closing | 9 | 9 | 60 | 78 |
| **Total (%)** | **23.53%** | **12.50%** | **35.59%** | **31.79%** |
| **Financial Year 2023-24** | | | | |
| Opening | 9 | 9 | 60 | 78 |
| Add | 4 | 5 | 32 | 41 |
| less | 0 | 2 | 27 | 29 |
| Closing | 13 | 12 | 65 | 90 |
| **Total (%)** | **0.00%** | **19.05%** | **43.20%** | **34.52%** |
| **Financial Year 2024-25** | | | | |
| Opening | 13 | 12 | 65 | 90 |
| Add | 6 | 3 | 23 | 32 |
| less | 2 | 3 | 15 | 20 |
| Closing | 17 | 12 | 73 | 102 |
| **Total (%)** | **13.33%** | **25.00%** | **21.74%** | **20.83%** |

Unavailability or shortage of such a pool of workmen or any strikes, work stoppages, increase wage demands by workmen or changes in regulations governing hiring of labour may have an adverse impact on our cash flows and results of operations.

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 are subject to laws and regulations relating to employee welfare and benefits such as minimum wage, working conditions, employee insurance, and other such employee benefits and any changes to existing labour legislations, including upward revision of wages required by such state governments to be paid to such labours, limitations on the number of hours of work or provision of improved facilities, such as food or safety equipment, may adversely affect our business and results of our operations.

Further, there can be no assurance that disruptions in our business will not be experienced if there are strikes, work stoppages, disputes or other problems with labour at our manufacturing units production unit. This may adversely affect our business and cash flows and results of operations. In past three years no such instances occurred in the Company.

For Further details, please refer to chapter titled "Our Business" beginning on Page 177 of this Draft Prospectus.

**30. Our Promoter-cum-Director has professional experience limited to Group Companies, which may restrict exposure to diverse business practices.**

Our Promoter-cum-Director has acquired experience primarily through roles held within our Group Companies and has not been exposed to professional environments outside the Group. While this experience provides a strong understanding of our internal operations and business model, the lack of exposure to external companies or industries may limit the ability to bring in diverse managerial practices, innovative approaches, or broader industry insights. This could affect the Company's ability to adapt to evolving market conditions, implement globally competitive strategies, or benchmark against industry best practices. There can be no assurance that this limitation will not have an adverse impact on our business operations, growth prospects, or financial performance.

**31. Inability to Substantiate the Educational Qualifications and Prior Professional Experience of Certain Senior Management Personnel, Which Have Accordingly Been Recorded as Nil for the Purpose of this Draft Prospectus.**

Two of our Senior Management Personnel named Mr. Manish Om Prakash Sharma (Purchase Manager) and Mr. Mukesh Saini (General Manager) have disclosed their prior service experience; however, we have not been able to obtain authentic documentation, experience certificates, or other verifiable evidence to substantiate such claims.

Further one of Senior Management Personnel named Mr. Mukesh Saini (General Manager) have disclosed their educational qualifications; however, we have not been able to obtain authentic documentation, degree certificates, or other verifiable evidence to substantiate such claims.

Accordingly, for the purposes of this Draft Prospectus, the educational qualifications of one of these personnel have been recorded as Nil, while both individuals' prior work experience have been recorded as Nil due to the absence of supporting documentation.

While both individuals currently meet the requirements to hold their respective positions and possess adequate knowledge to discharge their responsibilities, the absence of verifiable educational credentials and employment records may raise concerns regarding their ability to effectively manage their roles, particularly during and after the public issue process.

**32. Company's warehouse is not owned by the company and taken on the lease. Any termination of the relevant lease agreement in connection with such property or our failure to renew the same could adversely affect our operations.**

Our Manufacturing Unit and registered Office is located at Survey No. 185/2 Saijpur Gopalpur, Piran Road Piplaj, Ahmedabad which owned by the company and warehouse and proposed solar power plant land are on lease . We have obtained these properties on lease details of the same are as follows:

| S. No. | Address | Details of the Agreements | Date of Agreement | Area (sq. ft) | Usage area | Validity | Possession | Details of Transferor/Lessor |
|---|---|---|---|---|---|---|---|---|
| **1.** | Survry No 128 Godown No-3, Bharwad Vas -4 Opp, Nimesh Transport, Piplaj Pirana Road, Ahmedabad | Leave and License Agreement dated April 24, 2025, at Monthly Compensation of Rs. 67000/- (Sixty-Seven Thousand Rs. Only) per month | April 24, 2025 | 700 | Warehouse | 11 Months and 29 Days | Leave and license | Baldevbhai Popatbhai Bharwad |
| **2.** | Survey No 302, village Paladi, Tal Diyodar, Dist-Banasakatha, Gujrat | Lease Agreement Between Vaghela Jitendrasinh hathesinh and Vinod texworld LTD - The Lessor is absolute owner of the land measuring 16,048 Sq. Mtr. | March 25, 2025 | 16,048 | Installation of Ground Mounter Solar Power Project | 29 Years and 11 Month | Lease | Jitendrasinh hathesinh |

Any termination of the lease in connection with these 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. In past three years no such instances occurred in the Company.

For details regarding properties taken on lease refer the Section titled Place of Business on "Our Business" beginning on page no. 177 of this draft Prospectus.

**33. *We have not commissioned an industry report for the disclosures made in the section titled "Industry Overview" and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.***

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the section titled ―Industry Overview beginning on page 149 of this draft Prospectus. We have made disclosures in the said chapter on the basis of the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this draft Prospectus. Further, the industry data mentioned in this Draft Prospectus or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this draft Prospectus in this context.

**34. We require various licenses and approvals for undertaking our businesses and the failure to obtain or retain such licenses or approvals in a timely manner, or at all, may adversely affect our operations.**

Our business is subject to various government regulations and we require approvals, licenses, registrations and permissions for operating our business.

We are also required to renew certain approvals and licenses from time to time, and may be required to obtain new licenses and permissions as our operations expand. Any failure to obtain or renew such approvals, or

comply with applicable laws and regulations, could result in penalties or sanctions by relevant authorities. For further details, see "Government and Other Statutory Approvals" beginning on page 347 of this Prospectus.

If we are unable to obtain or renew the required licenses and approvals in a timely manner or at all, or if the terms on which they are granted are not favorable, our business operations, financial condition and results of operations may be adversely affected.

**35. Information relating to our installed capacities and the historical capacity utilization of our manufacturing facility included in this Draft Prospectus is based on various assumptions and estimates and future production and capacity utilization may vary.**

Information relating to our installed capacities and the historical capacity utilization of our manufacturing facility included in this Draft Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials and assumptions relating to potential utilization levels and operational efficiencies. Though the details related to our installed capacities and actual utilization is certified by Pranav Parikh & Associates, Independent Chartered Engineer dated September 01, 2025, the Actual utilization rates may differ significantly from the estimated installed capacities or historical estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our installed capacity or historical estimated capacity utilization information for our existing facilities included in this Draft Prospectus.

**36. We have significant levels of indebtedness, both secured and unsecured, and servicing this debt requires substantial cash flows. Any failure to meet our repayment and other obligations may adversely affect our business, financial condition, and results of operations.**

As per our Restated Financial Statements, our total outstanding long-term borrowings were ₹1,747.63 lakhs, ₹1,946.95 lakhs, and ₹1,923.76 lakhs as at March 31, 2025, 2024, and 2023, respectively. These consist of secured term loans from banks and NBFCs, and unsecured loans from other parties. In addition, our short-term borrowings (including working capital facilities, current maturities of long-term borrowings, and unsecured borrowings) stood at ₹4,880.13 lakhs, ₹2,753.96 lakhs, and ₹1,564.03 lakhs as at March 31, 2025, 2024, and 2023, respectively.

Our borrowings are secured against certain of our assets, which limits our flexibility to dispose of, or deal with, such assets. Further, a significant portion of our borrowings comprises short-term loans, including cash credit from banks (₹4,323.40 lakhs, ₹2,497.93 lakhs, and ₹1,348.49 lakhs as at March 31, 2025, 2024, and 2023, respectively) and current maturities of long-term debt. These facilities are repayable on demand or within a short period, thereby exposing us to refinancing and liquidity risks.

Our ability to service our debt obligations depends primarily on our operating performance and cash flows, which may be affected by various factors beyond our control such as downturns in the industry, increased working capital requirements, or delays in collections from customers. Any inability to generate sufficient cash flows to service our borrowings may force us to refinance, curtail business operations, or dispose of certain assets, which could adversely affect our business and profitability.

In the event of any default under our financing agreements, our lenders may enforce their security interests over our assets, which may adversely impact our operations and financial condition. Moreover, our financing agreements may contain restrictive covenants, including requirements to maintain certain financial ratios and restrictions on incurring additional debt, creating encumbrances, or undertaking new projects. Breach of these covenants could result in the acceleration of repayment obligations.

While we believe we will be able to service our borrowings from our internal accruals and cash flows from operations, there can be no assurance that we will continue to have sufficient liquidity to meet our debt obligations on time and under favorable terms. Any such inability could materially and adversely affect our business, financial condition, cash flows, and results of operations.

As of March 31, 2025, our total secured borrowings (comprising long-term and short-term borrowings) amounted to ₹5,590.17 lakhs, including secured term loans from banks and working capital facilities such as cash credit. Our indebtedness has several important consequences, including the following:

- A portion of our cash flows will be utilized towards repayment of debt and servicing of interest, which reduces the availability of funds for our working capital requirements, capital expenditure, and other general corporate purposes;

- The existence of encumbrances on certain of our assets, provided as security to lenders, may constrain our operational flexibility. In the event of an enforcement of security on account of an event of default (if not waived or cured), our ability to continue operations at affected locations may be restricted;

- Fluctuations in interest rates may affect our cost of borrowing, since a substantial portion of our borrowings is at floating rates of interest.

Our financing arrangements contain certain financial and restrictive covenants, including requirements to maintain specified financial ratios, restrictions on additional indebtedness, and periodic reporting obligations. Any failure to comply with such covenants, or to obtain timely waivers or consents from lenders, may result in lenders declaring an event of default. This could, in turn, lead to acceleration of repayment obligations, an increase in applicable interest rates, or trigger cross-default or cross-acceleration clauses in other financing agreements.

Although we have not experienced any disruption or default in our loan facilities in the past three years, any termination of, or enforcement action under, our current or future financing agreements (if not waived or cured) may adversely affect our ability to raise additional funds, renew or refinance maturing borrowings, and finance our ongoing operations and growth initiatives. This could have a material adverse effect on our business, results of operations, and financial condition.

For further details of our Company's borrowings, see "Financial Information" on page 267 of this draft Prospectus.

**37. We are significantly dependent on short-term borrowings, including working capital financing, and any inability to obtain or renew such financing on favorable terms could adversely affect our business, operations, and financial condition.**

Our Company relies heavily on short-term borrowings, including cash credit facilities from banks and current maturities of long-term borrowings, to fund its day-to-day working capital requirements. Based on our Restated Financial Statements, our cash credit borrowings from banks increased from ₹1,348.49 lakhs as at March 31, 2023 to ₹2,497.93 lakhs as at March 31, 2024, and further to ₹4,323.40 lakhs as at March 31, 2025. This reflects a significant rise in our dependence on short-term bank finance for operations.

Such borrowings are generally repayable on demand and are subject to periodic review by lenders. Any delay or failure in renewing or enhancing our working capital limits, or withdrawal of such facilities by lenders, may materially affect our ability to meet our short-term liquidity requirements. Further, an increase in interest rates, changes in credit terms, or tightening of credit availability by banks and financial institutions may increase our finance costs and adversely impact our profitability.

In addition, any default or delay in repayment of our short-term obligations could adversely affect our credit ratings, restrict our ability to raise additional financing, and potentially result in lenders enforcing their security interests over our assets. Our reliance on short-term debt also exposes us to refinancing risks and heightened vulnerability to fluctuations in cash flows.

While we believe we will continue to have access to such working capital facilities in the ordinary course of business, there can be no assurance that our lenders will continue to extend these facilities on terms favorable to us, or at all. Any disruption in our access to short-term financing could materially and adversely affect our operations, liquidity, and overall financial performance.

For further details of our Company's borrowings, see "Financial Information" on page 267 of this draft Prospectus.

**38. 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 developed relationships with customer. For further details, see the section titled "Our Business Overview" on page 177 of this Draft Prospectus. Our success in implementing our growth strategies may be affected by:

- Our ability to identify new markets to expand;
- Our ability to maintain the quality of our product;
- Changes in the Indian regulatory environment in field of Textile & apparel industry

There can be no assurance that we will be able to execute our strategy on time and within our estimated budget, or that our expansion and development plans will increase our profitability. Any of these factors could impact our results of operations. We cannot assure you that we will not face any time or cost overruns in respect of implementation of our strategies in the future. Further, we expect our growth strategy to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and implement our growth strategy could have effect on our business, financial condition and profitability.

**39. Our export sales are negligible and concentrated in a single country, Nepal. Our export revenues are negligible and we have a limited international market presence, which may restrict our growth opportunities.**

Our Company derives only a negligible portion of its revenue from exports, which constituted approximately 0.99% of our total revenue for the most recent financial year, and such exports were limited to Nepal. This reflects our very low dependence on exports as compared to industry peers who may have a diversified international customer base.

While this reduces our exposure to risks arising from global trade fluctuations, it also limits our ability to capture growth opportunities available in overseas markets. Our limited international presence may restrict our ability to expand revenues, achieve economies of scale, or mitigate risks associated with dependence on the domestic market.

Further, the concentration of our exports in a single country exposes us to potential risks such as changes in trade policies, imposition of tariffs, or regulatory restrictions in Nepal. Although the impact of any disruption would be limited due to the small share of exports in our overall revenue, our inability to increase and diversify export sales may constrain our long-term growth prospects.

For further details, please refer to the chapter titled **"Our Business"** beginning on Page 177 of this Draft Prospectus.

**40. Any deficiency in our products could make our Company liable for client claims, which in turn could affect our Company's results of operations.**

Our Company is bound by the terms and conditions as placed before its clients. There are no specific regulations governing the supply of the same, other than the general law of contracts. Any claims made by these clients for deficiency in our products, would be subject to these terms and conditions, which are in the nature of normal contractual obligations in India. Any breach of these obligations could impact our Company's results of operations. In past three years no such instances occurred in the Company.

**41. The directors of our company don't have the experience of the listed company and the requirements of being a listed company may strain our resources.**

Except for Mr. Harsh Vinod Mittal, Whole-time Director, none of the other Directors of the Company have prior experience serving on the board of a listed company. However, all the Directors possess substantial experience in the Textile industry. We are not a listed company. We have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, Directors and the Company will incur significant legal, accounting, corporate governance, and other expenses that we did not incur as an unlisted company. We will be subject to the equity listing agreement with the Stock Exchange which will require us to file audited annual and half yearly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a listed company, Directors and the Company will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required.

As a result, our management's attention may be diverted from business concerns, which may adversely affect our business, prospects, financial condition, and results of operations. Further, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge but cannot assure that we will be able to do so in a timely and efficient manner.

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

The market in which our company operates is highly competitive due to the presence of both organized and unorganized players. Competitors in this industry typically vie for market share by emphasizing key attributes such as product quality, price, customer service, and innovation. Some of our competitors have significant advantages, including longer industry experience and superior financial, technical, and operational resources. These advantages may enable them to respond more quickly to changing market conditions, adapt to new trends, and invest in advanced technologies, all of which can enhance their competitive edge. Consequently, we must remain agile and continually evaluate and adjust our strategies to maintain our market position. If we are unable to compete successfully, we could lose our customers, which would negatively impact our sales and financial performance. Further, the competitive nature of the textile industry may result in lower prices for our products and decreased gross profit margins, either of which may materially adversely affect our sales and profitability.

**43. Our inability to secure or renew working capital borrowings in the future may lead to liquidity constraints and adversely affect our operations, financial condition, and growth prospects.**

Our Company is dependent on borrowings from banks and financial institutions to meet its working capital requirements and ensure smooth functioning of operations. As of March 31, 2025, our outstanding borrowings included multiple term loans and working capital facilities from lenders such as State Bank of India, HDFC

Bank, Au Small Finance Bank Ltd. and Daimler Financial Services India Pvt. Ltd. These facilities are critical to maintain our day-to-day operations, including procurement of raw materials, payment to suppliers, employee costs, and other operational expenses.

If we are unable to secure additional working capital borrowings in the future, or if our existing borrowings are not renewed or are withdrawn, we may face severe liquidity issues. This could result in disruption of operations, delays in production and delivery schedules, and deterioration of relationships with suppliers and customers. A failure to meet our obligations on time may also lead to an increase in short-term liabilities, potential defaults, and enforcement of security interests over our assets.

Further, in the event of liquidity stress, we may be compelled to liquidate our inventories or other assets at unfavorable terms, adversely impacting our profitability. Additionally, reliance on emergency or high-cost financing options, if available, could increase our finance costs and reduce margins. Any of these events could materially and adversely affect our business, financial condition, results of operations, and future growth prospects.

**44. The average cost of acquisition of Equity Shares by our Promoter could be lower than the Issue Price.**

Our Promoter average cost of acquisition of Equity Shares in our Company is lower than the Issue Price decided by the Company in consultation with the 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 Promoter in our Company, please refer to the chapters "Capital Structure" beginning on pages 101 of this Draft Prospectus.

**45. We have issued equity shares only through Right Issues since incorporation and not through any bonus issue, and our ability to raise equity capital in the future may depend on shareholders' continued participation**

Since incorporation, our Company has not issued any bonus shares and has relied exclusively on Right Issues for augmenting its paid-up share capital. All increases in our equity base have therefore been dependent on fresh cash inflows from our shareholders rather than capitalization of reserves. Consequently, our shareholders have not received any bonus shares till date.

Future capital raising through Right Issues will require the willingness and ability of our existing shareholders to subscribe, and there can be no assurance that they will do so at all times. In the absence of adequate subscription by shareholders, our ability to raise funds through this route may be adversely affected. Further, any future issuance of bonus shares will depend on the availability of sufficient reserves and compliance with applicable laws, and there can be no assurance that our Company will be able to declare or issue bonus shares in the future.

The Equity Shares being offered under this Issue are at a premium compared to the price at which shares have been issued in prior Right Issues, on account of factors such as the growth of our operations, improved financial performance, and prevailing market conditions.

For further details of equity shares issued by our Company, please refer to the chapter titled **"Capital Structure"** beginning on page 101 of this Draft Prospectus.

**46. Our Company enters into related party transactions, which are conducted on an arm's length basis, and there can be no assurance that such transactions will not give rise to conflicts of interest or that we could not have achieved more favorable terms if such transactions had been entered into with unrelated parties.**

Our Company has entered, and may continue to enter, into transactions with our related parties, including our Promoters, group entities, and other companies under common control. While we believe that all such transactions have been undertaken on an arm's length basis and in the ordinary course of business, there can be

no assurance that such transactions, individually or in the aggregate, will always be on terms as favorable as those that could have been obtained from unrelated third parties.

Although our Audit Committee and Board of Directors monitor related party transactions to ensure compliance with applicable laws, including the Companies Act, 2013 and SEBI regulations, potential conflicts of interest may still arise. Any perception of preferential treatment, non-arm's length dealings, or dependence on related parties for critical business operations could have an adverse effect on our reputation, governance standards, financial condition, and results of operations.

For further details of related party transactions, please refer to the chapter titled "Related Party Transactions" beginning on page 263 of this Draft Prospectus.

**47. Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition.**

While we maintain insurance coverage, in amounts which we believe are commercially appropriate, we may not have sufficient insurance coverage to cover all possible economic losses, including when the loss suffered is not easily quantifiable and in the event of severe damage to our business. Even if we have made a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy.

Our Company has obtained insurance policies including Standard Fire and Special Perils, vehicle insurance, and other asset-related covers from various insurers such as Shriram General Insurance, SBI General Insurance, TATA AIG Insurance, United India Insurance Company Limited and Liberty General Insurance. While these policies cover specific risks like fire, special perils, and vehicle-related risks, our insurance coverage may not be comprehensive or adequate to cover all potential risks associated with our business operations. For instance, our policies may exclude certain force majeure events, business interruptions, liability claims, or losses arising due to operational disruptions.

Our Company has taken the company had following insurance claim during the last three years:

*Amount in (Rs. Lakhs)*

| Sr. No. | Particulars | FY 22-23 | FY 23-24 | FY 24-25 |
|---|---|---|---|---|
| 1. | **SBI General Bharat Laghu Udyam Suraksha UIN** IRDAN144RP0031V01202021; **Policy No.** 0000000031910997; **Issue Date:** 31/12/2022; **Total Sum Insured (Amount in Lakhs):** 4,495.00 | - | 31.41 | - |

Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on commercially acceptable terms. The occurrence of an event for which we are not adequately or sufficiently insured could have an effect on our business, results of operations, financial condition, and cash flows.

In the past three years, there have been no material instances where we have suffered losses that were not covered by insurance.

For further details, please refer to the chapter titled **"Our Business"** beginning on page 177 of this Draft Prospectus.

**48. Some of our Group Companies and Promoter Group Entities operate in businesses connected with the textile and garment industry, and we have entered into related party transactions with them. Absence of a non-compete arrangement with such entities could result in potential conflicts of interest.**

Certain of our Group Companies and Promoter Group Entities, namely *Anil Exports (India), Vinod Texspin LLP, Kratisha Impex (Proprietorship), Vinod Spinners Private Limited, Vinod Cotfab Private Limited, Vinod Denim Limited, Vinod Fabrics Private Limited* and *Siddhyug Textiles Private Limited*, are engaged in businesses connected with the garment and textile industry. While these entities may not be operating in the exact same line of business as ours, they operate in the broader textile value chain and therefore share commercial linkages with our industry.

Our Company has, in the past, entered into transactions such as purchase and sale of goods and services with certain Group Companies and Promoter Group Entities, and we may continue to do so in the future. For further details of such transactions, please refer to *Note AB of the Restated Financial Statements* under the chapter titled **"Financial Information"** beginning on page 305 of this Draft Prospectus.

Further, our Company has not entered into any non-compete agreement with our Promoters or the aforesaid Group Companies and Promoter Group Entities. Accordingly, there can be no assurance that our Promoters, who have interests in such entities, will not favour the interests of those entities. As a result, potential conflicts of interest may arise in allocating business opportunities between our Company and our Promoter Group Entities, particularly in circumstances where the interests of these entities and our Company diverge.

Any such present or future conflict of interest could adversely affect our reputation, business, results of operations, and financial condition, and may impact our profitability. For further details, please refer to the chapter titled **"Our Promoter and Promoter Group"** beginning on page 249 of this Draft Prospectus.

**49. Within the parameters as mentioned in the chapter titled 'Objects of the Issue' beginning on page 122, our Company's management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution. Any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.**

We intend to use Issue Proceeds towards Funding the Expansion of Existing Plant, Repayment of Loan, Working Capital Requirements, General Corporate Purposes and to meet Issue expenses. We intend to deploy the Net Issue Proceeds in FY 2025-26 and 2026-27. Such deployment is based on certain assumptions and strategy which our Company intends to implement in near future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled "Objects of the Issue" beginning on page 122.

The deployment of funds for the purposes described above is at the discretion of our Company's Board of Directors. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled "Objects of the Issue" beginning on page 122, the Management of the Company will have significant flexibility in applying the proceeds received by our Company from the Issue.

Our Company proposes to deploy the entire Net Proceeds towards Expansion of Existing Plant, Repayment of Loan, Working Capital Requirements and General Corporate Purposes during FY 2025-26 and 2026-27. However, if the Net Proceeds are not completely utilized for the objects stated in Draft Prospectus due to factors such as (i) economic and business conditions; (ii) increased competition; (iii) market conditions outside the control of our Company and its management; and (iv) other commercial considerations such as availability of alternate financial resources, the same would be utilised (in part or full) in a subsequent period as may be determined by our Company in accordance with applicable law. For further details on the use of the Issue Proceeds, please refer chapter titled "Objects of the Issue" beginning on page 122.

In the event of any such circumstances that requires us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Further,

our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the objects of the Offer as prescribed in the SEBI ICDR Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected. Therefore, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition and may adversely affect our business and results of operations.

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

Our Promoter, Managing Director, management team and skilled manpower have significantly contributed to the growth of our business, and our future success is dependent on the continued services of our management team. We don't have any written contract with our KMPs, SMP and our 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 249 & 230 of this Draft Prospectus.

**51. Our failure to adapt to technological developments or industry trends could affect the performance and features of our products, and reduce our attractiveness to our customers.**

As our operations grow in scope and size, whether through offering of new products or expansion into new markets, we must continuously improve, upgrade, adapt and expand our systems and infrastructure to offer our customers enhanced products, features and functionality ahead of rapidly evolving customer demands, while maintaining the reliability and integrity of our systems and infrastructure in a cost-efficient and competitive manner. The systems, infrastructure and technologies we currently employ may become obsolete or be unable to support our increased size and scale. Even if we are able to maintain, upgrade or replace our existing systems or innovate or customize and develop new technologies and systems, we may not be as quick or efficient as our competitors in upgrading or replacing our systems. We may be unable to devote adequate financial resources or obtain sufficient financing on commercially acceptable terms in time, or at all, which may have a material adverse effect on our business, prospects, results of operation and financial condition.

For further details regarding our business, please refer to chapter titled "Our Business" on Page 177 of this Draft Prospectus.

**52. 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 favourable 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 144 of this draft 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.

**53. Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.**

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. In the case of interim dividend, we may not be able to pay such dividend without the consent of board of directors. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. We may, in future, issue covetable securities Our Company has not declared dividends in the past, and there can be no assurance that our Company will declare dividends in the future also. For further details, please refer to the chapter titled "Dividend Policy" on page 266 of this draft Prospectus.

**54. 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. In past three years no such instances occurred in the Company.

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. In past three years no such instances occurred in the Company.

**55. 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 offered by the 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 "Financial Information" beginning on Page 267 of this Draft Prospectus.

**56. We rely on effective marketing strategies to drive brand visibility and customer engagement, and any failure to adapt to digital marketing trends or continued reliance on traditional channels may adversely affect our ability to reach new customers, resulting in reduced profitability and growth prospects.**

As digital marketing and social media platforms continue to dominate the marketing landscape, traditional methods such as print ads, billboards and trade shows are becoming increasingly less effective. Consumers, particularly younger generations, now rely more on online platforms for product discovery, recommendations

and brand interactions. Companies that continue to focus heavily on traditional marketing channels risk missing out on the opportunity to engage with a wider, more tech-savvy audience. This reliance on outdated strategies can limit the brand's reach and stifle its ability to keep up with rapidly changing consumer behaviors and preferences.

The impact of relying on traditional marketing channels can be significant. As companies fail to shift their focus toward digital platforms, they may see a decline in brand visibility, especially among younger or more digitally native consumers. Marketing efforts through traditional media may also become less cost-effective, resulting in wasted spend with lower returns on investment. With digital marketing offering more targeted, measurable, and interactive methods of engagement, companies that lag behind in adapting to these changes risk falling behind competitors who leverage online platforms more effectively, leading to missed opportunities for growth and customer acquisition. Our inability to manage our business and implement our growth strategy could have effect on our business, financial condition and profitability.

**57. Any penalty, demand, or adverse order raised by statutory or regulatory authorities in the future could adversely affect our financial condition, results of operations, and cash flows.**

Our Company is engaged in the business of fabric solutions and manufacturing company, which is subject to multiple statutory compliances under various laws, including but not limited to the Income-tax Act, 1961, the Goods and Services Tax Act, 2017, the Companies Act, 2013, the Customs Act, 1962 (in case of imports/exports), the Factories Act, 1948 and labour and employment laws applicable to our operations. Compliance under these legislations involves timely filing of returns, accurate reporting of transactions, and payment of statutory dues such as direct taxes, indirect taxes, contributions under labour welfare legislations, and other levies as applicable.

While our Company has generally complied with and continues to deposit applicable statutory dues and file required returns under the above-mentioned Acts, we cannot assure you that no demand, penalty, interest, or other proceedings will be initiated by any statutory authority in the future. Any inadvertent error, delay, or differing interpretation of provisions of law by the authorities may lead to additional tax or other demands being raised against us. This includes the possibility of retrospective demands or penalties being imposed for prior years, even where returns have already been filed and accepted.

Any such adverse order or levy may result in financial outflows, increase in contingent liabilities, diversion of management's attention, and reputational impact, thereby adversely affecting our financial condition, profitability, and cash flows.

For details of our pending proceedings, if any, please refer to the chapter titled **"Outstanding Litigations and Material Developments"** beginning on page 341 of this Draft Prospectus.

**58. Our workers are exposed to occupational health and safety hazards, and any failure to maintain adequate safety standards may adversely impact our operations.**

We operate a manufacturing facility located at Survey No. 185/2 Saijpur Gopalpur, Piran Road, Piplaj, Ahmedabad, Gujarat – 382405 (India), which houses a wide range of textile processing machinery, including Jigger Machines, Vertical Drying Ranges, Desize Machines, Mercerise Machine, Stenter Machines, Rotary Printing Machine, Zero Machines, Singeing Machine, Folding Machine, Boilers, Turbine, Compressors, and other ancillary equipment. The nature of operations at our facility involves handling of chemicals, high-temperature processes, heavy machinery, and high-speed moving parts, which inherently expose our workforce to occupational health and safety risks.

As on date, we employ 103 employees across various departments including production, mechanical/electrical engineering, dyeing, finishing, printing, dispatch, packing, boiler operations, HR, finance, and administration. Despite training programs and internal safety protocols, there remains a risk of accidents, injuries, chemical exposure, or fire incidents which may result in disruption of operations, financial liabilities, or reputational damage.

We have obtained a Fire Safety Certificate and hold authorization for hazardous waste management under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, in addition to providing statutory coverage under the Employees' State Insurance Corporation (ESIC) to mitigate potential losses. However, there can be no assurance that these measures will be sufficient to prevent all incidents or liabilities.

Any major accident, regulatory non-compliance, or failure to maintain adequate safety standards may result in penalties, compensation claims, operational shutdowns, or loss of skilled workforce, which could materially and adversely affect our business operations, financial condition, and results of operations.

**59. Our business operations are highly dependent on our manufacturing machinery, and any breakdown, malfunction, or technological obsolescence may adversely affect our production and financial results.**

Our Company's textile manufacturing operations are heavily reliant on various specialized machinery including, but not limited to, Jigger Machines, Vertical Drying Ranges, Desize Machines, Mercerise Machine, Zero Machines, Singeing Machine, Stenter Machines, Rotary Printing Machine, Folding Machine, Steam & Oil Boilers, Turbine, and other equipment such as Compressors, Caustic Recovery Plant, and R.O. Plant. These machines are critical for processes such as dyeing, finishing, printing, mercerizing, washing, and packaging of fabrics, without which our business operations cannot be carried out efficiently.

Although we have implemented periodic maintenance schedules and employ qualified engineers and technicians, there can be no assurance that such machinery will not suffer unexpected breakdowns, mechanical failures, or operational inefficiencies. Any such events may result in production delays, higher repair and maintenance costs, increased wastage, or cancellation of customer orders, thereby adversely affecting our revenues and profitability.

Further, most of our machinery is owned and requires regular maintenance. If such machinery becomes outdated due to advancements in textile technology or stricter environmental/safety regulations, we may be required to undertake substantial capital expenditure to upgrade or replace them. In addition, non-availability of spare parts, high repair costs, or dependence on third-party service providers for maintenance could further increase operational risks.

We are also dependent on Steam & Oil Boilers, Turbines, and R.O. Plants for essential utilities such as steam, energy saving, and water purification. Any disruption in the functioning of such utilities could have a cascading impact on multiple stages of production.

Any significant breakdown, prolonged downtime, or technological obsolescence of our machinery could materially and adversely affect our business operations, production capacity, financial condition, and results of operations.

**60. Certain insurance policies, agreements, deeds, or licenses may continue to remain in the erstwhile name of our Company, and any delay or failure in updating them could adversely impact our operations.**

Our Company was previously incorporated under the name "Vinod Texworld Private Limited", and pursuant to necessary resolutions and approvals, the name has since been changed to its current form. However, certain agreements, deeds, licenses, and insurance policies obtained in the earlier period may still continue to bear the erstwhile name. While such documents remain legally valid, any delay in updating the same to reflect our present name could potentially create administrative hurdles in enforcement of contractual rights, renewal of licenses, recognition by regulatory authorities, or processing of insurance claims.

Although we are in the process of updating these records and do not presently foresee any material challenge in effecting such changes, we cannot assure that concerned counterparties, statutory authorities, or insurers will not raise objections or delays in future. Any such procedural delays or disputes may result in temporary

disruption of business operations, impact our ability to avail benefits under such policies or agreements, and consequently have an adverse effect on our business, operations, financial condition, and reputation.

**61. 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.

**62. The directors of our company don't have the experience of the listed company and the requirements of being a listed company may strain our resources.**

Except for Mr. Harsh Vinod Mittal, Whole-time Director, none of the other Directors of the Company have prior experience serving on the board of a listed company. However, all the Promoters possess substantial experience in the Textile industry. The Directors of the company don't have the experience of the listed Company; however, the Promoters have the experience of the Textile Industry. We have not been subjected to the increased scrutiny of our affairs by shareholders, regulator and the public at large that is associated with being a listed company. We will be subject to the equity listing agreement with the Stock Exchange which will require us to file audited annual and half yearly reports with respect to our business and financial condition.

Further, as a listed company, Directors and the Company will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required.

As a result, our management's attention may be diverted from business concerns, which may adversely affect our business, prospects, financial condition, and results of operations. Further, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge but cannot assure that we will be able to do so in a timely and efficient manner.

**63. Our Company's board of directors will be utilizing the Net Proceeds from the Issue in the objects of the issue. The deployment of Net Proceeds from the Issue is not subject to any monitoring by any independent agency as in terms of Regulation 262 of the ICDR Regulations, the Company is not required to appoint a monitoring agency since the Issue size is not in excess of ₹ 5,000.00 lakhs.**

Our Company intends to use the Net Proceeds towards:

1. Expansion of Existing Plant;
2. Repayment of Loan;
3. To meet Working Capital Requirement;
4. General Corporate Purposes.

as described in "Objects of the Issue" on page 122 of this Draft Prospectus.

In terms of the ICDR Regulations, our Company is not mandatorily required to appoint a monitoring agency since the Issue size is not in excess of ₹ 5,000.00 lakhs. The board of directors of our Company will have discretion to utilize the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company's board of directors regarding the application of the Net Proceeds from the Issue.

The board of directors of our Company may have to revise their estimates from time to time and consequently its requirement may change. Accordingly, prospective investors in the Issue will need to rely upon the judgment of our board of directors with respect to the use of Net Proceeds. If we are unable to utilize the 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.

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 Prospectus.

**64. 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 No. 122 of this Draft Prospectus.

**65. We have not identified any alternate source of raising the 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 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 122 of this Draft Prospectus.

**66. Our Promoter, Directors and Key Managerial Personnel 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, Directors and Key Managerial Personnel may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Our Promoters, Directors, Key Managerial Personnel and Senior Management may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners.

Interests of Promoters, Promoter Group, Directors, Key Managerial Personnel and Senior Management may conflict with the interests of our Company, and they may, for business considerations or otherwise, cause us to take certain actions, or refrain from taking certain actions, which in turn may materially adversely impact our business, financial condition, results of operations and cash flows.

For further details, see 'Our Management, 'Summary of Offer Documents' and "Financial Information' on pages 230, 24, and 267, respectively.

**67. Although we have consistently received payments from our customers on or before the due date, we cannot assure that such timely payments will continue in the future, and any delay or default in collection of trade receivables may adversely affect our cash flows and financial condition.**

Our Company is engaged in the manufacturing and processing of fabrics, wherein we extend credit facilities to our customers in the ordinary course of business. For the last three financial years ended March 31, 2023, March 31, 2024, March 31, 2025, our trade receivables have been as under:

(Rs In lakhs)

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---|---|---|
| Trade Receivables | 8,736.77 | 7,648.96 | 6,533.00 |

Further, our **trade receivables turnover ratio** for the respective periods has been as under:

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---|---|---|
| **Trade Receivables turnover ratio** (In times) | 4.09 | 3.83 | 3.62 |

There can be no assurance that our customers will continue to meet their payment obligations in a timely manner in the future. The ability of our customers to make timely payments depends on several factors, including their financial condition, prevailing market and economic conditions, sectoral performance, working capital availability, and unforeseen operational disruptions.

Additionally, our trade receivables ratio has shown volatility across the reporting periods, which indicates variations in the efficiency of receivable collections. Any significant delay in realization of trade receivables or default by customers may lead to a mismatch in our working capital cycle, strain our liquidity position, and adversely affect our cash flows. This, in turn, may impact our ability to meet operational expenses, service debt obligations, and fund future growth plans.

Although we follow credit policies, perform periodic monitoring of receivables, and undertake follow-up procedures for collections, these measures may not fully mitigate the risk of delayed or non-recovery. Any such

eventuality could materially and adversely affect our business operations, profitability, and overall financial condition.

For further details please refer to chapter titled "Financial Information" beginning on page 267 of the draft Prospectus.

**68. Our contingent liabilities, including GST demands, bank guarantees, and corporate guarantees, could materially affect our financial condition, cash flows, and business operations.**

As per our Restated Financial Statements, our Company has certain contingent liabilities and commitments which may arise in the future, as detailed below:

Amount (Rs. in lakhs)

| Contingent Liabilities and Commitments | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|---|---|---|---|
| GST demand | 22.86 | 0.20 | 0.20 |
| Bank Guarantee includes Performance Guarantee and advance Receipt Bank Guarantee | 77.64 | 40.37 | 47.96 |
| Corporate Guarantee to Private Limited Company | 7,627.00 | 7,789.00 | - |

Any adverse outcome of the GST demand could result in financial obligations, including back taxes, penalties, and interest, thereby impacting our liquidity and profitability. Additionally, we have extended bank guarantees, including performance guarantees and advance receipt guarantees, which, if invoked, may require significant cash outflows and adversely impact our working capital. Further, we have provided corporate guarantees on behalf of a private limited company. In case of any default by such company, our liability under these guarantees may adversely affect our financial condition and cash flows.

Although these liabilities are contingent in nature and may or may not materialize, any materialization of such obligations could result in financial strain, diversion of resources, higher borrowings, and potential adverse effect on our reputation, operations, business, results of operations, and financial condition.

For further details, please refer to the chapter titled **"Financial Information"** beginning on page 267 of this Draft Prospectus.

**69. Our Promoters have provided personal guarantees to certain loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities**.

Our Promoters named Mr. Harsh Mittal and Mr. Yash Mittal have provided personal guarantees in relation to certain loan facilities of Rs. 5576.63 lakhs sanctioned to us as on March 31, 2025. For Further details related to Principal terms of Secured Loans and Assets charged as Security, please refer to chapter titled "Financial Information" beginning on Page 267 of this Draft Prospectus.

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Following is the list of the secured loan and borrowing (short term and long term) in which personal guarantee has been given by the promoter:

***Amount (Rs. In Lakhs)***

| Sr No. | Name of Lender | Loan/ Agreement A/c No./Ref. No. | Purpose | Amount Sanctioned (Rs. In Lakhs) | Rate of interest (%) | Primary & Collateral Security | Re-Payment Schedule as per Sanction Letter | Outstanding amount as on March 31,2025 |
|---|---|---|---|---|---|---|---|---|
| 1. | SBI Bank | 39366217578 | Term Loan | 51.00 | 9.25% | Hypothecation of company's entire current assets including stocks of raw materials, stocks in process, finished goods, stores and spares, book - debts and other current assets. Documents to title to goods and charge on the entire current assets. Hypothecation of entire plant & machinery purchased out of bank finance and other unencumbered plant and machinery both present and future. Hypothecation of entire plant & machinery pertaining to the solar Rooftop project purchased out of bank finance. And other collateral securities s | Repayable in 36 monthly instalments of Rs. 1,41,667/- | - |
| 2. | SBI Bank | 39189076511 | Term Loan | 550.00 | 2.50% + MCLR | | Repayable in 90 monthly structured instalments | 255.79 |
| 3. | SBI Bank | 40950195895 | Term Loan | 750.00 | 1.75% + EBLR | | Repayable in 90 monthly structured instalments | 614.83 |
| 4. | SBI Bank | 42737977963 | Term Loan | 300.00 | 2.60% + EBLR | | Repayable in 69 monthly instalments of Rs. 5,00,000/- | 282.23 |
| 5. | SBI Bank | 39188967893 | Term Loan | 33.00 | 0.30% + MCLR | | Repayable in 66 monthly instalments of Rs. 50,000/- | 10.08 |
| 6. | SBI Bank | 40577416141 | Term Loan | 165.00 | EBLR+75bps | | Repayable in 36 monthly instalments of Rs. 4,58,333/- | 90.30 |
| 7. | SBI Bank | 33808585589 | Working capital Cash Credit | 4500.00 (Previous year- 2500.00) | 9.50% p.a. | | Payable on demand | 4,323.40 |
| **Total** | | | | | | | | **5576.63** |

In the event that any of these guarantees are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. We may not be successful in procuring alternative guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition.

For further details, please refer to the chapter titled "***Financial Information***" and "***Financial Indebtedness***" beginning on page 267 and 337 respectively of this Draft Prospectus.

## EXTERNAL RISK FACTORS

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

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

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our clients and service providers, which could adversely affect our business, financial condition and results of operations. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our clients, and those of our respective service providers. There is currently substantial medical uncertainty regarding COVID-19. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general. The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of COVID19 will cause an economic slowdown and it is possible that it could cause a global recession. The spread of COVID-19 has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, partners, and suppliers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed. The extent to which the COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. The degree to which COVID-19 impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people. Further in case the lockdown is extended, it could result in muted economic growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company. The full extent to which the COVID-19 pandemic, or any

future pandemic or widespread public health emergency impacts our business, operations and financial results will depend on numerous evolving factors that we may not be able to accurately predict, including: the scope, severity, and duration of the pandemic; actions taken by governments, business and individuals in response to the pandemic; the effect on customer demand for and ability to pay for our products; the impact on our capital expenditure; disruptions or restrictions on our employees' and suppliers' ability to work and travel; any extended period of remote work arrangements; and strain on our or our customers' business continuity plans, and resultant operational risk.

**71. Our business 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 our 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.

**72. 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 neighboring 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.

**73. 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.

**74. 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.

**75. 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 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.

**76. Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.**

Our restated summary statements of assets and liabilities, restated summary statements of profit and loss and cash flows for the fiscal year 2025, 2024 and 2023 have been prepared in accordance with the Indian GAAP. We have not attempted to quantify the impact of IND AS, US GAAP, IFRS or any other system of accounting principles on the financial data included in the Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. Accordingly, the degree to which the Restated Financial Information included in the Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Draft Prospectus should accordingly be limited.

**77. Companies in India are required to prepare financial statements under the new Indian Accounting Standards. In addition, all income-tax assesse(s) 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.

**78. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, in the jurisdictions in which we operate may adversely affect our business and results of operations.**

Our business, results of operations and financial condition could be materially adversely affected by changes in the laws, rules, regulations or directions applicable to us, or the interpretations of such existing laws, rules and regulations, or the promulgation of new laws, rules and regulations. For further details, please see "Key Regulations and Policies in India" on page 210.

The governmental and regulatory bodies may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, results of operations and financial condition.

In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations, including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals.

**79. 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.

**80. 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.

## RISKS RELATING TO THE EQUITY SHARES AND THIS OFFER

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

**82. You may not be able to immediately sell any of the Equity Shares you subscribe to in this Offer on an Indian Stock Exchange.**

The Equity Shares are proposed to be listed on the Stock Exchanges. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and commence trading, including the crediting of the investor's demat accounts within the timeline specified under applicable law. Further, in accordance with Indian law, permission for listing and trading of the Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. The Allotment of Equity Shares in the Offer and the credit of Equity Shares to the investor's demat account with the relevant depository participant and listing is expected to be completed within the period as may be prescribed under applicable law. Any failure or delay in obtaining the approvals or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. Our Company cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the prescribed time periods or at all which could restrict your ability to dispose of the Equity Shares.

**83. Any further issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding.**

Our Company may be required to finance our growth through future equity offerings. Any future equity issuances by our Company, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of the Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that the Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**84. Sale of Equity Shares by our Promoters and Promoter Group in future may adversely affect the market price of the Equity Shares.**

After the completion of the Offer, our Promoters and Promoter Group will own a significant percentage of our Company's issued Equity Shares. Sale of a large number of the Equity Shares by the Promoters could adversely affect the market price of the Equity Shares. Similarly, the perception that any such primary or secondary sale may occur, could adversely affect the market price of the Equity Shares. No assurance can be given that our Promoters will not dispose of, pledge or encumber their Equity Shares in the future.

**85. The determination of the Price is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the LM is below the respective issue price.**

The determination of the Price is based on various factors and assumptions and will be determined by our Company in consultation with the Lead Manager. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with the Lead Managers through the Fixed Issue Process. These will be based on numerous factors, including factors as described under *'Basis for the Issue Price*' beginning on page 136 and may not be indicative of the market price for the Equity Shares after the Offer. In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Book Running Lead Managers is below their respective issue price. For further details, see '*Other Regulatory and Statutory Disclosures'* on page 353. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, our financial performance and results post-listing, and other factors beyond our Company's control. Our Company cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

**86. Investor will not be able to sell immediately on Indian Stock Exchanges any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions**

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading on stock exchange. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this Draft Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013 and SEBI ICDR Regulation, 2018 as the case may be, if the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

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

Following the listing of Equity Shares through the Offer, the Equity Shares will be subject to a daily "circuit breaker" imposed on listed companies by the Stock Exchanges, which does not allow transactions beyond certain volatility in the trading price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian Stock Exchanges. The percentage limit on the Equity Shares' circuit breaker will be set by the Stock Exchanges based on historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges are not required to inform our Company of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the trading price of the Equity Shares beyond the circuit breaker limit set by the Stock Exchanges. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

**88. If security or industry analysts do not publish research, or publish unfavourable or inaccurate research about the business of our Company, the price and trading volume of the Equity Shares may decline.**

The trading market for the Equity Shares may depend, in part, on the research and reports that securities or industry analysts publish about us or our business. Our Company may be unable to sustain coverage by established and / or prominent securities and industry analysts. If either none or only a limited number of securities or industry analysts maintain coverage of our Company, or if these securities or industry analysts are not widely respected within the general investment community, the trading price for the Equity Shares would be negatively impacted. In the event our Company obtains securities or industry analyst coverage, if one or

more of the analysts downgrade the Equity Shares of our Company or publish inaccurate or unfavourable research about our business, the price of the Equity Shares may decline. If one or more of these analysts cease coverage of our Company or fail to publish reports on our Company regularly, the demand for the Equity Shares of our Company could decrease, which might cause the price and trading volume of the Equity Shares of our Company to decline.

**89. 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 our Company. Under the SEBI Takeover Regulations, 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**.**

**90. Our Company's ability to raise foreign capital may be constrained by Indian law.**

As an Indian company, our Company is subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions could constrain our Company's ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, our Company cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to our Company without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our Company's business growth, financial condition and results of operations**.**

**91. Under Indian law, foreign investors are subject to investment restrictions that limit our Company's ability to attract foreign investors, which may adversely impact the trading price of the Equity Shares.**

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. In addition, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Our Company cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT and the FEMA Rules, any investment, subscription, purchase or sale of equity instruments by entities, investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. 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 of India. Our Company cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms, in a timely manner or at all.

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

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

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their preemptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

**93. 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.

**94. The Equity Shares of our Company will be listed on the SME platform of the NSE and would be traded in lot size. The investors might face risk of liquidity.**

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. The Equity Shares of our Company will be listed on the SME platform of the NSE and would be traded in lot size. The investors might face risk of liquidity in case there are not substantial buyers and sellers to trade in the Equity shares of our Company.

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## SECTION IV – INTRODUCTION

## THE ISSUE

| PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS | |
|---|---|
| **Equity Shares Offered through Public Issue** [(1)] | up to 45,56,800 Equity Shares of face value ₹10/- each fully paid-up for cash at price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per Equity Share aggregating to ₹ [●] Lakhs. |
| ***The Offer consists of*** | |
| **Fresh Offer** [(2)] | up to 45,56,800 Equity Shares of face value ₹10/- each fully paid-up for cash at price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per Equity Share aggregating to ₹ [●] Lakhs. |
| **Offer for Sale** | NIL |
| ***Out of which:*** | |
| Market Maker Reservation Portion | Up to [●] equity shares of the face value of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating ₹ [●] Lakhs. |
| Net Issue to the Public | Up to [●] equity shares of the face value of ₹10 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating ₹ [●] Lakhs. |
| ***Of which:*** | |
| Individual Investors Portion | [●] equity shares of the face value of ₹10 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating ₹ [●] Lakhs |
| Other than Individual Investor Portion | [●] equity shares of the face value of ₹10 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating ₹ [●] Lakhs |
| ***Pre-and post-Offer Share Capital of our Company:*** | |
| Equity Shares outstanding prior to the Issue | 1,16,01,200 Equity Shares of face value ₹10/- each |
| Equity Shares outstanding after the Issue | 1,61,58,000 Equity Shares of face value ₹ 10/- each |
| Use of Net Proceeds by our Company | For further details please refer chapter titled "Objects of the Issue" beginning on page no. 122 of this Draft Prospectus for information on use of Issue Proceeds |

[1] This Offer is being made through the Fixed Price method in terms of Regulation 253(2) of Chapter IX of the SEBI ICDR Regulations and hence, the allocation in the net Offer to the public category shall be made as follows:

a. Minimum fifty per cent. (50%) to individual investors who applies for minimum application size; and

b. Remaining to:

(i) individual applicants who applies for minimum application size; and

(ii) other investors including corporate bodies or institutions; irrespective of the number of specified securities applied for;

Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

Explanation: For the purpose of Regulation 253(3), if the individual investor category is entitled to more than fifty percent of the Offer size on proportionate basis, the individual investors shall be allocated that higher percentage.

*For further details, see "Issue Procedure" on page 385 of this Draft Prospectus.*

*For further details, see "Terms of the Offer" on page 370 of this Draft Prospectus.*

*For further details please refer to the chapter titled "Issue Structure" beginning on page no. 381 of this Draft Prospectus*

(2) The present Offer has been authorized pursuant to a resolution passed by our Board at its meeting ("BM") held on August 05, 2025 and by our Shareholders by way of a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting ("EGM") held on August 28, 2025.

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## SUMMARY OF FINANCIAL INFORMATION

*The following tables provide the summary of financial information of our Company derived from the Restated Financial Information as for the Financial Years ended March 31, 2025, March 31, 2024, March 31, 2023. The Restated Financial Information referred to above is presented under "Restated Financial Information" beginning on page no. 267 of this Draft Prospectus. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page no 314 of this Draft Prospectus.*

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**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

**(Rs. in Lacs)**

| Sr. No. | Particulars | Notes | As at March 31, | | |
|---|---|---|---|---|---|
| | | | **2025** | **2024** | **2023** |
| | **EQUITY AND LIABILITIES** | | | | |
| **1)** | **Shareholders Funds** | | | | |
| | a. Share Capital | A | 1,160.12 | 1,160.12 | 1,147.62 |
| | b. Reserves & Surplus | B | 2,037.88 | 1,117.12 | 499.94 |
| | | | **3,198.00** | **2,277.24** | **1,647.56** |
| **2)** | **Non Current Liabilities** | | | | |
| | a. Long Term Borrowings | C | 1,747.63 | 1,946.95 | 1,923.76 |
| | b. Deffered Tax Liabilities | D | 22.55 | 33.40 | 20.40 |
| | c. Long Term Provisions | E | 35.36 | 26.03 | 18.70 |
| | | | **1,805.54** | **2,006.38** | **1,962.86** |
| **3)** | **Current Liabilities** | | | | |
| | a. Short Term Borrowings | F | 4,880.13 | 2,753.96 | 1,564.03 |
| | b. Trade Payables | G | | | |
| | - MSME | | 888.79 | 1,424.99 | 1,150.80 |
| | - Others | | 6,149.53 | 5,835.18 | 4,458.04 |
| | c. Other Current Liabilities | H | 390.69 | 896.07 | 825.96 |
| | d. Short Term Provisions | I | 408.63 | 227.41 | 98.47 |
| | | | **12,717.77** | **11,137.61** | **8,097.30** |
| | **T O T A L** | | **17,721.31** | **15,421.23** | **11,707.72** |
| | **ASSETS** | | | | |
| **1)** | **Non Current Assets** | | | | |
| | a. Property, Plant & Equipment and Intangible Assets | | | | |
| | i. Property, Plant and Equipment | J | 4,233.40 | 4,190.12 | 3,349.87 |
| | ii. Capital Work-in-progress | | 5.77 | 62.38 | 321.56 |
| | Less: Accumulated Depreciation | | 1,837.20 | 1,668.03 | 1,374.19 |
| | ***Net Block*** | | **2,401.97** | **2,584.47** | **2,297.24** |
| | b. Non-current Investments | K | 3.55 | 2.82 | 2.82 |
| | c. Other Non Current Assets | L | 15.42 | 17.31 | 92.83 |
| | **Total (A)** | | **2,420.94** | **2,604.60** | **2,392.89** |
| **2)** | **Current Assets** | | | | |
| | a. Inventories | M | 6,032.76 | 4,556.36 | 2,193.37 |
| | b. Trade Receivables | N | 8,736.77 | 7,648.96 | 6,533.00 |
| | c. Cash and Cash Equivalents | O | 21.04 | 13.94 | 217.28 |
| | d. Short Term Loans & Advances | P | 509.80 | 597.37 | 371.18 |
| | **Total (B)** | | **15,300.37** | **12,816.63** | **9,314.83** |
| **T O T A L** | | | **17,721.31** | **15,421.23** | **11,707.72** |

**RESTATED STATEMENT OF PROFIT AND LOSS**

**(Rs. in Lacs)**

| Sr. No. | Particulars | Notes | For the year ended March 31, | | |
|---|---|---|---|---|---|
| | | | **2025** | **2024** | **2023** |
| **A** | **INCOME** | | | | |
| | Revenue from Operations | Q | 33,536.93 | 27,148.80 | 20,066.90 |
| | Other Income | | 19.11 | 16.59 | 6.33 |
| | **Total Income (A)** | | **33,556.04** | **27,165.39** | **20,073.23** |
| | | | | | |
| **B** | **EXPENDITURE** | | | | |
| | Cost of Material Consumed | R | 28,904.56 | 24,471.36 | 16,945.39 |
| | Purchase of Stock-in-trade | S | 183.95 | 127.51 | 118.10 |
| | Change in Inventories | T | (764.20) | (1,580.80) | (486.77) |
| | Employee benefit expenses | U | 395.45 | 318.72 | 258.26 |
| | Finance costs | V | 526.62 | 262.44 | 130.59 |
| | Depreciation and amortisation expense | W | 387.58 | 293.84 | 268.09 |
| | Other Expenses | X | 2,684.78 | 2,564.01 | 2,746.84 |
| | | | | | |
| | **Total Expenses (B)** | | **32,318.74** | **26,457.09** | **19,980.50** |
| **C** | **Profit before exceptional, extraordinary items and tax** | | **1,237.30** | **708.31** | **92.73** |
| | Exceptional items | | - | - | - |
| **D** | **Profit before extraordinary items and tax** | | **1,237.30** | **708.31** | **92.73** |
| | Extraordinary Expenses | | - | - | - |
| **E** | **Profit before tax** | | **1,237.30** | **708.31** | **92.73** |
| | *Tax expense :* | | | | |
| | (i) Current tax | Y | 327.39 | 165.62 | 14.08 |
| | (iI) Deferred tax | Z | (10.85) | 13.00 | 11.00 |
| **F** | **Total Tax Expense** | | **316.54** | **178.62** | **25.09** |
| **G** | **Profit after tax (E-F)** | | **920.76** | **529.68** | **67.65** |
| | **Earning per equity share(face value of Rs. 10/- each): Basic and Diluted (Rs.)** | | **7.94** | **4.62** | **0.61** |

**RESTATED STATEMENT OF CASH FLOWS**

**(Rs. in Lacs)**

| Particulars | | As at 31st March | | |
|---|---|---|---|---|
| | | **2025** | **2024** | **2023** |
| **Cash flow from operating activities:** | | | | |
| Net Profit before tax as per Profit And Loss A/c | | **1,237.30** | **708.31** | **92.73** |
| **Adjusted for:** | | | | |
| **Addition** | | | | |
| Depreciation & Amortisation | | 387.58 | 293.84 | 268.09 |
| Interest & Finance Cost | | 526.62 | 262.44 | 130.59 |
| Rent income | | (2.30) | (3.18) | (3.18) |
| Profit/Loss on Sale of Assets | | 4.69 | 7.89 | 15.34 |
| | | | | |
| **Operating Profit Before Working Capital Changes** | | **2,153.88** | **1,269.30** | **503.58** |
| Adjusted for (Increase)/ Decrease: | | | | |
| Long Term Provision | | 9.32 | 7.33 | 2.08 |
| Short Term Provision | | 47.30 | 10.25 | (0.92) |
| Trade Receivables | | (1,087.81) | (1,115.96) | (1,979.54) |
| Trade Payables | | (221.84) | 1,651.33 | 1,265.68 |
| Other Current Liabilities | | (505.37) | 70.11 | 130.19 |
| Inventories | | (1,476.40) | (2,362.99) | (519.44) |
| Short term loan and Advances | | 87.57 | (226.19) | 107.55 |
| Other Non Current Assets | | 1.89 | 75.52 | (56.53) |
| **Cash Generated From Operations** | | **(991.46)** | **(621.30)** | **(547.36)** |
| Direct Tax Paid | | (193.47) | (46.94) | (38.88) |
| **Net Cash Flow from/(used in) Operating Activities: (A)** | | **(1,184.93)** | **(668.25)** | **(586.24)** |
| | | | | |
| **Cash Flow From Investing Activities:** | | | | |
| Purchase of Fixed Assets | | (236.89) | (591.23) | (621.90) |
| Proceeds from Sale of Fixed Assets | | 27.13 | 2.27 | 25.52 |
| Rent Income | | 2.30 | 3.18 | 3.18 |
| (Purchase)/Sale of Investments | | (0.73) | - | (0.42) |
| **Net Cash Flow from/(used in) Investing Activities: (B)** | | **(208.19)** | **(585.77)** | **(593.62)** |
| | | | | |
| **Cash Flow from Financing Activities:** | | | | |
| Proceeds From Share Capital & Share Premium | | - | 100.00 | 200.00 |
| Proceeds / (Repayment) from Long Term Borrowing (Net) | | (199.32) | 23.19 | 99.48 |
| Change in Short term Borrowings | | 2,126.17 | 1,189.93 | 1,211.23 |
| Interest & Finance Cost | | (526.62) | (262.44) | (130.59) |

| | | | | |
|---|---|---|---|---|
| **Net Cash Flow from/(used in) Financing Activities ( C)** | | **1,400.23** | **1,050.68** | **1,380.12** |
| | | | | |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C) | | 7.12 | (203.35) | 200.25 |
| Cash & Cash Equivalents As At Beginning of the Year | | 13.93 | 217.28 | 17.03 |
| **Cash & Cash Equivalents As At End of the Year** | | **21.05** | **13.93** | **217.28** |

1. Statement of cash flow has been prepared under the indirect methord as set out in AS-3 on staement of cashflows specified under Sec-133 of Companies Act,2013 read with Companies (Accounts) Rules, 2014.

2. Reconciliation of Cash & Cash Equivalants as per the statement of cash flow

| | | | | |
|---|---|---|---|---|
| Balances with Banks | | | | |
| Current Account | | 0.11 | 0.12 | 17.24 |
| Cash on hand | | 5.16 | 2.56 | 1.04 |
| FD with Banks | | 15.77 | 11.27 | 199.00 |
| **Cash and Cash Equivalents at the End of the Period** | | **21.04** | **13.94** | **217.28** |
| | | | | |

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## GENERAL INFORMATION

Our Company was originally incorporated as "Shree Shiv Shakti Cot-Fab Private Limited" as a private limited company, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated July 19, 2012 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli having Corporate Identification Number U17200GJ2012PTC071210. Subsequently Mr. Vinod Mittal, Harsh Vinod Mittal and Yash Vinod Mittal acquired 100% shareholding in the Shree Shiv Shakti Cot-Fab Private Limited. Subsequently, Our Company changed its name from "Shree Shiv Shakti Cot-Fab Private Limited" to "Vinod Fabtex Private Limited" vide Certificate of Incorporation pursuant to change of name March 08, 2018 issued by Registrar of Companies, Ahmedabad, pursuant to special resolution passed in the Extra Ordinary General Meeting of the company held on March 03, 2018. Subsequently, Our Company changed its name from "Vinod Fabtex Private Limited" to "Vinod Texworld Private Limited" vide Certificate of Incorporation pursuant to change of name May 25, 2018 issued by Registrar of Companies, Ahmedabad, pursuant to special resolution passed in the Extra Ordinary General Meeting of the company held on May 23, 2018. Subsequently, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra Ordinary General Meeting of the company held on November 05, 2024 and consequently the name of our Company was changed to "Vinod Texworld Limited" pursuant to fresh certificate of incorporation dated December 18, 2024 issued to our Company by the Registrar of Companies, Central Processing Centre having Corporate Identification Number U17200GJ2012PLC071210. For details of change in name and registered office of our Company, please refer to chapter titled "Our History and Corporate Structure" beginning on page no. 224 of this Draft Prospectus.

*For further details please refer Chapter titled "Our History and certain other corporate matters" beginning on Page* 224 *of this Draft Prospectus.*

| | |
|---|---|
| **Name of the Issuer/ Company** | Vinod Texworld Limited |
| **CIN** | U17200GJ2012PLC071210 |
| **Registration No.** | 071210 |
| **Date of Incorporation** | July, 19 2012 |
| **Registered Office & Other Contact Details of the Issuer** | 185/2, Saijpur, Gopalpur, Opp. Shanti Process, Piplaj Pirana Road, Ahmedabad, Gujarat, India, 382405<br>Tel. No.: +91-7069030829<br>Fax: N.A.<br>Email: ho@vinodtexworld.com<br>Website: www.vinodtexworld.com |
| **Corporate Office** | N. A. |
| **Designated Stock Exchange** | SME Platform of NSE i.e. NSE Emerge ("**NSE**") |
| **Address of the Registrar of Companies** | Registrar of Companies (ROC) Ahmedabad<br><br>ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat<br><br>Phone: 079-27438531<br><br>Email ID: roc.ahmedabad@mca.gov.in<br>Website- www.mca.gov.in |

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## BOARD OF DIRECTORS

As on the date of this Draft Prospectus, the Board of Directors of our Company comprises of the following:

| Name of Directors | Designation | Address | DIN |
|---|---|---|---|
| Mr. Yash Vinod Mittal | Managing Director | 33, Golden Tulip Bunglows, Manek Baug, B/H Shreyas Foundation, Satellite, Ahmadabad City, Ahmadabad, Gujarat – 380015. | 02294797 |
| Mr. Harsh Vinod Mittal | Whole-time director | 33, Golden Tulip Bunglows, Manek Baug, B/H Shreyas Foundation, Satellite, Ahmadabad City, Ahmadabad, Gujarat – 380015. | 02333392 |
| Ms. Sweta Yash Mittal | Non - Executive Director | 33, Golden Tulip Bunglows, Manek Baug, B/H Shreyas Foundation, Satellite, Ahmadabad City, Ahmadabad, Gujarat – 380015. | 10770026 |
| Mr. Saket Jagdishchandra Agarwal | Non-Executive Independent Director | 15, Anmol Residency, Near Maruti Bunglow Shahibaug, Ahmedabad, India - 380004 | 01989441 |
| Ms. Nikita Sinha | Non-Executive Independent Director | Flat No. S2 Building No. 9/2/16 Sai Kripa Apartment, Street 2 judge Colony, Near Apex Green Valley, Vaishali Sector 9, I.E. Sahibabad, Ghaziabad, Uttar Pradesh – 201010 | 11126745 |

For further details in relation to our directors, please refer to chapter titled "*Our Management*" on page 230 of this Draft Prospectus.

## CHIEF FINANCIAL OFFICER

**Mr. Anchal Tulsyan**
**Address**: 185/2, Saijpur, Gopalpur,
Opp. Shanti Process, Piplaj Pirana Road,
Ahmedabad, Gujarat, India, 382405
**Tel. No.:** +91-9879607170
**Email:** cfo@vinodtexworld.com
**Website:** www.vinodtexworld.com

## COMPANY SECRETARY & COMPLIANCE OFFICER

**Ms. Foram Deep Parikh**
**Address**: 185/2, Saijpur, Gopalpur,
Opp. Shanti Process, Piplaj Pirana Road,
Ahmedabad, Gujarat, India, 382405
**Tel. No.:** +91-7878477840
**Email:** foram.shah03@gmail.com
**Website:** www.vinodtexworld.com

## INVESTOR GRIEVANCES:

**Our Compliance officer shall be responsible for monitoring the compliance of the securities laws and for redressal of investors' grievances. Investors can contact the Company Secretary and Compliance Officer, the 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 and non-receipt of funds by electronic mode.**

**ALL ISSUE RELATED GRIEVANCES RELATING TO THE ASBA PROCESS AND UPI PAYMENT MECHANISM MAY BE ADDRESSED TO THE REGISTRAR TO THE ISSUE, WITH A COPY TO THE RELEVANT DESIGNATED INTERMEDIARY WITH WHOM THE ASBA FORM WAS SUBMITTED. THE APPLICANT SHOULD GIVE FULL DETAILS SUCH AS NAME OF THE SOLE OR FIRST APPLICANT, ASBA FORM NUMBER, APPLICANT DP ID, CLIENT ID, UPI ID, PAN, DATE OF THE ASBA FORM, ADDRESS OF THE APPLICANT, NUMBER OF EQUITY SHARES APPLIED FOR AND THE NAME AND ADDRESS OF THE DESIGNATED INTERMEDIARY WHERE THE ASBA FORM WAS SUBMITTED BY THE ASBA APPLICANT AND ASBA ACCOUNT NUMBER (FOR APPLICANTS OTHER THAN INDIVIDUAL INVESTORS USING THE UPI MECHANISM) IN WHICH THE AMOUNT EQUIVALENT TO THE APPLICATION AMOUNT WAS BLOCKED OR THE UPI ID IN CASE OF INDIVIDUAL INVESTOR USING THE UPI MECHANISM.**

**FURTHER, THE INVESTORS SHALL ALSO ENCLOSE THE ACKNOWLEDGEMENT SLIP FROM THE DESIGNATED INTERMEDIARIES IN ADDITION TO THE DOCUMENTS/ INFORMATION MENTIONED ABOVE. ALL GRIEVANCES RELATING TO APPLICATIONS SUBMITTED THROUGH REGISTERED BROKERS MAY BE ADDRESSED TO THE STOCK EXCHANGES WITH A COPY TO THE REGISTRAR TO THE ISSUE. THE REGISTRAR TO THE ISSUE SHALL OBTAIN THE REQUIRED INFORMATION FROM THE SCSBS FOR ADDRESSING ANY CLARIFICATIONS OR GRIEVANCES OF ASBA APPLICANTS.**

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Applicants 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. 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 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 SCSBs are required to compensate the investor immediately on the receipt of complaint. Further, post Issue the Lead Manager is 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.

## DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY:

### LEAD MANAGER TO THE ISSUE

**Fast Track Finsec Private Limited**
**CIN:** U65191DL2010PTC200381
**SEBI Registration No**. INM000012500
**Registered Office:** Office No. V-116, 1st Floor, New Delhi House, 27, Barakhamba Road, New Delhi - 110001
**Tel No.**: +91-9910990488
**Contact Person**: Ms. Sakshi/ Mr. Sagar Kapoor
**Email**: vinodipo@ftfinsec.com, investor@ftfinsec.com
**Website:** www.ftfinsec.com

### REGISTRAR TO THE ISSUE

**KFIN Technologies Limited**
**CIN:** L72400MH2017PLC444072
**SEBI Registration No.:** INR000000221
**Registered office:** 301, The Centrium, 3rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai – 400070, Maharashtra
**Corp. Office:** Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana
**Tel No**: +91 40 6716 2222;
**Contact Person**: Mr. M Murali Krishna
**Email:** vinodtex.ipo@kfintech.com
**Website:** www.kfintech.com
**Investor Grievance Email:** einward.ris@kfintech.com

### LEGAL ADVISOR TO THE ISSUE

**CHAMBERS OF BANTH & THUKRAL, ADVOCATES & SOLICITORS**
Contact Person: Aman Thukral
**Address:** 701, Prakashdeep Building, 7, Tolstoy Marg, New Delhi – 110001
**Tel:** +91 9891602513
**Email-** legal@cbtlawoffices.com
**Enrolment No.:** D/3041/2018

## STATUTORY AUDITOR OF OUR COMPANY

**M/s. Raiiv Shah & Associates,**
Chartered Accountants
**Address:** 1111-1112, Shivalik Shilp-2,
Opp. ITC Narmada, Mansi Tower Road,
Vastrapur, Ahmedabad
**Tel No**. 079-2754 2815,
**Email:** rajivshah1965@gmail.com
**Contact Person:** CA Raijv Chimanlal Shah
**Membership No**. 043261
**Firm Registration No**.: 108454W
**Peer Review No. :** 015188

## PEER REVIEWED AUDITORS OF OUR COMPANY

**M/s. S N Shah & Associates,**
Chartered Accountants
**Address:** Sapan House, C G Road, Opp. Municipal Market, Navrangpura, Ahmedabad - 380009
**Tel No**. 079 - 40098280, 26465038
**Email:** info@snshahassociates.com
**Contact Person:** CA Priyam Shah
**Membership No**. 144892
**Firm Registration No**.: 109782W
**Peer Review Certificate Number**: 018603

*M/s. S N Shah & Associates, Chartered Accountant, holds valid Peer Review Certificate Number 018603 dated 07th November, 2024 issued by Peer Review Board of the Institute of Chartered Accountants of India. The certificate is valid till 31st October, 2027.*

## BANKERS TO THE ISSUER

**STATE BANK OF INIDA**
**IFSC Code:** SBIN0003993
**Address:** Laghu Udyog Branch (03993), Ahmedabad
**Contact Number:** +91-9909042117
**Contact Person:** Mr. Rajiv Meena
**Email Id:** sbi.03993@sbi.co.in
**Website:** www.sbi.co.in

## MARKET MAKER

**[●]**

## BANKERS TO THE ISSUE/ REFUND BANKER/ SPONSOR BANK/PUBLIC ISSUE ACCOUNT BANK

**[●]**

**The Banker to the Issue (Sponsor Bank), Market Maker and Syndicate Members (if any) shall be appointed prior to filing of the Prospectus with the RoC.*

## CHANGES IN THE AUDITORS

There has been no change in the statutory auditors of our Company during the three years immediately preceding the date of this Draft Prospectus. M/s. Rajiv Shah & Associates, Chartered Accountants, have been the statutory auditors of the Company throughout this period.

## SYNDICATE MEMBER(s)

No Syndicate Member have been appointed as on the date of this Draft Prospectus.

## DESIGNATED INTERMEDIARIES:

### Self-Certified Syndicate Banks (SCSB'S)

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on the website of the SEBI (*https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35*) and updated from time to time. For details on Designated Branches of SCSBs collecting the Bid-cum-Application Forms, refer to the above-mentioned SEBI link.

Further, as notified by SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; the applications through UPI in IPOs can be made only through the SCSBs/ mobile applications whose name appears on the SEBI website www.sebi.gov.in at the following path: Home >> Intermediaries/Market Infrastructure Institutions >> Recognized intermediaries>> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Investors shall ensure that when applying in IPO using UPI, the name of their Bank appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, he/she shall also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the aforesaid list.

### SCSBS and Mobile Applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI *https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40* and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

## Syndicate SCSB Branches

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI *http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35* and updated from time to time. For more information on such branches collecting Bid-cum-Application Forms from the Syndicate at Specified Locations, refer to the above-mentioned SEBI link.

## Registered Brokers

Bidders can submit Bid cum Application Forms in the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and email address, is provided on the website of the SEBI at *https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes*, respectively, as updated from time to time.

## Registrar and Share Transfer Agents

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

## Collecting Depository Participants (CDP'S)

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes as updated from time to time.

## Brokers to the Issue

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

## Expert Opinion

Except as stated below, our Company has not obtained any expert opinions: Our Company has received written consent dated September 09, 2025 from M/s. Raiiv Shah & Associates, Chartered Accountants, , to include their name as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors.

Our Company has received written consent dated September 15, 2025 from M/s. S N Shah & Associates, Chartered Accountants, to include their name as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Peer Review Auditors, and in respect of their (i) examination report, dated September 15, 2025 on the Restated Financial Information ; and (ii) their statement of special tax benefits in this Draft Prospectus and such consent has not been withdrawn as of the date of this Draft Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Our Company has received written consent dated September 01, 2025 from Pranav Parikh & Associates, Independent Chartered Engineer to include their name in this Draft Prospectus/Prospectus and be named as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of his certificate on the installed capacity of the Company in connection with the Issue and such consent has not been withdrawn as of the date of this Draft Prospectus. The term "experts" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

**Inter-Se Allocation of Responsibilities**

Since, Fast Track Finsec Private Limited is the sole Lead Manager (LM) to this Issue, a statement of inter se allocation of responsibilities among Lead Manager is not applicable.

**Appraisal and Monitoring Agency**

Since our Issue size does not exceed ₹ 5,000 Lakhs, we are not required to appoint monitoring agency for monitoring the utilization of Net Proceeds in accordance with Regulation 262(1) of SEBI ICDR Regulations. Our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

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 Prospectus.

**Green Shoe Option**

No Green Shoe Option is applicable for this Issue.

**Credit Rating**

As this is 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, 2018 there is no requirement to appoint an IPO Grading agency.

**Debenture Trustees**

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

## Type of Issue

The present Issue is 100% Fixed Price Issue.

## Filing of Draft Prospectus/Prospectus with the SEBI/ ROC

The Draft Prospectus and Prospectus shall be filed on NSE Emerge Platform.

A copy of this Draft Prospectus has been filed through the NSE NEAPS portal at: https://neaps.nseindia.com/NEWLISTINGCORP/ and will also be filed with NSE at the following address:

**National Stock Exchange of India Ltd**
NSE Emerge
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (East) Mumbai – 400 051,
Maharashtra, India

In terms of Regulation 246(1) of the SEBI (ICDR) Regulations, 2018, a copy of the prospectus will be filed with the SEBI through SEBI Intermediary Portal at https://siportal.sebi.gov.in . through the Lead Manager immediately upon filing of the Issue Document with the Registrar of Companies. However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, the SEBI shall not issue any observation on the Issue document.

Further, in terms of Regulation 246(4) of the SEBI ICDR Regulations the prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, the Lead Manager and the EMERGE Platform of NSE. Moreover, in terms of Regulation 246 (5) of the SEBI ICDR Regulations, a copy of prospectus shall also be furnished to the SEBI in a soft copy.

A copy of the Prospectus along with the material contracts and documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat and through the electronic portal of the MCA at least three working days prior from the date of opening of the Issue Period.

## FIXED PRICE ISSUE PROCEDURE

This Issue is being made in terms of Chapter IX of SEBI (ICDR) Regulations, 2018 via Fixed Price Process wherein 50% of the Net Issue is allocated for Individual Investors and the balance shall be offered to individual applicants other than Individual Investors and other investors including Corporate Bodies or Institutions, QIBs and Non-Institutional Investors. However, if the aggregate demand from the Individual Investors is less than 50%, then the balance Equity Shares in that portion will be added to the non-Individual Investor portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Additionally, if the Individual Investors category is entitled to more than 50% on proportionate basis, the Individual Investors shall be allocated that higher percentage. However, the Application by an Applicant should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines

Subject to the valid Applications being received at the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Individual Investor Portion where Allotment to each Individual Investors shall not be less than the minimum 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, except in the QIB Portion, would be allowed

to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the LM and the Stock Exchange.

***Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number/UPI ID (for II Applicants using the UPI Mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange.***

## ISSUE PROGRAMME

| | |
|---|---|
| **Issue Opening Date** | **[●]** |
| **Issue Closing Date** | **[●]** |
| **Finalisation of Basis of Allotment with NSE** | **[●]** |
| **Initiation of Allotment / Refunds/ unblocking of ASBA Accounts** | **[●]** |
| **Credit of Equity Shares to demat accounts of the Allottees** | **[●]** |
| **Commencement of trading of the Equity Shares on NSE** | **[●]** |

### Withdrawal of the Issue

Our Company in consultation with the Lead Manager, 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 withdraws 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 Lead Manager, 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 withdraws 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 Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining the final listing and trading approval of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment.

## UNDERWRITING

In terms of Regulation 260 (1) of the SEBI (ICDR) Regulations, 2018, the initial public offer shall be underwritten for hundred per cent (100%) of the offer and shall not be restricted up to the minimum subscription level and as per sub regulation (2) The lead manager(s) shall underwrite at least fifteen per cent (15%) of the issue size on their own account(s).

Our Company and the Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten. Pursuant to the terms of the Underwriting Agreement dated [●] entered into by Company, 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 Underwriter | No. of shares underwritten | Amount Underwritten (₹ in Lakhs) | % of Total Issue Size Underwritten |
|---|---|---|---|
| **[●]**<br>Address: **[●]**<br>Tel No.: **[●]**<br>Email: **[●]**<br>Website: **[●]**<br>Contact Person: **[●]**<br>SEBI Registration No.: **[●]** | [●] | [●] | [●] |

**Underwriter shall be appointed prior to filing of the Prospectus with the RoC.*

Note: Includes up to [●] Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations as amended.

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

## DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the LM has entered into Market Making Agreement dated [●] with the following Market Maker, to fulfill the obligations of Market Making for this issue:

| | |
|---|---|
| **Name** | **[●]** |
| **Address** | **[●]** |
| **Contact Person** | **[●]** |
| **Telephone** | **[●]** |
| **E-mail** | **[●]** |
| **SEBI Registration No** | **[●]** |
| **CIN** | **[●]** |
| **MM Registration No** | **[●]** |

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

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

The Market Maker shall fulfill 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 NSE and SEBI regarding this matter from time to time.

**Following is a summary of the key details pertaining to the Market-making arrangement:**

➢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 every blackout period when the quotes are not being Issued by the Market Maker(s).

➢ 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 the NSE (SME platform of NSE) and SEBI from time to time.

➢ 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 Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

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

➢ 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 reduce to 24% of the Issue Size, the Market Maker will resume providing 2-way quotes.

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

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

➢There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors on the first day of the listing, there will be a pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.

➢ The Market maker may also be present in the opening call auction, but there is no obligation on him

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

➢ The Market Maker(s) shall have the right to terminate said arrangement by giving a 3 (three) months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible for appointing a replacement Market Maker(s) and executing a fresh arrangement. 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 LM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261(1) of the SEBI (ICDR) Regulations, 2018, as amended. Further, our Company and the LM reserve the right to appoint other Market Makers either as a replacement for the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers not exceeding 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 10.00 A.M. to 5.00 P.M. on working days.

➢ Risk containment measures and monitoring for Market Makers: The SME platform of NSE will have all margins, which are applicable on the NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time to time.

➢ **Punitive Action in case of default by Market Makers:** Emerge Platform of NSE will monitor the obligations on a real-time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties/ fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties/ fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market-making activities/ trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

➢ **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:

1. 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.
2. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

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

➢ Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market maker(s) 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 % |

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

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

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

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## CAPITAL STRUCTURE

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

*(Amount in lakhs except share data)*

| No. | Particulars | Amount | |
|---|---|---|---|
| | | **Aggregate Nominal Value** | **Aggregate value at the Issue Price** |
| **A.** | **AUTHORIZED SHARE CAPITAL** | | |
| | ***Equity Shares comprising:*** | | |
| | 1,70,00,000 Equity Shares of face value Rs. 10/- each | 1,700.00 | - |
| | | | |
| **B.** | **ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE** | | - |
| | 1,16,01,200 Fully paid-up Equity Shares of face value Rs.10 each | 1,160.12 | |
| | | | |
| **C.** | **PRESENT ISSUE IN TERMS OF DRAFT PROSPECTUS*** | | |
| | Issue of 45,56,800 Equity Shares of face value Rs 10/- each, at premium of Rs. [●] per Equity Share | 445.68 | [●] |
| | ***Which Comprises:*** | | |
| **D.** | [●] Equity Shares of face value Rs. 10 each at a premium of Rs. [●] per Equity Share reserved as Market Maker Portion | [●] | [●] |
| **E.** | **Net Issue to Public of [●] Equity Shares of face value of Rs. 10 each at a premium of Rs. [●] per Equity Share to the Public*** | [●] | [●] |
| | ***Of the Net Issue to the Public*** [(2)] | | |
| | **Allocation to Individual Investors -** [●] equity shares of the face value of ₹10 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share | [●] | [●] |
| | **Allocation to other than Individual Investors -** [●] equity shares of the face value of ₹10 each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share | [●] | [●] |
| **F.** | **ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE** | | |
| | 1,61,58,000 Equity Shares of face value Rs. 10/-each | 1,615.80 | |
| **G.** | **SECURITIES PREMIUM ACCOUNT** | | |
| | Before the Issue (as on date of this Draft Prospectus) | 239.88 | |
| | After the Issue | [●] | |

**For detailed information on the Net Issue and its allocation various categories, please refer chapter titled "The Issue" on Page no.* 80 *of this Draft Prospectus*

*[(1)] The present Offer has been authorized by our Board of Directors vide a resolution passed at its meeting held on August 05, 2025 and by special resolution passed under Section 62(1)(c) and 23 of the Companies Act, 2013 at the EGM of our shareholders held on August 28, 2025.*

*[(2)] Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Offer Price. Undersubscription, 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 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. Our Company has only one class of issued share capital i.e., Equity Shares of the face value of ₹10 each only. All equity shares are fully paid-up. Our Company does not have any partly paid-up shares as on the date of this Draft Prospectus.*

***The issuer company is in compliance with The Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Draft Prospectus.***

## CLASS OF SHARES

The Company has only one class of share capital i.e. Equity Shares of face value Rs. 10/- each only. All Equity Shares issued are fully paid-up.

Our Company has not issued any partly paid-up equity shares since its incorporation nor does it have any partly paid- up equity shares as on the date of the Draft Prospectus.

Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.

## NOTES TO THE CAPITAL STRUCTURE

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

***1.1 Authorized Equity Share Capital***

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

| *S. No.* | *Date of Shareholders approval* | *EGM/ AGM/ Postal Ballot* | *Cumulative No. of Equity Shares* | *Face Value Per Equity Share (in Rs.)* | *Cumulative Authorized Share Capital (Rs.)* | *Details of change* |
|---|---|---|---|---|---|---|
| 1. | July 19, 2012 | On Incorporation | 10,000 | 10.00/- | 1,00,000 | Incorporated with an Authorized Share Capital of Rs. 1,00,000 comprising of 10,000 Equity Shares of Face Value of Rs. 10/- each |
| 2. | July 29, 2013 | EGM | 45,00,000 | 10.00/- | 4,50,00,000 | Increase in Authorized Share Capital from Rs. 1,00,000 comprising of 10,000 Equity Shares of Face Value of ₹ 10/- each to Rs. 4,50,00,000 comprising of 45,00,000 Equity Shares of Face Value of Rs. 10/- each |
| 3. | March 21, 2018 | EGM | 65,00,000 | 10.00/- | 6,50,00,000 | Increase in Authorized Share Capital from Rs. 4,50,00,000 comprising of 45,00,000 Equity Shares of Face Value of ₹ 10/- each to Rs. 6,50,00,000 comprising of 65,00,000 Equity Shares of Face Value of Rs. 10/- each |
| 4. | January 22, 2020 | EGM | 85,00,000 | 10.00/- | 8,50,00,000 | Increase in Authorized Share Capital from Rs. 6,50,00,000 comprising of 65,00,000 Equity Shares of Face Value of ₹ 10/- each to Rs. 8,50,00,000 comprising of 85,00,000 Equity Shares of Face Value of Rs. 10/- each |
| 5. | March 24, 2022 | EGM | 1,10,00,000 | 10.00/- | 11,00,00,000 | Increase in Authorized Share Capital from Rs. 8,50,00,000 comprising of 85,00,000 Equity Shares of Face Value of ₹ 10/- each to Rs. 11,00,00,000 comprising of 1,10,00,000 Equity Shares of Face Value of Rs. 10/- each |

| *S. No.* | *Date of Shareholders approval* | *EGM/ AGM/ Postal Ballot* | *Cumulative No. of Equity Shares* | *Face Value Per Equity Share (in Rs.)* | *Cumulative Authorized Share Capital (Rs.)* | *Details of change* |
|---|---|---|---|---|---|---|
| 6. | March 20, 2023 | EGM | 1,20,00,000 | 10.00/- | 12,00,00,000 | Increase in Authorized Share Capital from Rs. 11,00,00,000 comprising of 1,10,00,000 Equity Shares of Face Value of ₹ 10/- each to Rs. 12,00,00,000 comprising of 1,20,00,000 Equity Shares of Face Value of Rs. 10/- each |
| 7. | August 28, 2025 | EGM | 1,20,00,000 | 10.00/- | 12,00,00,000 | Increase in Authorized Share Capital from Rs. 12,00,00,000 comprising of 1,20,00,000 Equity Shares of Face Value of ₹ 10/- each to Rs. 17,00,00,000 comprising of 1,70,00,000 Equity Shares of Face Value of Rs. 10/- each |

***1.2 Authorized Redeemable Preference Share Capital***

*As on the date of this Draft Prospectus, our Company does not have any Authorised Redeemable Preference Share Capital.*

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## 2. History of Paid-up Share Capital

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

| S. No. | Date of Allotment/ Fully Paid up | No. of Equity Shares Allotted | Face Value (Rs.) | Issue Price(Rs.) | Nature of Consideration | Nature of Allotment | Cumulative number of Equity Shares | Cumulative Paid-up Capital (Rs.) | Cumulative Securities premium (Rs.) |
|---|---|---|---|---|---|---|---|---|---|
| 1. | On Incorporation | 10,000 | 10.00/- | 10.00/- | Cash | Subscription to MOA [(i)] | 10,000 | 1,00,000 | Nil |
| 2. | December 24, 2013 | 19,90,000 | 10.00/- | 10.00/- | Cash | Right Issue (Ratio 199:1)[(ii)] | 20,00,000 | 2,00,00,000 | Nil |
| 3. | March 30, 2015 | 20,00,000 | 10.00/- | 10.00/- | Cash | Right Issue (Ratio 1:1)[(iii)] | 40,00,000 | 4,00,00,000 | Nil |
| 4. | March 27, 2018 | 25,00,000 | 10.00/- | 10.00/- | Cash | Right Issue (Ratio 5:8) [(iv)] | 65,00,000 | 6,50,00,000 | Nil |
| 5. | February 10, 2020 | 20,00,000 | 10.00/- | 10.00/- | Cash | Right Issue (Ratio 4:13) [(v)] | 85,00,000 | 8,50,00,000 | Nil |
| 6. | March 30, 2022 | 25,00,000 | 10.00/- | 10.00/- | Cash | Right Issue (Ratio 5:17) [(vi)] | 1,10,00,000 | 11,00,00,000 | Nil |
| 7. | March 28, 2023 | 4,76,200 | 10.00/- | 42.00/- | Cash | Right Issue (Ratio 2381:55000) [(vii)] | 1,14,76,200 | 11,47,62,000 | 1,52,38,400 |
| 8. | March 31, 2024 | 1,25,000 | 10.00/- | 80.00/- | Cash | Right Issue (Ratio 625:57381) [(viii)] | 1,16,01,200 | 11,60,12,000 | 2,39,88,400 |

***Notes to the Equity Share Capital Structure:***

i. Initial Subscribers to Memorandum of Association hold 10,000 Equity Shares each at the face value of Rs. 10/- fully paid up as per the details given below:

| S. No. | Name | No. of Shares Issued |
|---|---|---|
| 1. | Khodabhai Bharwad | 5,100 |
| 2. | Mukeshbhai Sindhav | 2,450 |
| 3. | Sureshbhai Sindhav | 2,450 |
| **Total** | | **10,000** |

ii. Allotment pursuant to Right issue of 19,90,000 Equity shares in the ratio of 199:1, 199 (One Hundred Ninety-Nine) Equity Shares for every 1 (One) Equity Share of face value Rs.10/- each fully paid up for cash on 24th December 2013, details of which are given below:

| S. No. | Name | No. of Shares Allotted |
|---|---|---|
| 1. | Khodabhai Bharwad | 8,00,000 |
| 2. | Kirit Singh Rana | 2,50,000 |
| 3. | Jasumati bharwad | 2,40,000 |
| 4. | Tribute Trading & Finance Pvt Ltd | 1,45,000 |
| 5. | Sureshbhai Sindhav | 1,40,000 |
| 6. | Mukeshbhai Sindhav | 1,30,000 |
| 7. | Sidhrajbhai Sindhav | 1,25,000 |
| 8. | Amrabhai Bharwad | 80,000 |
| 9. | Ramesh Bhai Mewada | 50,000 |
| 10. | LalaBhai Bharwad | 30,000 |
| **Total** | | **19,90,000** |

iii. The Company thereafter Issued 20,00,000 Equity shares in the ratio of 1:1, 1 (One) Equity Shares for every 1 (One) Equity Share of face value Rs.10/- each fully paid up for cash on 30th March, 2015, for cash consideration, mentioned in detail below:

| S. No. | Name | No. of Shares Allotted |
|---|---|---|
| 1. | Sureshbhai Sindhav | 9,55,000 |
| 2. | Mukeshbhai Sindhav | 6,10,000 |
| 3. | Khodabhai Bharwad | 3,85,000 |
| 4. | Sidhrajbhai Sindhav | 50,000 |
| **Total** | | **20,00,000** |

iv. Allotment pursuant to Right issue of 25,00,000 Equity shares in the ratio of 5:8, Five (Five) Equity Shares for every 8 (Eight) Equity Share of face value Rs.10/- each fully paid up for cash on on 27th March, 2018 Face Value of Rs.10/- each fully paid up, details of which are given below:

| S. No. | Name | No. of Shares Allotted |
|---|---|---|
| 1. | Harsh Vinod Mittal | 9,50,000 |
| 2. | Vinod Mangalchand Mittal | 8,00,000 |
| 3. | Yash Vinod Mittal | 5,40,000 |
| 4. | Radha Vinodkumar Mittal | 2,00,000 |
| 5. | Poonam Harsh Mittal | 5,000 |
| 6. | Sweta Yash Mittal | 5,000 |
| **Total** | | **25,00,000** |

v. Allotment pursuant to Right issue of 20,00,000 Equity shares in the ratio of 4:13, 4 (Four) Equity Shares for every 13 (Thirteen) Equity Share of face value Rs.10/- each fully paid up for cash on 10th February, 2020 Face Value of Rs.10/- each fully paid up, details of which are given below:

| S. No. | Name | No. of Shares Allotted |
|---|---|---|
| 1. | Vinod Mangalchand Mittal | 4,00,000 |
| 2. | Flaxen Textiles Private Limited | 4,00,000 |
| 3. | Citadel Textiles Private Limited | 4,00,000 |
| 4. | Radha Vinodkumar Mittal | 3,00,000 |
| 5. | Yash Vinod Mittal | 2,00,000 |
| 6. | Harsh Vinod Mittal | 1,00,000 |
| 7. | Poonam Harsh Mittal | 50,000 |
| 8. | Sweta Yash Mittal | 50,000 |
| 9. | Harsh V Mittal HUF | 50,000 |
| 10. | Yash V Mittal HUF | 50,000 |
| **Total** | | **20,00,000** |

vi. Allotment pursuant to Right issue of 25,00,000 Equity shares in the ratio of 5:17, 5 (Five) Equity Shares for every 17 (Seventeen) Equity Share of face value Rs.10/- each fully paid up for cash on 30th March 2022 Face Value of Rs.10/- each fully paid up, details of which are given below:

| S. No. | Name | No. of Shares Allotted |
|---|---|---|
| 1. | Yash Vinod Mittal | 8,90,000 |
| 2. | Vinod Mangalchand Mittal | 5,00,000 |
| 3. | Harsh Vinod Mittal | 4,10,000 |
| 4. | Radha Vinodkumar Mittal | 3,00,000 |
| 5. | Poonam Harsh Mittal | 2,00,000 |
| 6. | Sweta Yash Mittal | 2,00,000 |
| **Total** | | **25,00,000** |

vii. The Company thereafter Right issue of 4,76,200 Equity shares in the ratio of 2381:55000, 2381 (Two Thousand and Three Hundred and Eighty-One) Equity Shares for every 55000 (Fifty Thousand and Five Hundred) Equity Share of face value Rs.10/- each fully paid up for cash on 28th March 2023 Face Value of Rs.10/- each fully paid up, details of which are given below:

| S. No. | Name | No. of Shares Allotted |
|---|---|---|
| 1. | Harsh Vinod Mittal | 1,40,000 |
| 2. | Yash Vinod Mittal | 1,30,000 |
| 3. | Radha Vinod Mittal | 1,00,000 |
| 4. | Poonam Harsh Mittal | 66,200 |
| 5. | Sweta Yash Mittal | 40,000 |
| **Total** | | **4,76,200** |

viii. Allotment pursuant to Right issue of 1,25,000 Equity shares in the ratio of 625:57381, 627 (Six Hundred and Twenty Seven) Equity Shares for every 57381 (Fifty Thousand and Three Hundred and Eighty One) Equity Share of face value Rs.10/- each fully paid up for cash on 31st March, 2024 Face Value of Rs.10/- each fully paid up, details of which are given below:

| S. No. | Name | No. of Shares Allotted |
|---|---|---|
| 1. | Harsh Vinod Mittal | 50,000 |
| 2. | Yash Vinod Mittal | 43,750 |
| 3. | Vinod Mangalchand Mittal | 31,250 |
| **Total** | | **1,25,000** |

**2.2**. Our Company does not have any Outstanding Preference Shares, as on the date of this Prospectus

3. As on the date of this Draft Prospectus, we have not issued any Equity Shares for consideration other than cash, at any point of time since Incorporation.
4. Our Company has not revalued its assets since inception and has not issued any equity shares ~~(including bonus shares)~~ by capitalizing any revaluation reserves.
5. No equity shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956 and sections 230-234 of the Companies Act, 2013.
6. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme 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 and Sweat Equity) Regulations, 2021.
7. We have not issued any Equity Shares at price below issue price within last 1 (one) year from the date of this Draft Prospectus.

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**8. Our Shareholding Pattern**

The table below represents the current shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015.

| Category (I) | Category of Shareholder (II) | No. of Shareholders (III) | No. of fully paid-up Equity Shares held (IV) | No. of Partly paid-up Equity Shares held (V) | No. of shares underlying depository receipts (VI) | Total No. of shares held (VII) = (IV)+(V)+ (++VI) | Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX) | | | No. of Shares underlying outstanding convertible securities (including warrants) (X) | Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) (XI)= (VII)+(X) As a% of A+B+C2) | No. of locked-in Equity Shares (XII) | | Number of Equity Shares pledged or otherwise encumbered (XIII) | | No. of Equity Shares held in dematerialized form (XIV) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | Class (Equity) | Total | Total as a % of (A+B+C) | | | No. (a) | As a % of total shares held (b) | No. of Equity Shares held in dematerialized form (XIV) | As a % of total shares held (b) | |
| (A) | Promoter and Promoter Group | 08 | 1,08,01,200 | - | - | 1,08,01,200 | 93.10% | 1,08,01,200 | 1,08,01,200 | 93.10 % | - | - | - | - | - | - | 1,08,01,200 |
| (B) | Public | 02 | 8,00,000 | - | - | 8,00,000 | 6.90% | 8,00,000 | 8,00,000 | 6.90% | - | - | - | - | - | - | 8,00,000 |
| (C) | Non-Promote | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | r- Non-Public | | | | | | | | | | | | | | | | |
| (C1) | Shares underlying depository receipt | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (C2) | Shares held by employee trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total** | | **10** | **1,16,01,200** | **-** | **-** | **1,16,01,200** | **100%** | **1,16,01,200** | **1,16,01,200** | **100%** | **-** | **-** | **-** | **-** | **-** | **-** | **1,16,01,200** |

**As on the date of this Draft Prospectus 1 Equity Shares holds 1 vote.*

***Note**:*

- *In terms of SEBI circular bearing No. CIR/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing No. SEBI/CIR/ISD/ 05 /2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoters Group Entities and 50% of the Equity Shares held by the public shareholders, shall be dematerialized. Presently, all the existing equity shares of the Company are in dematerialized form.*
- *PAN of the Shareholders will be provided by our Company prior to Listing of Equity Share on the Stock Exchange.*
- *Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, 2015, one day prior to the listing of the equity shares. The shareholding pattern will be uploaded on the website of SME Platform of NSE (NSE Emerge) before commencement of trading of such Equity Shares.*
- *The complete shareholding pattern shall be provided at the time of listing of the equity shares.*

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**9. Details of the holding of securities of persons belonging to the category "Promoter and Promoter Group" and "public" before and after the Issue:**

| S. NO. | Name of the Shareholder | Pre-Issue | | Post Issue | |
|---|---|---|---|---|---|
| | | No. of Equity Shares | % of Pre-Issue Capital | No. of Equity Shares* | % of post-Issue Capital* |
| I | II | III | IV | V | VI |
| **PROMOTERS** | | | | | |
| 1. | Mr. Yash Vinod Mittal | 43,91,795 | 37.86% | [●] | [●] |
| 2. | Mr. Harsh Vinod Mittal | 42,13,145 | 36.32% | [●] | [●] |
| 3. | Mrs. Sweta Yash Mittal | 2,95,000 | 2.54% | [●] | [●] |
| **TOTAL(A)** | | **88,99,940** | **76.72%** | [●] | [●] |
| **PROMOTER GROUP** | | | | | |
| 1. | Ms. Radha Vinodkumar Mittal | 9,00,000 | 7.76% | [●] | [●] |
| 2. | Mr. Vinod Mangalchand Mittal | 5,80,060 | 5.00% | [●] | [●] |
| 3. | Ms. Poonam Harsh Mittal | 3,21,200 | 2.77% | [●] | [●] |
| 4. | Harsh V Mittal HUF | 50,000 | 0.43% | [●] | [●] |
| 5. | Yash V Mittal HUF | 50,000 | 0.43% | [●] | [●] |
| **TOTAL(B)** | | **19,01,260** | **16.39%** | [●] | [●] |
| **PUBLIC** | | | | | |
| 1. | Flaxen Textiles Private Limited | 4,00,000 | 3.45% | [●] | [●] |
| 2. | Citadel Textiles Private Limited | 4,00,000 | 3.45% | [●] | [●] |
| 3. | Initial Public Offer (IPO) | - | - | 45,56,800 | [●] |
| **TOTAL(C)** | | **8,00,000** | **6.90%** | **45,56,800** | [●] |
| **TOTAL(A+B+C)** | | **1,16,01,200** | **100.00%** | **1,61,58,000** | [●] |

**Shall be updated at the time of filling Prospectus*

**10. Details of Shareholding of the major shareholders of the Company**

(A) List of Shareholders holding 1 % or more of the paid-up capital of the Company as on the date of Draft Prospectus.

| S. No. | Name of Shareholder | No. of Equity Shares* | % of Paid-up capital** |
|---|---|---|---|
| 1. | Yash Vinod Mittal | 43,91,795 | 37.86% |
| 2. | Harsh Vinod Mittal | 42,13,145 | 36.32% |
| 3. | Radha Vinodkumar Mittal | 9,00,000 | 7.76% |
| 4. | Vinod Mangalchand Mittal | 5,80,060 | 5.00% |
| 5. | Flaxen Textiles Private Limited | 4,00,000 | 3.45% |
| 6. | Citadel Textiles Private Limited | 4,00,000 | 3.45% |
| 7. | Poonam Harsh Mittal | 3,21,200 | 2.77% |
| 8. | Sweta Yash Mittal | 2,95,000 | 2.54% |
| **Total** | | **1,15,01,200** | **99.14%** |

** 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 Draft Prospectus.*

*** The % has been calculated based on existing (pre-issue) paid –up capital of the company*

(B) List of Shareholders holder 1% or more of the paid-up capital of the Company ten days prior the date of Draft Prospectus.

| S. No. | Name of Shareholder | No. of Equity Shares* | % of Paid-up capital** |
|---|---|---|---|
| 1. | Yash Vinod Mittal | 43,91,795 | 37.86% |
| 2. | Harsh Vinod Mittal | 42,13,145 | 36.32% |
| 3. | Radha Vinodkumar Mittal | 9,00,000 | 7.76% |
| 4. | Vinod Mangalchand Mittal | 5,80,060 | 5.00% |
| 5. | Flaxen Textiles Private Limited | 4,00,000 | 3.45% |
| 6. | Citadel Textiles Private Limited | 4,00,000 | 3.45% |
| 7. | Poonam Harsh Mittal | 3,21,200 | 2.77% |
| 8. | Sweta Yash Mittal | 2,95,000 | 2.54% |
| **Total** | | **1,15,01,200** | **99.14%** |

* 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 Draft Prospectus.

** The % has been calculated based on existing (pre-issue) paid –up capital of the company.

(C) List of Shareholders holder 1% or more of the paid-up capital of the Company one year prior the date of Draft Prospectus.

| S. No. | Name of Shareholder | No. of Equity Shares* | % of Paid-up capital** |
|---|---|---|---|
| 1. | Yash Vinod Mittal | 43,91,795 | 37.86% |
| 2. | Harsh Vinod Mittal | 42,13,145 | 36.32% |
| 3. | Radha Vinodkumar Mittal | 9,00,000 | 7.76% |
| 4. | Vinod Mangalchand Mittal | 5,80,060 | 5.00% |
| 5. | Flaxen Textiles Private Limited | 4,00,000 | 3.45% |
| 6. | Citadel Textiles Private Limited | 4,00,000 | 3.45% |
| 7. | Poonam Harsh Mittal | 3,21,200 | 2.77% |
| 8. | Sweta Yash Mittal | 2,95,000 | 2.54% |
| **Total** | | **1,15,01,200** | **99.14%** |

*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 Draft Prospectus.

** The % has been calculated based on existing (pre-issue) paid –up capital of the company one year prior.

(D) List of Shareholders holder 1% or more of the paid-up capital of the Company two year prior the date of Draft Prospectus.

| S. No. | Name of Shareholder | No. of Equity Shares* | % of Paid-up capital** |
|---|---|---|---|
| 1. | Yash Vinod Mittal | 30,70,000 | 26.75% |
| 2. | Harsh Vinod Mittal | 28,85,100 | 25.14% |
| 3. | Radha Vinodkumar Mittal | 9,00,000 | 7.84% |
| 4. | Vinod Mangalchand Mittal | 31,04,900 | 27.06% |
| 5. | Flaxen Textiles Private Limited | 4,00,000 | 3.49% |
| 6. | Citadel Textiles Private Limited | 4,00,000 | 3.49% |
| 7. | Poonam Harsh Mittal | 3,21,200 | 2.80% |
| 8. | Sweta Yash Mittal | 2,95,000 | 2.57% |
| **Total** | | **1,13,76,200** | **99.13%** |

*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 Draft Prospectus.

** The % has been calculated based on existing (pre-issue) paid –up capital of the company (D) Two Year prior.

**11.** There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, Right issue or in any other manner during the period commencing from the date of the Draft Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the offer, by way of split/ consolidation of the denomination of Equity Shares. However, our Company may further issue equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or 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.

**12.** Our Company has not made any Initial Public offer of specified securities in the preceding two years from the date of filling of Draft Prospectus.

**13.** Except as stated below, none of our other Directors or Key Managerial Personnel holds Equity Shares in our Company:

| S. No | Name | Designation | No. of Equity Shares Held | Percentage |
|---|---|---|---|---|
| 1. | Mr. Yash Vinod Mittal | Managing Director | 43,91,795 | 37.86% |
| 2. | Mr. Harsh Vinod Mittal | Whole Time Director | 42,13,145 | 36.32% |
| 3. | Mrs. Sweta Yash Mittal | Non-Executive Director | 2,95,000 | 2.54% |
| **Total** | | | **88,99,940** | **76.72%** |

**14.** Capital Buildup in respect of Shareholdings of Our Promoters of Our Company.

As on the date of this Draft Prospectus, Our Promoters Mr. Harsh Vinod Mittal, Mr. Yash Vinod Mittal and Mrs. Sweta Yash Mittal collectively hold 88,99,940 equity shares of our Company. None of the Equity shares held by our Promoter are subject to any pledge.

Set forth below is the build-up of the Shareholding of our promoter in our company since incorporation:

**(A) MR. HARSH VINOD MITTAL**

| Date of Allotment/ Transfer | No. of Equity Shares | Face Value per share | Issue/ Acquisition /Transfer price | Nature of Issue / Transaction | Nature of Consideration | % of pre issue capital Shares | % of post issue capital Shares | No. of Shares Pledged | % of Shares Pledged |
|---|---|---|---|---|---|---|---|---|---|
| 05 December, 2016 | 1,50,000 | 10.00/- | 10.00/- | Transfer from Mr. Mukeshbhai Sindhav | Cash | 1.29% | [●] | Nil | Nil |
| 09 December, 2016 | 1,50,000 | 10.00/- | 10.00/- | Transfer from Mr. Sureshbhai Sindhav | Cash | 1.29% | [●] | Nil | Nil |
| 02 January, 2017 | 1,50,000 | 10.00/- | 10.00/- | Transfer from Mr. Mukeshbhai Sindhav | Cash | 1.29% | [●] | Nil | Nil |
| 27 January, 2017 | 1,00,000 | 10.00/- | 10.00/- | Transfer from Mr. Sureshbhai Sindhav | Cash | 0.87% | [●] | Nil | Nil |
| 31 January, 2017 | 1,00,000 | 10.00/- | 10.00/- | Transfer from Mr. Sureshbhai Sindhav | Cash | 0.87% | [●] | Nil | Nil |
| 07 February, 2017 | 92,550 | 10.00/- | 10.00/- | Transfer from Mr. Khodabhai Bharwad | Cash | 0.80% | [●] | Nil | Nil |
| 04 March, 2017 | 35,000 | 10.00/- | 10.00/- | Transfer from Mr. Khodabhai Bharwad | Cash | 0.30% | [●] | Nil | Nil |
| 04 March, 2017 | 5,100 | 10.00/- | 10.00/- | Transfer from Mr. Khodabhai Bharwad | Cash | 0.04% | [●] | Nil | Nil |
| 04 March, 2017 | 2,07,450 | 10.00/- | 10.00/- | Transfer from Mr. Khodabhai Bharwad | Cash | 1.79% | [●] | Nil | Nil |
| 04 March, 2017 | 1,50,000 | 10.00/- | 10.00/- | Transfer from Mr. Sureshbhai Sindhav | Cash | 1.29% | [●] | Nil | Nil |
| 16 May, 2017 | 1,45,000 | 10.00/- | 10.00/- | Transfer from Tribute Trading & Finance Pvt Ltd | Cash | 1.25% | [●] | Nil | Nil |

| Date of Allotment/ Transfer | No. of Equity Shares | Face Value per share | Issue/ Acquisition /Transfer price | Nature of Issue / Transaction | Nature of Consideration | % of pre issue capital Shares | % of post issue capital Shares | No. of Shares Pledged | % of Shares Pledged |
|---|---|---|---|---|---|---|---|---|---|
| 27 March, 2018 | 9,50,000 | 10.00/- | 10.00/- | Right Issue | Cash | 8.19% | [●] | Nil | Nil |
| 10 February, 2020 | 1,00,000 | 10.00/- | 10.00/- | Right Issue | Cash | 0.86% | [●] | Nil | Nil |
| 30 March, 2022 | 4,10,000 | 10.00/- | 10.00/- | Right Issue | Cash | 3.53% | [●] | Nil | Nil |
| 28 March, 2023 | 1,40,000 | 10.00/- | 42.00/- | Right Issue | Cash | 1.21% | [●] | Nil | Nil |
| 31 March, 2024 | 12,78,045 | 10.00/- | 0.00/- | Transfer from Mr. Vinod Mangalchand Mittal | N.A. | 11.02% | [●] | Nil | Nil |
| 31 March, 2024 | 50,000 | 10.00/- | 70.00/- | Right Issue | Cash | 0.43% | [●] | Nil | Nil |
| **TOTAL** | **42,13,145** | | | | | **36.32%** | [●] | Nil | Nil |

**(B) MR. YASH VINOD MITTAL**

| Date of Allotment/ Transfer | No. of Equity Shares | Face Value per share | Issue/ Acquisition /Transfer price | Nature of Issue / Transaction | Nature of Consideration | % of pre issue capital Shares | % of post issue capital Shares | No. of Shares Pledged | % of Shares Pledged |
|---|---|---|---|---|---|---|---|---|---|
| 09 July, 2016 | 1,50,000 | 10.00/- | 10.00/- | Transfer from Mr. Khodabhai Bharwad | Cash | 1.29% | [●] | Nil | Nil |
| 23 December, 2016 | 1,00,000 | 10.00/- | 10.00/- | Transfer from Mr. Sureshbhai Sindhav | Cash | 0.86% | [●] | Nil | Nil |
| 25 December, 2016 | 1,00,000 | 10.00/- | 10.00/- | Transfer from Mr. Khodabhai Bharwad | Cash | 0.86% | [●] | Nil | Nil |
| 05 January, 2017 | 1,00,000 | 10.00/- | 10.00/- | Transfer from Mr. Khodabhai Bharwad | Cash | 0.86% | [●] | Nil | Nil |
| 12 January, 2017 | 1,00,000 | 10.00/- | 10.00/- | Transfer from Mr. Khodabhai Bharwad | Cash | 0.86% | [●] | Nil | Nil |
| 17 January, 2017 | 1,00,000 | 10.00/- | 10.00/- | Transfer from | Cash | 0.86% | [●] | Nil | Nil |

| Date of Allotment/ Transfer | No. of Equity Shares | Face Value per share | Issue/ Acquisition /Transfer price | Nature of Issue / Transaction | Nature of Consideration | % of pre issue capital Shares | % of post issue capital Shares | No. of Shares Pledged | % of Shares Pledged |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Mr. Khodabhai Bharwad | | | | | |
| 21 January, 2017 | 1,00,000 | 10.00/- | 10.00/- | Transfer from Mr. Sureshbhai Sindhav | Cash | 0.86% | [●] | Nil | Nil |
| 07 March, 2017 | 2,00,000 | 10.00/- | 10.00/- | Transfer from Mr. Khodabhai Bharwad | Cash | 1.72% | [●] | Nil | Nil |
| 07 March, 2017 | 1,50,000 | 10.00/- | 10.00/- | Transfer from Mr. Sureshbhai Sindhav | Cash | 1.29% | [●] | Nil | Nil |
| 16 March, 2017 | 50,000 | 10.00/- | 10.00/- | Transfer from Mr. Ramesh Bhai Mewada | Cash | 0.43% | [●] | Nil | Nil |
| 19 May, 2017 | 30,000 | 10.00/- | 10.00/- | Transfer from Mr. Mukeshbhai Sindhav | Cash | 0.26% | [●] | Nil | Nil |
| 19 May, 2017 | 25,000 | 10.00/- | 10.00/- | Transfer from Mr. Sureshbhai Sindhav | Cash | 0.22% | [●] | Nil | Nil |
| 19 May, 2017 | 1,05,000 | 10.00/- | 10.00/- | Transfer from Mr. Sureshbhai Sindhav | Cash | 0.91% | [●] | Nil | Nil |
| 27 March, 2018 | 5,40,000 | 10.00/- | 10.00/- | Right Issue | Cash | 4.65% | [●] | Nil | Nil |
| 10 February, 2020 | 2,00,000 | 10.00/- | 10.00/- | Right Issue | Cash | 1.72% | [●] | Nil | Nil |
| 30 March, 2022 | 8,90,000 | 10.00/- | 10.00/- | Right Issue | Cash | 7.67% | [●] | Nil | Nil |
| 28 March, 2023 | 1,30,000 | 10.00/- | 42.00/- | Right Issue | Cash | 1.12% | [●] | Nil | Nil |
| 31 March, 2024 | 12,78,045 | 10.00/- | 0.00/- | Transfer from Mr. Vinod Mangalchand Mittal | N.A. | 11.02% | [●] | Nil | Nil |
| 31 March, 2024 | 43,750 | 10.00/- | 70.00/- | Right Issue | Cash | 0.38% | [●] | Nil | Nil |
| **TOTAL** | **43,91,795** | **-** | **-** | **-** | **-** | **37.86%** | [●] | Nil | Nil |

**(C) MS. SWETA YASH MITTAL**

| Date of Allotment/ Transfer | No. of Equity Shares | Face Value per share | Issue/ Acquisition /Transfer price | Nature of Issue / Transaction | Nature of Consideration | % of pre issue capital Shares | % of post issue capital Shares | No. of Shares Pledged | % of Shares Pledged |
|---|---|---|---|---|---|---|---|---|---|
| 27 March, 2018 | 5,000 | 10.00/- | 10.00/- | Right Issue | Cash | 0.04% | [●] | Nil | Nil |
| 10 February, 2020 | 50,000 | 10.00/- | 10.00/- | Right Issue | Cash | 0.43% | [●] | Nil | Nil |
| 30 March, 2022 | 2,00,000 | 10.00/- | 10.00/- | Right Issue | Cash | 1.72% | [●] | Nil | Nil |
| 28 March, 2023 | 40,000 | 10.00/- | 42.00/- | Further Issue | Cash | 0.34% | [●] | | |
| **TOTAL** | **2,95,000** | **-** | **-** | **-** | **-** | **2.54%** | [●] | Nil | Nil |

**15.** The average cost of acquisition of or subscription to Equity Shares by Our Promoter is set forth in the table below:

| S. No. | Name | Promoter / Promoter Group | No. of Shares held | Avg. Cost of Acquisition*(in Rs.) |
|---|---|---|---|---|
| 1. | Harsh Vinod Mittal | Promoter | 42,13,145 | 8.86 |
| 2. | Yash Vinod Mittal | Promoter | 43,91,795 | 8.73 |
| 3. | Sweta Yash Mittal | Promoter | 2,95,000 | 14.34 |

**Including the Equity Shares issued pursuant to bonus issue and transfer.*

***As Certified by M/s S N Shah & Associates, Chartered Accountants dated September 15, 2025 vide 25144892BMHWSB7914.*

**16.** The average cost of acquisition of or subscription to Equity Shares by Promoter Group is set forth in the table below:

| S. No. | Name | Promoter / Promoter Group | No. of Shares held | Avg. Cost of Acquisition*(in Rs.) |
|---|---|---|---|---|
| 1. | Vinod Mangalchand Mittal | Promoter Group | 5,80,060 | 57.89 |
| 2. | Radha Vinodkumar Mittal | Promoter Group | 9,00,000 | 13.56 |
| 3. | Poonam Harsh Mittal | Promoter Group | 3,21,200 | 16.60 |

**Including the Equity Shares issued pursuant to bonus issue and transfer.*

***As Certified by M/s S N Shah & Associates, Chartered Accountants dated September 15, 2025 vide 25144892BMHWVH1146.*

**17.** No Equity Shares were acquired/ purchased/ sold by the Promoter/Promoter Group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Draft Prospectus.

**18.** Our Promoters have confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds or their internal accruals, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.

**19.** There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing of the Draft Prospectus with the Stock Exchange.

**20.** Our Company has not made any public offer (including any rights issue to the public) since its incorporation.

**21. Promoter's Contribution and Locked- in Details**

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post issue capital held by our Promoters shall be considered as Promoter's Contribution ("Promoter's 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.

As on the date of this Draft Prospectus, our Promoters holds 88,99,940 Equity Shares constituting 76.72% of the post-Issued, subscribed and paid-up Equity Share Capital of our Company, which are eligible for the Promoter's contribution.

Our Promoters, Mr. Yash Vinod Mittal, Mr. Harsh Vinod Mittal and Mrs. Sweta Yash Mittal have given written consent to include [●] Equity Shares held by them and subscribed by them as part of Promoters Contribution constituting [●] % of the post Issue share capital of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters contribution, for a period of three years from the date of allotment in the Issue.

| Name of Promoter | Date of allotment/ Acquisition of the Equity Shares | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price per Equity Share (Rs.) | Percentage of post. Offer paid-Up capital (%) | Lock in Period |
|---|---|---|---|---|---|---|---|
| Yash Vinod Mittal | [●] | [●] | [●] | 10.00/- | [●] | [●] | [●] |
| Harsh Vinod Mittal | [●] | [●] | [●] | 10.00/- | [●] | [●] | [●] |
| Sweta Yash Mittal | [●] | [●] | [●] | 10.00/- | [●] | [●] | [●] |

*Assuming full subscription to the Issue

(Note: The above table had intentionally been left blank. It shall be updated in the Prospectus)

The Minimum Promoter's Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as '**Promoters'** under the SEBI (ICDR) Regulations, 2018. All Equity Shares that are being locked in are not ineligible for computation of Promoter's contribution in terms of Regulation 237 of the SEBI ICDR Regulations 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 form the allotment of Equity Shares in this Issue. Equity Shares offered by the Promoter for the minimum Promoter's contribution are not subject to pledge.

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, 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.

(c) The Equity Shares offered for Promoters' Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution.

(d) The Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer.

(f) The Equity Shares forming part of the Promoter's Contribution are not subject to any pledge.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

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

| **Reg. No.** | **Promoter's 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** |

| Reg. No. | Promoter's Minimum Contribution Conditions | Eligibility Status of Equity Shares forming part of Promoter's Contribution |
|---|---|---|
| 237(1) (a) (ii) | Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoter's contribution | The minimum Promoter's contribution does not consist of such Equity 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 minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible.** |
| 237(1) (c) | Specified securities allotted to promoter 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 does not consist of such Equity Shares. **Hence Eligible.** |
| 237(1) (d) | Specified securities pledged with any creditor. | Our Promoters have not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible.** |

**22. Details of Locked-in for One Year for person other than promoters**

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue equity share capital held by persons other than promoter constituting [●] Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

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 Ratio 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.

**23. Other requirements in respect of lock-in:**

1. 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's 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.

2. 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.

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

**24.** Neither, we nor our Promoters, Directors and the LM 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.

**25.** As on the date of this Draft Prospectus, the entire Issued Share, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire issue price in respect of the issue is payable on application, all the successful applicants will be allotted fully paid- up Equity shares.

**26.** As on the date of this Draft Prospectus, the Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

**27.** As on date of the Draft Prospectus, the Lead Managers to the Issue, namely Fast Track Finsec Private Limited is not related to the public shareholders of the Company in any way directly or indirectly including any related party transactions, etc. and/or are connected with the Company in any manner directly or indirectly other than in the capacity as the Lead Manager.

**28.** We have 10 shareholders as on the date of filing of this Draft Prospectus.

**29.** As on the date of filing of this Draft 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 Offer.

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

**31.** As on the date of this Draft Prospectus, none of the shares held by our Promoters/ Promoter Group are subject to any pledge.

**32.** We hereby confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Issue.

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

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

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

**36.** Other than the Equity Shares, there is no other class of securities issued by our Company.

**37.** There are no safety net arrangements for this public issue.

**38.** As per RBI regulations, OCBs are not allowed to participate in this issue.

**39.** Our Promoters and Promoter Group will not participate in this Issue.

**40.** This Issue is being made through Fixed Price.

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

**42.** No person connected with the Issue shall offer 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.

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

***The remainder of this page has been left blank intentionally.***

## OBJECTS OF THE ISSUE

The offer comprises a fresh issue of Equity Shares aggregating up to 45,56,800 of face value of ₹ 10 each aggregating [●] lakhs by our Company. Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the Emerge Platform of National Stock Exchange of India Limited.

**The objects of the Issue are: -**

1. Expansion of Existing Plant;
2. Repayment of Loan;
3. To meet Working Capital Requirement;
4. General Corporate Purposes;
5. For Issue Expenses.

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

### Net Proceeds

The details of the Net Proceeds are set forth below:

| Particulars | Amount (Rs. in Lakhs) |
|---|---|
| Gross Proceeds of the Issue | [●] |
| Less: Issue related expenses in relation to Issue* | [●] |
| **Net Proceeds** | [●] |

**Note: **S N Shah & Associates**, Chartered Accountants (Peer reviewed Auditor of the Company) vide certificate dated September 15, 2025 vide UDIN 25144892BMHWQR2418 has certified that the Company has incurred expenses of 8.48 lakhs towards "Issue Expenses" as on August 25, 2025 from its internal accruals*.

(1) Except for the Listing fees, which will be borne by our Company, all other expenses relating to the Offer as mentioned above will be borne by our Company. See "–Offer Related Expenses" on page 133 of this Draft Prospectus.

(2) To be determined after finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.

### 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:**

| Sr. No | Particulars | Amount (Rs. in Lacs) |
|---|---|---|
| 1. | Expansion of Existing Plant; | 638.77 |
| 2. | Repayment of Loan; | 650.00 |
| 3. | To meet working capital requirements; | 1,850.00 |
| 4. | General Corporate Purpose; and* | [●] |
| 5. | Issue Expenses. * | [●] |
| | **Total** | [●] |

* To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 15% of amount being raised by our Company through this Offer or ₹ 10 crores, whichever is lower.

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

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "Risk Factors" beginning on page no. 35 of this Prospectus.

## PROPOSED SCHEDULE OF IMPLEMENTATION

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Offer Proceeds is as under:

(₹ in Lakhs)

| Sr. No | Particulars | Amount to be Utilised for Issue Proceeds | Amount to be deployed and utilized in F.Y. 2025-26 | Amount to be deployed and utilized in F.Y. 2026-27 |
|---|---|---|---|---|
| **1.** | Expansion of Existing Plant; * | 638.77 | 638.77 | - |
| **2.** | Repayment of Loan; | 650.00 | 650.00 | - |
| **3.** | To meet working capital requirements; | 1,850.00 | 800.00 | 1050.00 |
| **4.** | General Corporate Purpose; ** | **[●]** | **[●]** | **[●]** |
| **Total** | | **[●]** | **[●]** | **[●]** |

* The Company proposes to make the entire payment for the plant expansion in advance during FY 2025-26.
** To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 15% of amount being raised by our Company through this Offer or ₹ 10 crores, whichever is lower.

## MEANS OF FINANCE

We intend to finance our Objects of Issue through Net Issue Proceeds which is as follows:

| Particulars | Amt (Rs. in Lacs) |
|---|---|
| Net Issue Proceeds (Fresh Issue) | [●] |
| **Total** | [●] |

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

## Details of Utilization of Net Proceeds

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

### 1. Expansion of Existing Plant;

As part of our ongoing efforts to enhance operational capacity and improve production efficiency, the Company is undertaking an expansion of its existing fabric processing and dyeing plant. This expansion includes the

installation of new machinery aimed at increasing rapidity, improving product quality, and meeting the growing demand for our services.

The proposed capital investment in additional machinery is expected to strengthen our value chain by enabling higher volume processing, reducing turnaround time, and supporting the Company's long-term growth strategy. This expansion aligns with our commitment to innovation, sustainability, and delivering superior solutions to our clients in the textile industry. Below is the list of the machines we have finalized for expansion.

| S. No. | Item | Quantity (Nos.) |
|---|---|---|
| 1. | Automatic Jigger Machine Complete. 2200mm Roller Width with 1000 Kgs. | 12 |
| 2. | Yamuna Mercerizer Machine with Drying Range | 1 |
| 3. | 'Prabhar' 3 - roll heavy duty calender m\c with heavy steel side walls | 1 |
| 4. | 2000mm face width plc controlled c.p. dyeing machine. | 1 |
| 5. | 2000mm Face Width Plc Controlled Multi Cylinder Drying Range with Individual Cylinder Drives with Padding Mangle | 1 |

**Rationale for Expansion of the Dyeing Plant**

1. **Market Potential**

   India is a significant exporter of 100% cotton, polyester/cotton, and polyester/viscose blended yarns. With the rising global demand for garments, there is substantial growth potential in both domestic and international markets. Blended yarns are increasingly used in knitting, woven fabrics, towels, and home furnishings—creating a strong case for enhanced dyeing capacity to meet this growing demand.

2. **Technology Upgradation & Equipment Lifecycle**

   To improve operational efficiency and maintain competitiveness, the plant requires technological upgrades. Many of the existing dyeing machines have reached the end of their 10–15 years lifecycle and need replacement. Adopting modern, high-efficiency machines will not only enhance productivity but also lower maintenance costs and downtime.

3. **Energy Efficiency & Power Cost Reduction**

   Currently, older Jigger machines consume more power and are less efficient. The plan includes replacing 6 outdated machines and adding 6 new ones, bringing the total to 46 Jigger machines. This will significantly reduce power consumption and associated costs, while also supporting increased dyeing capacity.

4. **Increased Production Capacity**

   To meet rising demand, merely replacing old equipment is insufficient; new machinery must also be added. Currently, the Stenter machine is being used for calendering as well, which limits its primary dyeing capacity. Installing a dedicated Calender machine will separate the two functions, reduce calendering costs, and enhance overall production capacity. Additionally, the introduction of PLC-controlled C.P. Dyeing Machines—capable of dyeing up to 8,000 meters per batch—will further boost throughput.

5. **Reduction in Cost of Production**

   New machinery is designed to optimize resource consumption, requiring less water and power per unit of output. This will directly reduce the cost of production while supporting sustainable manufacturing practices.

***The fund we required to set up the purposed Machineries is Approx Rs. 638.77 lakhs and shall be used from the proceeds of the issue.***

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

The Company has not placed any order for the expansion of existing plant; however the company has taken the quotation from the independent vendors, the details of the quotation and machines proposed to be purchased are provided hereunder:

| S. No. | Description of machinery/ equipment | Proposed use by the Company | Name of Vendor | Date of Quotation | Validity of Quotation | Quantity (Nos.) | Cost per unit@ | Total estimated costs (in Lakhs) | Amount proposed to be funded from the Net Proceeds (in Lakhs) |
|---|---|---|---|---|---|---|---|---|---|
| 1. | Automatic Jigger Machine Complete. 2200mm Roller Width with 1000 Kgs. | Jigger machines are used for dyeing the fabrics. We plan to replace 6 old Jigger machines with new ones, and install 6 new machines, taking the total count to 46 machines. The replaced machines will help in reduction of power consumption (and hence, the power cost), while the 6 new machines will take care of the dyeing of the additional production | Jeckswell Machinery Pvt Ltd | 08-09-25 | 90 Days | 12.00 | 14.84 | 178.02 | 178.02 |
| 2. | Yamuna Mercerizer Machine with Drying Range, Speed 45 Mtr/Min. Working Width 1800MM with All Accessories, Cables & Cable Tray | This machine will act as an add-on on the existing mercerizer machine, to further improve the production output | Yamuna Machine Works Ltd | 08-09-25 | 90 Days | 1.00 | 290.00 | 290.00 | 290.00 |
| 3. | 'Prabhar' 3 - roll heavy duty calender m\c with heavy steel side walls, one no. Steel roll, one no. cotton roll, one no. Polyamide sleeve roll, all rolls are mounted in heavy roller bearings, suitable entry & delivery device, ac | Presently, the Stenter machine is doubling up as Calander machine as well. Installation of a dedicated Calander machine is being planned to free-up the capacity of Calander machine. This will just not reduce the calandering cost, it will also free-up Stenter capacity leading to increased production. | Prabath Textile Corporation | 08-09-25 | 90 Days | 1.00 | 36.75 | 36.75 | 36.75 |

| S. No. | Description of machinery/ equipment | Proposed use by the Company | Name of Vendor | Date of Quotation | Validity of Quotation | Quantity (Nos.) | Cost per unit[@] | Total estimated costs (in Lakhs) | Amount proposed to be funded from the Net Proceeds (in Lakhs) |
|---|---|---|---|---|---|---|---|---|---|
| | motor with reduction gear box, hydraulic pressure system with power pack unit, electric control penal board complete. | | | | | | | | |
| 4. | 2000mm face width plc controlled c.p. dyeing machine. | PLC Controlled C.P. Dyeing Machine is newer version of Jigger machine wherein up to 8000 metres can be dyed in a single batch | Thakore Exports | 08-09-25 | 90 days | 1.00 | 71.00 | 71.00 | 71.00 |
| 5. | 2000mm Face Width Plc Controlled Multi Cylinder Drying Range with Individual Cylinder Drives with Padding Mangle | This is new technology machine. This is replacement of old exhausted machine which causes to saving in more power and steam and further which produces approx. 10% more of production as compare to old machine. | Thakore Exports | 08-09-25 | 90 days | 1.00 | 63.00 | 63.00 | 63.00 |
| | **Total** | | | | | | | **638.77** | **638.77** |

***Notes:***

- *Above estimates are exclusive of GST.*
- *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.*
- *The actual cost of procurement and actual supplier/dealer may vary.*
- *The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Any cost escalation would be met out of our internal accruals.*
- *The cost can be differed at the time of placing order therefore we have taken the margin in comparison to the quotation.*

All quotations received from the vendors mentioned above are valid as on the date of this Draft Prospectus. The quotation mentioned above exclude additional taxes, if any applicable. Such additional taxes shall be funded from internal accruals, if required. Further, certain quotations stipulate that actual purchase price and delivery periods are subject to change at the time of placing of the orders. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the equipment or provide the service at the same costs. In accordance with the terms of certain quotations obtained by our Company, the prices in relation to the equipment, plant and machinery may be subject to revisions during the validity period of such quotations, pursuant to inter alia any update to the pricing list of the vendor, prices of the raw materials or policy changes. If there is any increase in the costs of equipment, plant and machinery, such additional costs shall be funded by our Company from its internal accruals. The quantity of equipment to be purchased is based on the present estimates of our management. Our Company shall have the flexibility to deploy such equipment according to the business requirements of such facilities and based on the estimates of our management.

**IMPLEMENTATION SCHEDULE**

| Particulars | Estimated Commencement | Estimated Completion |
|---|---|---|
| **Acquisition of Land** | At the Existing Manufacturing Plant of the company at 185/2, Saijpur, Gopalpur, Opp. Shanti Process, Piplaj Pirana Road, Ahmedabad, Gujarat, India, 382405 | |
| **Installation of Plant and Machineries** | March 30, 2026 | July 30, 2026 |
| **Trial Run** | August 01, 2026 | September 15, 2026 |
| **Commencement of Commercial Production** | September 16, 2026 | September 30, 2026 |

***The whole amount of capital expenditure will be utilised from the Net Proceed of Issue; therefore, there is no requirement of firm arrangement and company is in compliance with the provisions of Regulation 230 (1) (e) of the SEBI (Issue of Capital and Disclosure Requirements) Regulation 2018.***
***Description of Machineries proposed to be purchased:***

**2. <u>Repayment of portion of loan availed by our Company</u>**

Our Company obtained a cash credit limit from the State Bank of India to fund working capital requirements. A sum of Rs. 650 Lakhs from the net proceeds will be utilized to prepay this loan. Our Company's cash accruals can then be utilized for further business expansion, reducing the debt service coverage ratio and increasing reserves and surplus will enhance our eligibility for bidding on larger projects. Prepayment charges, if any, will be paid from our Internal Accruals.
*The details of the loan are as follows:*

| | |
|---|---|
| **Name of Lender** | State Bank- of India |
| **Purpose** | Working Capital Loan |
| **Date of Sanction of Loan** | September 27, 2024 |
| **Date of Disbursement of Loan** | September 27, 2024 |
| **Amount Sanctioned** | Rs. 4,500.00 Lakhs |
| **Repayment Schedule** | Payable on Demand |
| **Principal Amount Outstanding as on March 31, 2025** | Rs. 4,323.40 Lakhs |

| | |
|---|---|
| **Principal Amount Outstanding as on August 31, 2025** | Rs. 4,466.78 Lakhs |
| **Rate of Interest** | 9.50% |
| **Primary Security** | Hypothecation of company's entire current assets including stocks of raw materials, stocks in process, finished goods, stores and spares, book - debts and other current assets. |

*For further details on the Terms of the Loan, please refer to section titled "Financial Indebtedness" on page 337 of this Draft Prospectus.*

*Note: Certificate dated September 15, 2025 issued by the Statutory Auditors of our Company, M/s S N Shah & Associates, Chartered Accountants vide UDIN: 25144892BMHWRO7511 certify the utilization of loan for the purpose availed.*

**3. To meet the Working Capital Requirement**

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth and loans. The details of Company's working capital Requirement as at March 31, 2026 and for the year ended March 31, 2027 and the source of funding, on the basis of Restated Financial Statements, as certified by our Statutory and Peer Review Auditor, M/s S. N. Shah & Associates, Chartered Accountants, vide their report dated September 15, 2025 vide UDIN 25144892BMHWQS3759 are provided in the table below. Further, in light of the incremental business requirements, our Company requires additional working capital for funding its working capital requirements in the Fiscal 2026 and Fiscal 2027. On the basis of our existing working capital requirements and the projected working capital requirements, the breakup of such working capital requirements year wise is given in the table below:

| **Statement of Working Capital Requirements** | | | | | |
|---|---|---|---|---|---|
| | | | | | **(Amount in Lakhs)** |
| **Particulars** | **As at 31st March, 2027** | **As at 31st March, 2026** | **As at 31st March, 2025** | **As at 31st March, 2024** | **As at 31st March, 2023** |
| | Estimated | Estimated | Restated | Restated | Restated |
| ***Current Assets*** | | | | | |
| Inventories | 8,229.00 | 6,892.00 | 6,032.76 | 4,556.36 | 2,193.37 |
| Trade Receivables | 10,800.00 | 9,100.00 | 8,736.77 | 7,648.96 | 6,533.00 |
| Short-Term Loans and Advances | 602.53 | 682.45 | 509.80 | 597.37 | 371.17 |
| | | | | | |
| **Total (A)** | **19,631.53** | **16,674.45** | **15,279.33** | **12,802.66** | **9,097.54** |
| ***Current Liabilities*** | | | | | |
| | | | | | |
| Trade Payables | 8,280.00 | 7,108.00 | 7,038.33 | 7,260.17 | 5,608.84 |
| Short-Term Provisions | 510.00 | 380.00 | 408.63 | 227.41 | 98.47 |
| Other Current Liabilities | 883.00 | 838.00 | 698.19 | 1,152.10 | 1,041.50 |
| **Total (B)** | **9,673.00** | **8,326.00** | **8,145.15** | **8,639.68** | **6,748.81** |
| ***Net Working Capital (A)-(B)*** | **9,958.53** | **8,348.45** | **7,134.18** | **4,162.99** | **2,348.73** |
| ***Sources of Working Capital*** | | | | | |
| Proceeds from IPO | 1,050.00 | 800.00 | - | - | - |
| Short-Term Borrowings | 3,850.00 | 3,850.00 | 4,323.40 | 2,497.93 | 1,348.49 |
| Internal Accruals/Net worth | 5058.53 | 3698.45 | 2,810.78 | 1,665.06 | 1,000.24 |

**Sources of Internal Accruals estimated by Company to meet incremental gap from FY 2024-25 to FY 2025-26 of ₹ 887.67 lakhs:**

- **Net Profit After Tax:** The Company has Net Profit of around ₹ 920.76 lakhs in FY 2024-25.

**Sources of Internal Accruals estimated by Company to meet incremental gap of ₹ 1360.08 lakhs in FY 26-27 from FY 2025-26:**

The company will utilise its cash profits to meet this working capital gap.

Details of Estimation of Working Capital requirement are as follows:

**(Amount in Lakhs unless otherwise stated)**

| Particulars | As at 31st March, 2027 | As at 31st March, 2026 | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---|---|---|---|---|
| | Estimated | Estimated | Restated | Restated | Restated |
| Inventory | 8,229.00 | 6,892.00 | 6,032.76 | 4,556.36 | 2,193.37 |
| Trade Receivables | 10,800.00 | 9,100.00 | 8,736.77 | 7,648.96 | 6,533.00 |
| Trade Payable | 8,280.00 | 7,108.00 | 7,038.33 | 7,260.17 | 5,608.84 |
| Net Working Capital | 9,958.53 | 8,348.45 | 7,134.18 | 4,162.99 | 2,348.73 |
| Revenue from Operations | [●] | [●] | 33,536.93 | 27,148.80 | 20,066.90 |
| % of Inventory / Revenue from operations | [●] | [●] | 17.99% | 16.78% | 10.93% |
| % of Trade receivables/ Revenue from operations | [●] | [●] | 26.05% | 28.17% | 32.56% |
| % of Trade Payable /Revenue from operations | [●] | [●] | 20.99% | 26.74% | 27.95% |
| % Net Working Capital /Revenue from Operations | [●] | [●] | 21.27% | 15.33% | 11.70% |

**(In Days)**

| Particulars | As at 31st March, 2027 | As at 31st March, 2026 | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---|---|---|---|---|
| No. of Days for Trade Payables | 81 | 82 | 88 | 108 | 120 |
| No. of Days for Trade Receivables | 92 | 91 | 95 | 103 | 119 |
| No. of Days for Inventory Days | 83 | 82 | 78 | 72 | 48 |
| **Working capital cycle days** | **94** | **91** | **85** | **67** | **47** |

**Note:**

1. 365 days has been considered in a year.

2. Holding period level (in days) of Trade Receivables is calculated by dividing trade receivables by revenue from operations multiplied by number of days in a year.

3. Holding period level (in days) of Trade payables is calculated by dividing trade payables by purchases multiplied by number of days in a year.

4. Holding period level (in days) of inventories is calculated by dividing inventories by cost of goods sold multiplied by number of days in a year.

The Company is operating in a working capital-intensive business. The Major Working capital are required for monthly payment of material purchased, selling, general, administration and other variable overheads etc. and Trade Receivable as the money gets blocked in them due to more credit period offer to them for increase in Business. The incremental working capital requirement for FY 2025-26 is expected to be ₹ 1,214.27 Lakhs which will be financed through internal accruals 887.67 lakhs and proceeds from an IPO amounting to ₹ 800.00 lakhs. Incremental Working capital requirement for FY 2026-27 is expected to be ₹ 1610.08 Lakhs which will be financed through internal accruals of ₹ 1360.08 lakhs and proceeds from an IPO amounting to ₹ 1050.00 lakhs.

The company has increased its production capacity and lowered costs by relying on solar power for electricity generation. In FY 2024–25, it also commissioned an additional 1,500 kWp solar power plant, which is expected to further reduce costs. Upgrades in technology have improved quality and lowered production costs. Inventory for the financial year 2026-27 stands at ₹8,229.00 lakhs compared to ₹6,892.00 lakhs in 2025-26. Working capital limits from the bank have been reduced by ₹650.00 lakhs to save on interest costs. Operating in the cost-sensitive textile industry has supported better operational profits.

**Justification**:

| | |
|---|---|
| **Trade Payable Days** | Trade payables refer to the amounts a company owes to its suppliers for goods or services received on credit, representing trade payables. They typically arise from routine business activities, such as purchasing raw materials, inventory and other services, with the agreement to pay later.<br><br>Past trend of trade payable has been between the ranges of 88 to 120 days in the last financial years. Trade payable days in financials year 2022-23 and 2024-25 was 120 days and 88 days respectively. To ensure the timely procurement of essential materials, payment schedules were adjusted, resulting in shorter payable cycles. With improved material availability and streamlined procurement processes, trade payable cycles are expected to align with in the past trend ranges.<br><br>As of end of financial year 2025-26 the company estimates that trade payables days will be in line with previous 2 years at 82 days. |
| **Trade Receivable Days** | Trade receivable consists of debt owned by debtors. Past trend of trade receivable has been between the ranges of 95 to 119 days in the last financial years. Trade receivable days in financials year 2022-23, 2023-24 and 2024-25 is 119 days, 103 days and 95 days respectively. Supply chain in textile industry consists of traders and exporters. As a result, the company has been offering higher credit to its customers. This results into higher working capital requirements.<br><br>During the financial year 2025-26 the company estimates that its trade receivable days will be stable in at 91 days in line with previous financial year which is in line with the receivable days of FY 2024-25. |
| **Inventory** | Inventory refers to the raw materials, stock in trade, and finished goods that a company holds for production purposes. Past trend of inventory holding period has been between the ranges of 48 to 78 days in the last financial years.<br><br>Inventory holding days for FY 2024-25 and FY 2023-24 is 72 days and 78 days respectively. In last 2 years company's sales has increased from Rs. 27148.80 lakhs in FY 2023-24 to Rs. 33536.93 lakhs in FY 2024-25.<br><br>In last 3 financial years, there is shift in business model i.e. reducing dependency from job work to purchase and process. Job work sales has reduced from Rs. 1717.35 lakhs in FY 2022-23 to Rs. 23.41 lakhs in FY 2024-25. This has led to |

| | |
|---|---|
| | increase in inventory during last 2 years. The company estimates inventory holding levels at 82 days in FY 2025-26 for maintaining continuous production cycle. |
| **Other Current Liabilities** | Other current liabilities include provisions, statutory dues, expenses payable, etc. However, going forward, the Company does not foresee any major change and expected to get proportionally increased due to increase in operations and turnover. |
| **Short term borrowings** | The company is planning to reduce its working capital limits from bank by Rs. 650.00 lakhs in order to save on interest costs. Textile industry being cost sensitive market, it will help the company to realize better operational profits. |
| **Short term provisions** | Short term provisions primarily include provision for Gratuity and provision for taxation. Short term provisions have been maintained in line with the increase of projected business income/expenses for the forthcoming years. |
| **Short-term Loans and Advances** | This includes mostly advance to suppliers, employees, prepaid insurance expenses and Balance with Govt. authorities. The Company does not foresee any major change and expected to get proportionally increased due to increase in operations and turnover. |
| **Revenue from operations** | Revenue from operations comprises direct sale of products. Past trend of revenue from operations for financial year 2022-23, 2023-24 and 2024-25 is Rs. 20,066.90, 27,148.80, and 33,536.93 lakhs respectively.<br><br>Estimated increase in Revenue from operations is attributable to Company's plans to increase its production capacity and improve quality in existing facility by upgrading certain machineries. |
| **Net Working Capital** | Net working capital is the difference between a company's current assets and current liabilities, representing the funds available for day-to-day operations. It is a crucial indicator of a business's short-term financial health and liquidity. One significant factor influencing working capital requirements is the size and scale of the business, as increased sales volume directly impacts these needs.<br><br>For FY 2025-26, the company projects a total net working capital requirement of ₹. 8348.45 lakhs, which will be financed through equity/internal accruals of ₹ 3698.45 lakhs, short term borrowings of ₹3850 lakhs and proceeds from an IPO amounting to ₹ 800.00 lakhs.<br><br>For FY 2026-27, the company projects a total net working capital requirement of ₹. 9958.53 lakhs, which will be financed through equity/internal accruals of ₹ 5058.53 lakhs, short term borrowings of ₹3850.00 lakhs and proceeds from an IPO amounting to ₹ 1050.00 lakhs.<br><br>As the company's operations and scale are expected to grow steadily, this will likely result in increased revenue. |
| **Working Capital Cycle** | Working Capital Cycle in the FY 2022-23, 2023-24 and 2024-25 was 47,67 and 85 days respectively. And now we are estimating working capital cycle to be 91 and 94 days in year 2025-26 and 2026-27.<br><br>Justification for such an increase are as follows: |

| | |
|---|---|
| | The company expects working capital cycle to stay in line with FY 2024-25 with minor reduction in trade payable days with better liquidity which in turn will help in better inventory management as well help get trade discounts. |

## 4. General Corporate Purpose

Our Company intends to deploy the balance Net Proceeds towards general corporate purposes shall not exceed 15% of amount being raised by our Company through this Offer or ₹ 10 crores, in accordance with Regulation 230 of the SEBI ICDR Regulations, to drive our business growth, including, amongst other things, (i) funding growth opportunities, including strategic initiatives; (ii) meeting any expenses incurred in the ordinary course of business by the Company; (iii) meeting of exigencies which our Company may face in the course of any business; and (v) any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual issue expenses turn to be lesser than the estimated issue expenses of [●] lakhs, such surplus amount shall be utilized for General Corporate Purpose in such a manner that the amount for general corporate purposes, as mentioned in the Prospectus, shall not exceed 15% of amount being raised by our Company through this Offer or ₹ 10 crores.

## 5. Issue Expenses

The total estimated Issue Expenses are Rs. [●], which is [●] of the total Issue Size. The details of the Issue Expenses are tabulated below:

| **Activity** | **(Rs. in Lakh) *** | **As a % of Estimates Issue Expenses** | **As a % of Issue Size** |
|---|---|---|---|
| Lead Manger Fees | [●] | [●] | [●] |
| Underwriting Commission | [●] | [●] | [●] |
| Fees Payable to Registrar to the Issue | [●] | [●] | [●] |
| Fees Payable for Advertising and Publishing Expenses | [●] | [●] | [●] |
| Fees Payable to Regulators including Stock Exchanges | [●] | [●] | [●] |
| Payment for Printing & Stationery, Postage, etc. | [●] | [●] | [●] |
| Fees Payable to Auditor, Legal Advisors, Monitoring Agency and other Professionals | [●] | [●] | [●] |
| Market Maker | [●] | [●] | [●] |
| Others (Fees payable for Marketing & distribution expenses, Selling Commission, Brokerage, Processing Fees* and Miscellaneous Expenses) | [●] | [●] | [●] |
| **Total** | [●] | [●] | [●] |

*Notes: Issue expenses exclusives of applicable taxes, where applicable. Issue expenses are estimates and are subject to change.*

## APPRAISAL

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

## DEPLOYMENT OF FUNDS

The Company has received the Sources and Deployment Funds Certificate dated September 15, 2025 from **M/s S. N. Shah & Associates**, Chartered Accountants. The certificate states that the Company has deployed amounts aggregating Rs. 8.48 Lakhs as on August 25, 2025, for the Issue Expenses. The Source of the expenses made by the Company through the Internal Accruals.

## SHORTFALL OF FUNDS

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

## BRIDGE FINANCING FACILITIES

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on business exigencies, our Company may consider raising bridge financing for the Net Proceeds for Object of the Issue.

## MONITORING UTILIZATION OF FUNDS

Since our Issue size does not exceed ₹ 5,000 Lakhs, we are not required to appoint monitoring agency for monitoring the utilization of Net Proceeds in accordance with Regulation 262(1) of SEBI ICDR Regulations. Our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

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 Prospectus.

## INTERIM USE OF PROCEEDS

Pending utilization for the purposes described above, our Company intends to invest the funds in Scheduled Commercial Banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue. Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

## 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 (the 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 or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

## OTHER CONFIRMATIONS

No part of the Net Proceeds will be utilized by our Company as consideration to our Promoter, members of the Promoter Group, Directors, Group Companies, Key Management Personnel or Senior Management. Our Company has not entered into nor is planning to enter into any arrangement/agreements with Promoter, member of the Promoter Group, Directors, Group Companies, Key Management Personnel or Senior Management in relation to the utilization of the Net Proceeds. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects as disclosed in the sections titled Our Promoters, Our Promoters Group and Our Management as mentioned on page nos. 249, 249, and 230 of this Draft Prospectus.

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

## BASIS FOR ISSUE PRICE

*Investors should read the following summary with the section titled "**Risk Factors**", the details about our Company under the section titled **"Our Business"** and its financial statements under the section titled **"Restated Financial Information"** beginning on page 35, 177* and 267 *respectively of the Draft Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.*

The Issue Price of [●] per Equity Share is determined by our Company in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is 10.00/- per Equity Share and Issue Price is [●] per Equity Share. The Issue Price is [●] times the face value.

For the purpose of making an informed investment decision, the investors should also refer **"*Risk Factors*"**, **"*Our Business*"** and **"*Restated Financial Information*"** beginning on page 35, 177 and 267 respectively of this Draft Prospectus.

## QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry:

a) Quality Assurance
b) Experienced and Qualified Management and Employee base
c) Strong and Consistent Financial Performance
d) An integrated production processes and Committed to High-Quality, Versatile Products
e) Growing customer base and Cordial relations with Customers
f) Scalable and reliable business model

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled ***"Our Business"*** beginning on page 177 of this Draft Prospectus.

## QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled ***"Financial Information"*** on page 267 of this Draft Prospectus.

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

**1.** Basic & Diluted Earnings per share (EPS) (Face value of ₹ 10/- each):

As per the Restated Financial Statements: -

| Sr. No | Period | Basic & Diluted EPS (In Rs.) | Weights |
|---|---|---|---|
| 1. | Financial Year 2022-2023 | 0.61 | 1 |
| 2. | Financial Year 2023-2024 | 4.62 | 2 |
| 3. | Financial Year 2024-2025 | 7.94 | 3 |
| **Weighted Average** | | **5.61** | |

**Not Annualized*

***Notes:***

i. *The figures disclosed above are based on the Restated Financial Statements of the Company.*
ii. *The face value of each Equity Share is ₹10.00.*
iii. *Earnings per Share has been calculated in accordance with **Accounting Standard 20 – "Earnings per Share"** issued by the Institute of Chartered Accountants of India.*
iv. *The above statement should be read with Significant Accounting Policies and the Notes to the*

*Restated Financial Statements as appearing in Note IV.*

v. *Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders/ Weighted average number of equity shares outstanding during the year / period.*

vi. *Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders/ Weighted average number of diluted potential equity shares outstanding during the year/ period.*

**2. Price Earning (P/E) Ratio in relation to the Issue Price of ₹ [●] per Equity Share of Face Value of ₹ 10/- each fully paid up**

| Particulars | (P/E) Ratio |
|---|---|
| P/E ratio based on the Basic & Diluted EPS, as restated for Financial Year 2024-25 | [●] |
| P/E ratio based on the Weighted Average EPS, as restated. | [●] |

**3. Industry P/E ratio**

| Particulars | P/E ratio * |
|---|---|
| Highest | 128.7 |
| Lowest | 12.5 |
| Industry Average | 40.2 |

***Source: Industry peer Group P/E Ratio – Textiles Product – Capital Market Volume No. XXXX/14/40SPLSLP14 of date August 18- August 31, 2025.***

** Higher Outliers have been removed for better comparability.*

**4. Average Return on Return on Net worth (RoNW)**

Return on Net Worth (RoNW) as per restated financial statements

| Sr. No | Period | RoNW (%) | Weights |
|---|---|---|---|
| 1 | Financial Year 2022-2023 | 4.11% | 1 |
| 2 | Financial Year 2023-2024 | 23.26% | 2 |
| 3 | Financial Year 2024-2025 | 28.79% | 3 |
| **Weighted Average** | | **22.83%** | |

***Note:*** *Return on Net worth has been calculated as per the following formula:*

i. *The RoNW has been computed by dividing net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year.*

ii. *Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW xWeight) for each year / Total of weights*

**5. Net Asset Value (NAV) per Equity Share as per restated financials:**

| Sr. No. | NAV per Equity Share | Outstanding at the end of the year |
|---|---|---|
| 1. | Net Asset Value per Equity Share as of March 31, 2023 | 14.92 |
| 2. | Net Asset Value per Equity Share as of March 31, 2024 | 19.84 |
| 3. | Net Asset Value per Equity Share as of March 31, 2025 | 27.57 |
| 4. | NAV per Equity Share after the Issue | [●] |
| 5. | Issue Price | [●] |

***Notes:***

i. *NAV per share impact of post bonus has been taken into consideration*

ii. *NAV per share =Restated Net worth at the end of the year / weighted average number of equity shares outstanding at the end of the year/ period.*

iii. *Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares.*
iv. *Issue Price per Equity Share will be determined by our Company in consultation with LeadManager.*

**6. Comparison of Accounting Ratios with Industry Peers:**

We believe following is our peer group which has been determined on the basis of listed public companies comparable in the similar line of segments in which our Company operates and whose business segment in part or full may be comparable with that of our business, however, the same may not be exactly comparable in size or business portfolio on a whole with that of our business.

Following is the comparison with our peer companies listed in India:

| Name of the Company | Face value (Rs. per share) | Closing price (Rs. per share) [3] | Revenue from Operations for FY 2025 (Rs. in Lakhs) | EPS for fiscal year 2025 (Rs.) | NAV (Rs. per share) | P/E Ratio [3] | RoNW (%) |
|---|---|---|---|---|---|---|---|
| Vinod Texworld Limited* | 10.00 | [●] | 33,536.93 | 7.94 | 27.57 | [●] | 28.79% |
| **Listed Peers:** | | | | | | | |
| Jakharia Fabric Limited | 10.00 | 123.5 | 6,272.45 | 8.06 | 54.52 | 13.32 | 14.78% |
| Borana Weaves Ltd | 10.00 | 218.42 | 29,031.04 | 20.14 | 43.91 | 10.85 | 45.92% |

**Financial information of our Company is derived from the Restated Financial Statements for the Fiscal Year ended March 31, 2025.*

***Source:*** *All the financial information for listed industry peers mentioned above is on a Standalone basis from the audited financial statements of a respective company for the year ended March 31, 2025, submitted to stock exchange i.e., National Stock Exchange of India Limited and from the respective company website.*

***Notes:***
*1) Considering the nature and size of the business of the Company, the peers are not strictly comparable. However, the above Companies have been included for broad comparison.*
*2) Basic EPS and Diluted EPS refer to the Basic EPS and Diluted EPS sourced from the financial statements of the respective company for the year ended March 31, 2025.*
*3) CMP and P/E Ratio has been computed based on the closing market price of equity shares on Stock exchange (National Stock Exchange of India Limited) as on September 19, 2025, divided by the Basic EPS provided above in the table.*
*4) For listed peers, RONW is computed as profit after tax for the year ended March 31, 2025, divided by Shareholder's equity.*
*5) Shareholder's Equity has been computed as sum of paid-up share capital and reserve & surplus.*
*6) Net Asset Value per share ("NAV") (in Rs.) is computed as the closing net worth divided by the equity shares outstanding as on March 31, 2025.*

## 7. Key Performance Indicator

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 our company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 15, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to our 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 years period prior to the date of filing of this DP. Further, the KPIs herein have been certified by our Statutory Auditors namely M/s S N Shah & Associates, Chartered Accountants, vide their certificate dated September 15, 2025

The KPIs of our Company have been disclosed in the sections titled ***"Our Business"*** and ***"Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators"*** on pages 177 and 314and respectively. We have described and defined the KPIs, as applicable, in ***"Definitions and Abbreviations"*** on page 01.

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. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

## 8. Key Performance Indicators of our Company

**(Rs. in Lakhs, except EPS, % and ratios)**

| Key Performance Indicator | Financial Year 2024-2025 | Financial Year 2023-2024 | Financial Year 2022-2023 |
|---|---|---|---|
| Revenue from operations | 33,536.93 | 27,148.80 | 20,066.90 |
| Growth in revenue from operation (in %) | 23.53% | 35.29% | - |
| Revenue CAGR (%) from F.Y.2023-2025 | 29.28% | | |
| EBITDA | 2,099.00 | 1,229.09 | 480.24 |
| EBITDA Margin (in %) | 6.26% | 4.53% | 2.39% |
| EBITDA CAGR (%) from F.Y.2023-2025 | 109.06% | | |
| EBIT | 1,730.53 | 951.85 | 218.49 |
| PAT | 920.76 | 529.68 | 67.65 |
| PAT Margin (in %) | 2.75% | 1.95% | 0.34% |
| Net worth | 3,198.00 | 2,277.24 | 1,647.56 |
| ROE (in %) | 28.79% | 23.26% | 4.11% |
| Capital employed | 4,945.63 | 4,224.19 | 3,571.32 |
| ROCE (in %) | 34.99% | 22.53% | 6.12% |
| Current Ratio | 1.20 | 1.15 | 1.15 |
| Operating Cashflow | (1,184.93) | (668.25) | (586.24) |
| EPS | 7.94 | 4.62 | 0.61 |

***Notes:***

*(1) Revenue from operations is the revenue generated from operations by our Company.*

*(2) Growth in Revenue: percentage year on year basis growth. [(Ending Value/Beginning Value)-1]*100*

*(3) Revenue CAGR: The three-year compound annual growth rate in Revenue.*

*[(Ending Value/Beginning Value) ^ (1/N)]-1*
*(4) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income*
*(5) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations*
*(6) EBITDA CAGR: The three-year compound annual growth rate in EBITDA.*
*[(Ending Value/Beginning Value) ^ (1/N)]-1*
*(7) EBIT is Earnings before Finance Cost and taxes.*
*(8) PAT is mentioned as profit after tax for the period.*
*(9) PAT Margin is calculated as PAT for the period/year divided by revenue from operations.*
*(10) Net Worth means the aggregate value of the paid-up share capital and reserves and surplus of the company.*
*(11) ROE: Return on Equity is calculated as PAT divided by shareholders' equity*
*(12) Capital Employed: Shareholders' fund plus long-term debt.*
*(13) ROCE: Return on Capital Employed is calculated as EBIT divided by capital employed,*
*(14) Current Ratio: Current Asset over Current Liabilities*
*(15) Operating Cash Flow: Net cash inflow from operating activities*
*(16) EPS: Earning per share is calculated as PAT divide by Weighted No. of equity shares*

**Explanation for KPI metrics**

| KPI | Description |
|---|---|
| Revenue from Operations | Revenue from operations represents the total turnover of the business as well as provides information regarding the year over year growth of our Company |
| Revenue CAGR | The three-year compound annual growth rate in Revenue.<br>[(Ending Value/Beginning Value)^(1/N)]-1 |
| EBITDA | EBITDA provides information regarding the operational efficiency of the business and is considered by the management as an important element to monitor business growth in absolute term irrespective of the sales mix. |
| EBITDA Margin (%) | EBITDA Margin is an indicator of the operational profitability and financial performance of our business. |
| EBITDA CAGR | The three-year compound annual growth rate in EBITDA.<br>[(Ending Value/Beginning Value)^(1/N)]-1 |
| EBIT | Earnings before finance cost and taxes. |
| PAT | 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 in reference to the turnover. |
| ROE (%) | RoE provides how efficiently our Company generates profits from shareholders' funds |
| ROCE (%) | RoCE provides how efficiently our Company generates earnings from the capital employed in the business. |
| Current Ratio | Current assets over current liabilities. |
| Operating Cash Flow | Net cash inflow from operating activities |

**9. Comparison of KPI with listed industry peers**:

**(Rs. in Lakhs, except EPS, % and ratios)**

| Financial Performance | Jakharia Fabric Ltd | | | Borana Weaves Ltd | | |
|---|---|---|---|---|---|---|
| | (FY 2024-25) | (FY 2023-24) | (FY 2022-23) | (FY 2024-25) | (FY 2023-24) | (FY 2022-23) |
| Revenue from Operations | 6,272.45 | 8,822.89 | 8,611.69 | 29,031.04 | 19,905.56 | 13,539.90 |
| Growth in Revenue from Operations | (28.91)% | 2.45% | 14.66% | 45.84% | 47.02% | 219.87% |
| Total Income | 6,421.49 | 8,880.27 | 8,734.50 | 29,509.70 | 19,960.47 | 13,552.83 |
| Growth in Total Income | (27.69)% | 1.67% | 15.82% | 47.84% | 47.28% | 219.93% |
| EBITDA | 688.48 | 410.44 | 54.20 | 6,244.68 | 4,082.91 | 1,791.47 |
| EBITDA Margin | 10.98% | 4.65% | 0.63% | 21.51% | 20.51% | 13.23% |
| PAT | 327.39 | 33.67 | (217.34) | 4,020.25 | 2,362.61 | 1,640.01 |
| Growth in PAT | 30.43% | (115.49)% | (85.00)% | 70.16% | 44.06% | 793.60% |
| PAT Margin | 5.22% | 0.38% | (2.52)% | 13.85% | 11.87% | 12.11% |
| EPS | 8.06 | 0.83 | (5.35) | 20.14 | 11.83 | 8.23 |
| NAV | 54.52 | 46.46 | 45.63 | 43.91 | 23.92 | 17.17 |
| Return on Equity | 14.78% | 1.78% | (11.72)% | 45.92% | 49.53% | 67.66% |
| Return on Capital Employed | 18.19% | 8.47% | (3.00)% | 36.33% | 27.74% | 35.00% |
| Debt Equity Ratio | 0.36 | 0.61 | 0.94 | 0.67 | 1.44 | 1.60 |
| Net Worth | 2,215.54 | 1,888.15 | 1,854.48 | 8,754.97 | 4,769.66 | 2,424.07 |

Notes:

1. Figures are taken from Standalone financial statements / Annual Reports of the respective companies.
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. Growth in Total Income (%) is calculated as total income of the relevant period minus Total Income of the preceding period, divided by Total Income of the preceding period.
4. EBITDA is calculated as Profit Before Tax (Excluding Exceptional Items) + Depreciation+ Finance Cost
5. EBITDA Margin is calculated as EBITDA divided by Total Income
6. Growth in PAT (%) is calculated as PAT of the relevant period minus PAT of the preceding period, divided by PAT of the preceding period.
7. PAT Margin is calculated as PAT for the period/year divided by the total income
8. NAV is calculated as Net worth of the relevant period divided by total number of shares of the relevant period

**10. Weighted average cost of acquisition ("WACA"), floor price and cap price:**

**a) The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities).The Company has issued the following shares (excluding shares issued under ESOP / ESOS / Bonus shares) during the 18 months preceding the date of this DP, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days ("Primary Issuances").**

Our Company has not issued any Equity Shares during the 18 months preceding the date of this Draft Prospectus, where such issuance 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.

**b) The price per share of our Company based on the secondary sale / acquisition of shares (equity shares)**

**There has been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction ormultiple transactions combined together over a span of rolling 30 days.**

There has been no secondary sale/ acquisitions of Equity Shares or any convertible securities, where our Promoters, members of our Promoter Group or Shareholder(s) having the right to nominate director(s) in the Board of Directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft prospectus / Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Issue capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

**Note: 1**. In case there are no such transactions to report under (a) and (b), then the information shall be disclosed for price per share of the Issuer Company based on last 5 primary or secondary transactions (secondary transactions where promoter / promoter group entities or shareholder(s) selling shares through offer for sale in IPO or shareholder(s) having the right to nominate director(s) in the Board of the Issuer Company, are a party to the transaction), not older than 3 years prior to the date of filing of the DP / Prospectus, irrespective of the size of transactions

| **Date of Acquisition** | **No. of Shares Acquired** | **Nature of Consideration** | **Price of Acquisition** | **Consideration paid (in Rs.)** |
|---|---|---|---|---|
| 28-03-2023 | 4,76,200 | Cash (Right Issue) | 42 | 2,00,00,400 |
| 31-03-2024 | 1,25,000 | Cash (Right Issue) | 80 | 1,00,00,000 |
| **Total shares** | 6,01,200 | | | |
| **Total Consideration** | | | | **3,00,00,400** |
| **Weighted average shares** | | | | **5,50,120** |
| **Weighted average price** | | | | **54.53** |

**c) Weighted average cost of acquisition**

| Types of transactions | Weighted average cost of acquisition (₹ per Equity Shares) | Times of Issue Price |
|---|---|---|
| Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under ESOP 2018 and issuance of bonus shares, during the 18 months preceding the date of this Draft 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 granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days. | Nil | [●] |
| Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity/convertible securities), where our Promoters or Promoter Group entities or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft prospectus, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days. | Nil | [●] |
| In case there are no such transactions to report under (a) and (b), then the information shall be disclosed for price per share of the Issuer Company based on last 5 primary or secondary transactions (secondary transactions where promoter / promoter group entities or shareholder(s) selling shares through offer for sale in IPO or shareholder(s) having the right to nominate director(s) in the Board of the Issuer Company, are a party to the transaction), not older than 3 years prior to the date of filing of the DP / Prospectus, irrespective of the size of transactions | 54.53 | [●] |

***** *To be updated at Prospectus stage.*

Statutory Auditor of our Company M/s. S N Shah & Associates, Chartered Accountants, pursuant to their certificate dated September 15, 2025 UDIN: 25144892BMHWQY8687 have certified Weighted average cost of acquisition for Primary and Secondary Issuance.

**Justification for Basis of Offer price**

**Explanation for Issue Price being 1 time of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares along with our Company's key performance indicators and financial ratios for the financial years ended on March 31, 2025, March 31, 2024 & March 31, 2023***

*As per finalization of Basis of allotment

***Investors should read the above-mentioned information along with "Risk Factors", "Our Business", "Management Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Information" on pages 35, 177, 314, and 267 respectively of this Draft Prospectus, 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 TAX BENEFITS

### CERTIFICATE ON SPECIAL TAX BENEFITS FOR THE COMPANY, MATERIAL SUBSIDIARIES AND ITS MATERIAL SHAREHOLDERS

**To,**
The Board of Directors,
**Vinod Texworld Limited**
185/2, Saijpur, Gopalpur,
Opp. Shanti Process, Piplaj Pirana Road,
Ahmedabad, Gujarat, India, 382405

**Re: Proposed initial public offering of equity shares of face value of Rs. 10 each (the "Equity Shares" and such offering, the "Offer") of Vinod Texworld Limited (the "Company")**

Dear Sir/ Madam,

We, M/s S N Shah & Associates , statutory auditors to the Company, Firm Registration Number 109782W, hereby confirm that the enclosed Annexure A and B provides the special tax benefits available to the Company, its shareholders and to its material subsidiaries identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (such entities referred to as "Material Subsidiaries"), pursuant to (i) the Income Tax Act, 1961, as amended by the Finance Act, 2025 and read with the rules, circulars and notifications issued in relation thereto; and applicable indirect taxation laws, as amended and read with the rules, circulars and notifications issued in connection thereto i.e. applicable for the Financial Year 2025-26 presently in force in India for inclusion in Draft Prospectus and Prospectus for the proposed public offer of equity shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**").

Several of these stated tax benefits/consequences are dependent on the Company or its shareholders or its Material Subsidiaries fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of the Company or its shareholders or its Material Subsidiaries to derive the tax benefits is dependent on fulfilling such conditions.

The benefits discussed in the enclosed annexure are not exhaustive. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither are we suggesting nor advising the investor to invest money based on this statement. These statements do not cover any general tax benefits available to the Company and/or its shareholders and/or its Material Subsidiaries and is neither designed nor intended to be a substitute for professional tax advice.

We do not express any opinion or provide any assurance as to whether:

i) the Company or its shareholders or its Material Subsidiaries will continue to obtain these benefits in future; or
ii) the conditions prescribed for availing the benefits have been/would be met with; or.
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 its Material Subsidiaries and on the basis of our understanding of the business activities and operations of the Company and its Material Subsidiaries.

This certificate, including Annexure A and B herein, is for your information and for inclusion in the draft prospectus, prospectus and any other material used in connection with the Offer (together the "**Offer Documents**") with the Securities and Exchange Board of India ("**SEBI**"), National Stock Exchange of India Limited (collectively, the "**Stock Exchanges**") and subsequently the prospectus with the Registrar of Companies, Ahmedabad at Gujarat ("**RoC**"), in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**") may be prepared in connection with the Offer.

The aforesaid information contained herein and in Annexure A and B may be relied upon by the Lead Manager appointed pursuant to the Offer and may be submitted to the stock exchange, the Securities and Exchange Board of India, and any other regulatory or statutory authority in respect of the Offer and for the records to be maintained by the Lead Managers.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

We undertake to update you in writing of any changes in the abovementioned position, until the date the Equity Shares issued pursuant to the Offer commence trading on the stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate.

***Capitalized terms used herein, unless otherwise specifically defined, shall have the same meaning as ascribed to them in the Offer Documents.***

**Yours faithfully,**

**M/s. S N Shah & Associates,**
**Chartered Accountants**
**Firm Registration Number: 109782W**

Sd/-
**CA Priyam Shah**
**(Partner)**
**Membership Number: 144892**
**UDIN: 25144892BMHWRC1914**
**Date: September 15, 2025**

## ANNEXURE A TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

**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

The Company is not entitled to any special tax benefits under the Act.

### B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

The Shareholders of the Company are not entitled to any special tax benefits under the Act.

### C. SPECIAL TAX BENEFITS TO THE SUBSIDIARY COMPANY- NOT APPLICABLE

**Note:**

1. For the purpose of reporting here, we have not considered the general tax benefits available to the company or shareholders.

2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

3. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

4. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. 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.

5. We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Prospectus.

## ANNEXURE B TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the GST Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

**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

The Company is not entitled to any special tax benefits under the GST Act.

### B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

The Shareholders of the Company are not entitled to any special tax benefits under the GST Act

### C. SPECIAL TAX BENEFITS TO THE SUBSIDIARY COMPANY- NOT APPLICABLE

**Note:**

1. For the purpose of reporting here, we have not considered the general tax benefits available to the company or shareholders

2. The above statement covers only certain relevant indirect tax law benefits and does not cover any direct tax law benefits or benefit under any other law.

3. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders

4. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. 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.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Prospectus.

Signed in terms of our separate report of even date.

Yours faithfully,

**M/s. S N Shah & Associates,**
**Chartered Accountants**
**Firm Registration Number: 109782W**

Sd/-
**CA Priyam Shah**
**(Partner)**
**Membership Number: 144892**
**UDIN: 25144892BMHWRC1914**
**Date: September 15, 2025**

## SECTION V - ABOUT THE COMPANY

## INDUSTRY OVERVIEW

*The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. 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, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information*

## GLOBAL ECONOMY

**State of the Economy: Getting Back into the Fast Lane**

- The global economy grew by 3.3% in 2023, with the IMF projecting a growth rate of 3.2% for 2024 and 3.3% for 2025.
- Growth was uneven across regions, with advanced economies (AEs) recording stable expansion while emerging markets and developing economies (EMDEs) reporting mixed trends.
- Global manufacturing weakened, particularly in Europe and parts of Asia, due to supply-chain disruptions and reduced external demand.
- The services sector remained resilient and contributed positively to economic activity.
- Inflation pressures eased in most economies but remained persistent in the services sector.
- Key geopolitical risks include the Russia-Ukraine conflict, the Israel-Hamas conflict, cyber threats and global trade route disruptions.

    - United States: Growth was 2.8% in 2024, with a slight decline projected for 2025 due to moderation in consumption and exports.
    - Euro Area: Growth is expected to improve from 0.4% in 2023 to 1.0% in 2025, supported by the services sector. However, manufacturing-intensive economies like Germany and Austria struggled due to weak demand.
    - China: Growth weakened after Q1 FY24 due to sluggish private consumption, lower investment and a struggling real estate sector.

- Japan: Growth slowed due to domestic supply disruptions in early 2024.

- India: Estimated real GDP growth of 6.4% in FY25, supported by agriculture and services, with stable private consumption.

➢ Manufacturing: The global Purchasing Managers' Index (PMI) for manufacturing indicated contraction by mid-2024 after a brief expansion in early 2024. India's PMI remained in the expansionary zone.

➢ Services: The Global Services PMI Business Activity Index rose to 53.8 in December 2024, marking 23 consecutive months of expansion.

➢ Inflation: Declined globally due to monetary tightening but remained high in services, driven by wage growth.

**Medium-term Outlook: Deregulation Drives Growth**

➢ Global trade and investment landscapes are shifting, with an increase in trade-restrictive measures. The value of trade covered by new trade-restrictive measures rose to Rs. 76,90,145 crore (US$ 887.7 billion) between October 2023 and October 2024.

**Services: New Challenges for the Old War Horse**

➢ The Global Services PMI Business Activity Index, which rose to a four-month high of 53.8 in December 2024, indicates expansion for the 23rd consecutive month. This expansion is supported by new orders and employment growth, with business sentiment also improving. However, global supply chains are still experiencing disruptions due to geopolitical uncertainties, including rising protectionism and climate-related challenges.

➢ India's share in global services exports has been steadily increasing over the past two decades, helping to mitigate fluctuations in merchandise export shares. As of 2023, the United States leads in global services exports, followed by the United Kingdom, Germany, and Ireland, with India ranking seventh, holding a 4.3% share in global services exports.

***(Source: https://www.ibef.org/economy/economic-survey-2024-25)***

**Export by Country**

India is among the top garment-manufacturing countries in the world. Indian textiles and apparel products have a history of fine craftsmanship across the entire value chain from fibre, yarn, and fabric to apparel with high global appeal. India's cotton, silk, and denim are highly popular in other countries, and Indian apparel too has found success across fashion centres around the world. India is one of the largest consumers and producers of cotton with the highest acreage of 12.5 million hectares which is 38% of the global area under cotton cultivation. The Indian textile and apparel industry is highly diversified with a wide range of segments ranging from products of traditional handloom, handicrafts, wool, and silk products to the organized textile industry in India.

India's textile and apparel market size is growing at a CAGR of 14.59% from US$ 172.3 billion in 2022 and is expected to reach US$ 387.3 billion by 2028. Industry is one of the biggest contributors to the economy with a 2.3% contribution to the gross domestic product (GDP) which is approx. US$ 70 billion. It is also the second largest employer after agriculture, providing direct employment to 45 million people and 100 million people in the allied sector. Andhra Pradesh, Telangana, Haryana, Jharkhand, and Gujarat are the top textile and clothing manufacturing states in India.

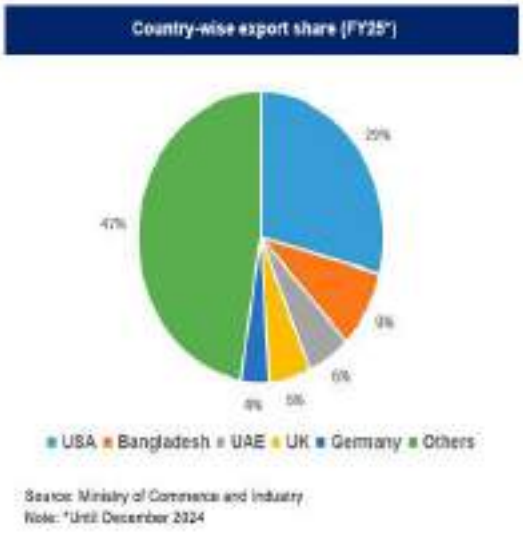
**Export Trend**

India is the sixth largest exporter of textiles and apparel products in the world as of 2023 with a massive raw material and manufacturing base. In FY24, the share of textile and apparel in India's total exports was 8.21% while India's share of the global trade in textiles and apparel stood at 3.9%. Despite unprecedented logistics issues, India registered the highest-ever exports at US$ 35.58 billion in textiles and apparel (T&A) including handicrafts in FY23. Textile products worth a total of Rs. 15,429 crore (US$ 1.79 billion) were exported in January 2025 as compared to Rs. 13,274 crore (US$ 1.54 billion) in January 2024. Whereas apparel exports stood at Rs. 13,792 crore (US$ 1.60 billion) in January 2025 and Rs. 12,412 crore (US$ 1.44 billion) in January 2024. In FY25 (April-January) exports of ready-made garments (RMG) stood at Rs. 1,11,284 crore (US$ 12.91 billion).

Based on product category, exports during FY24 witnessed an increase of 6.71% in cotton textiles followed by a decline of 5.46% in man-made textiles, 0.24% decline in ready-made garments (RMG) and 36.62% growth in handicrafts. Exports of Cotton Fabrics and Madeups stood at US$ 11.68 billion during FY24.

The government is targeting US$ 1.8 trillion domestic textile market and exports of US$ 100 billion by 2030 and US$ 600 billion by 2047. The roadmap for achieving this production and export target was set by Ministry of Textiles in its vision 2047.

**TOP EXPORT DESTINATIONS**




India's textile and apparel products, including handlooms and handicrafts, are exported to more than 100 countries across the globe. India's key export destinations for textiles and apparel products include countries namely the USA, Bangladesh, UAE, UK, Germany, and among others. The USA is the largest importer among all, importing about one-fourth of the total exports from India.

During FY25 (April to December), the USA is the top export destination for the textile and apparel industry, accounting for a 29% share of overall exports which has grown from a 24% share witnessed in FY20. India and UAE signed a Free Trade

Agreement (FTA) that went into effect on May 1, 2022, and the country was also in the process of negotiating FTAs with the EU, Australia, UK, Canada, Israel, and other countries/regions which is likely to boost exports of Indian textile and apparels in future by providing a competitive edge over other exporting countries. Furthermore, India's consolidated foreign direct investment (FDI) policy circular 2020 provides 100% FDI in single-brand product retail trading and up to 51% FDI in multi-brand retail trading, subject to certain conditions. This continues to attract leading international retailers to source their garment and home textiles requirements from India and drives interest from new export destinations.

***(Source: https://www.ibef.org/exports/apparel-industry-india )***

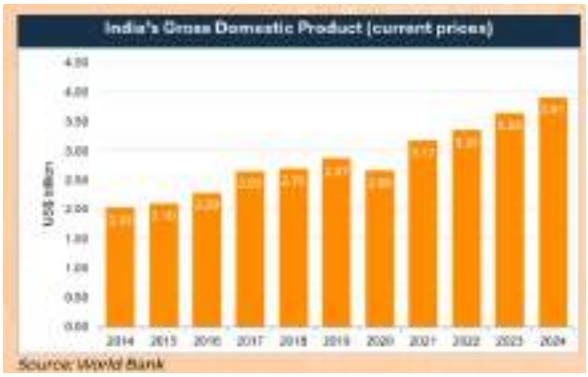
## INDIAN ECONOMY

### ➢ Introduction

India's economic journey over the past few years has been marked by remarkable growth and a steady rise in its position on the global stage. After overtaking the United Kingdom (UK) to become the fifth largest economy in Q1 FY23, India has continued this upward trajectory to surpass Japan in June 2025 to become the fourth largest economy in the world. With a nominal Gross Domestic Product (GDP) of Rs. 3,31,03,000 crore (US$ 3.78 trillion), India's growth reflects a combination of strong domestic demand and policy reforms positioning the country as a key destination for global capital.

Further, India is projected to reach a GDP of Rs. 4,26,45,000 crore (US$ 5 trillion) by 2027 and is on course to surpass Germany by 2028. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

### ➢ *Market* Overview




India's economy shows robust expansion, with real GDP for FY25 estimated at Rs. 1,87,97,000 crore (US$ 2.20 trillion), from Rs. 1,76,51,000 crore (US$ 2.06 trillion) in FY24 with a growth rate of 6.5%. This growth is driven by rising employment and stronger private consumption, supported by improving consumer sentiment, which is expected to keep the momentum going in the near future.

Trade remains a critical pillar of India's growth story with exports reaching Rs. 37,31,000 crore (US$ 436.6 billion) in FY25, led by Engineering Goods (26.88%), Petroleum Products (13.86%) and Electronic Goods (8.89%). These exports helped the economy stay resilient during the pandemic when other sectors slowed. Union Minister of Commerce and Industry, Mr. Piyush Goyal projects exports to reach Rs. 85,44,000 crore (US$ 1 trillion) by 2030.

India's ability to attract Foreign Direct Investment (FDI) has also strengthened. The country received record FDI inflows amounting to Rs. 4,21,929 crore (US$ 49.3 billion) in FY25 a 15% increase over FY24, supported by a stable policy environment, a large domestic market and steady economic growth positioning

the country as a key destination for global capital. This capital inflow also complements government plans for increased investment in infrastructure and asset-building projects to further boost economic growth.

India's external economic position is improving. The current account deficit narrowed to Rs. 1,98,726 crore (US$ 23.30 billion), or 0.6% of GDP, in FY25 from Rs. 2,21,754 crore (US$ 26.00 billion), or 0.7% of GDP, in FY24. This improvement was due to higher net receipts from services and secondary income, according to the Reserve Bank of India (RBI).

- ***Recent Developments***

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With India's economy showing resilient growth, supported by strong domestic demand, policy reforms, and a healthy investment pipeline, several new projects and developments are underway across key sectors. This positive development across key sectors is evident from following key economic data points.

- According to the Department for Promotion of Industry and Internal Trade (DPIIT), India's cumulative FDI inflow stood at Rs. 91,45,988 crore (US$ 1.07 trillion) between April 2000-March 2025 with major share coming from Mauritius at Rs. 15,36,849 crore (US$ 180.19 billion) with a total share of 25%, followed by Singapore at 24% with Rs. 14,91,603 crore (US$ 174.88 billion), the United States (US) at 10% with Rs. 6,02,574 crore (US$ 70.65 billion), the Netherlands at 7% with Rs. 4,54,613 crore (US$ 53.3 billion), and Japan at 6% with Rs. 3,78,653 crore (US$ 44.39 billion).
- As of July 4, 2025, India's foreign exchange reserves stood at Rs. 59,68,048 crore (US$ 699.74 billion).
- In May 2025, private equity (PE) and venture capital (VC) investments reached Rs. 20,470 crore (US$ 2.4 billion) across 97 deals.
- Foreign Institutional Investors (FII) outflows in FY25 were close to Rs. 1,27,000 crore (US$ 14.89 billion), while Domestic Institutional Investors (DII) bought in Rs. 6,00,000 crore (US$ 70.34 billion) in the same period.
- The HSBC India Manufacturing Purchasing Managers' Index (PMI) rose to a 14-month high of 58.4 in June 2025 from 57.6 in May, indicating a strong improvement in manufacturing conditions. Robust domestic and international demand drove sharp increases in output and new orders, while employment saw a record rise as firms expanded their workforce to meet rising workloads. New export orders surged, marking the third-fastest growth since the survey began in 2005. Although input cost inflation eased, producer prices increased as companies passed on higher freight and labour costs to customers.
- India saw a robust 10.35% growth in passengers carried by domestic airlines at 431.98 lakh in FY25, from 391.46 lakh in FY24, according to the Directorate General of Civil Aviation (DGCA).
- India secured 39th position out of 133 economies in the Global Innovation Index 2024. India rose from 81st position in 2015 to 39th position in 2024. India ranks third position in the global number of scientific publications.
- In FY25, the Goods and Services Tax (GST) recorded its highest-ever gross collection at Rs. 22,08,000 crore (US$ 258 billion), registering a YoY growth of 9.4%. The average monthly collection stood at Rs. 1,84,000 crore (US$ 21.57 billion).
- In May 2025, the overall Index of Industrial Production (IIP) stood at 156.6 (base 2011–12 = 100), reflecting a YoY growth of 1.2%. The mining, manufacturing and electricity sectors stood at 136.6, 154.3 and 216, respectively.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) - Combined inflation was 3.34% in March 2025 against 4.85% in March 2024.
- India's wheat procurement for FY26 has reached 29.7 million tonnes as of May 22, 2025, the highest in four years and up 13.5% YoY. Strong production of 115.43 million tonnes, favourable weather, and bonuses above the Minimum Support Price (MSP) in key states have driven this growth. The Food

Corporation of India expects procurement to hit 32.5 million tonnes by season end, raising stocks to 44 million tonnes, well above the 18.4 million tonnes needed for the Public Distribution System.

- ***Government Initiatives***

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, several of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- On July 5, 2025, the Union Cabinet approved the Rs. 1,00,000 crore (US$ 11.72 billion) Research, Development and Innovation (RDI) Scheme, launching long-term, low- or zero-interest funding via a special purpose fund under the ANRF to jump-start India's R&D ecosystem and support deep-tech and startup innovation.
- On March 27, 2025, the Reserve Bank of India proposed doubling the investment cap for individual foreign investors in listed firms from 5% to 10%, with a combined foreign individual limit increasing to 24%, to counter Foreign Portfolio Investment (FPI) outflows.
- According to a report by Wood Mackenzie in January 2025, India, the US, and West Asia are expected to collectively add 100 Gigawatts (GW) of solar capacity by 2025, while China is anticipated to continue its leadership in the solar industry.
- In July 2024, the Ministry of Finance held the Union Budget and announced that for 2024-25, the total receipts other than borrowings and the total expenditure are estimated at Rs. 32,07,000 crore (US$ 375 billion) and Rs. 48,21,000 crore (US$ 564 billion), respectively.
- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, one crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with Micro, Small and Medium Enterprises (MSME) value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1,309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'Aatmanirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antyodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.

➢ ***Road Ahead***

India's economy grew by 6.5% in FY25. With a 7.4% growth rate in Q4 FY25, with RBI projecting a growth rate of 6.5% in FY26 as well. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. In 2024, India rose to 15th place globally in FDI rankings and retained its position as South Asia's top recipient.

15,02,000 crore (US$ 176 billion), reinforcing its commitment to infrastructure-led development.

In the Union Budget of FY26, capital expenditure took lead by steeply increasing the capital expenditure outlay by 10% to Rs. 11,21,000 crore (US$ 131 billion) over Rs. 10,18,000 crore (US$ 119 billion) in FY25. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

India's total goods and service exports surged by 76% over the past decade, touching Rs. 70,36,425 crore (US$ 825 billion) in FY25, driven by strong performance in engineering goods, electronics, and pharmaceuticals. With a reduction in port congestion, supply networks are being restored.

With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

***(Source-*** *https://www.ibef.org/economy/indian-economy-overview*)

**TEXTILE MARKET**

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector at the other end. The fundamental strength of the textile industry in India is its strong production base of a wide range of fibre/yarns from natural fibres like cotton, jute, silk, and wool, to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.

The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world.

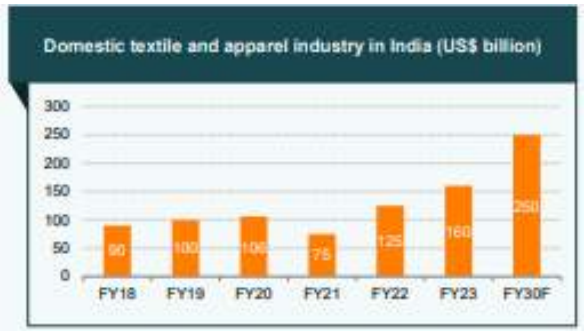
According to Crisil Ratings, the organised retail apparel sector is projected to achieve revenue growth of 8-10% in FY25, driven by rising demand from a normal monsoon, easing inflation, and the festive and wedding seasons.

The increasing preference for affordable, trendy fashion clothing that mimics high-fashion designs is expected to be the primary revenue driver. In order to attract private equity and employee more people, the government introduced various schemes such as the Scheme for Integrated Textile Parks (SITP), Technology Upgradation Fund Scheme (TUFS) and Mega Integrated Textile Region and Apparel (MITRA) Park scheme.

***(Source- https://www.ibef.org/industry/textiles)***

1. India has emerged as the second largest manufacturer of PPE globally; it is expected to exceed US$ 92.5 billion by 2025 as compared to US$ 52.7 billion in 2019.

2. The market for Indian textiles and apparel is projected to grow at a 10% CAGR to reach US$ 350 billion by 2030.



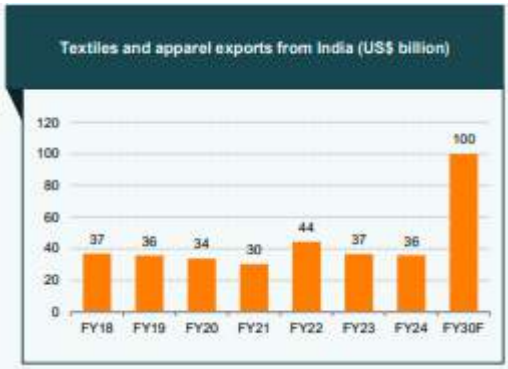

3. Prime Minister Mr. Narendra Modi is optimistic about achieving Rs. 9,00,000 crore (US$ 103.72 billion) textile exports by 2030.

4. Global apparel market is expected to grow at a CAGR of around 8% to reach US$ 2.37 trillion by 2030 and the Global Textile & Apparel trade is expected to grow at a CAGR of 4% to reach US$ 1.2 trillion by 2030.

5. India is the world's second-largest producer of textiles and garments. It is also the sixth-largest exporter of textiles spanning apparel, home and technical products. India has a 4.6% share of the global trade in textiles and apparel.

6. The textiles and apparel industry contributes 2.3% to the country's GDP, 13% to industrial production and 12% to exports.

7. The textile sector is expected to play a significant role, with a target of US$ 100 billion in exports by FY30, up from US$ 34.43 billion in FY24.




8. The amount of Rs. 10,683 crore (US$ 1.44 billion) PLI scheme is expected to be a major boost for textile manufacturers. The scheme proposes to incentivise MMF (man-made fibre) apparel, MMF fabrics and 10 segments of technical textiles products.

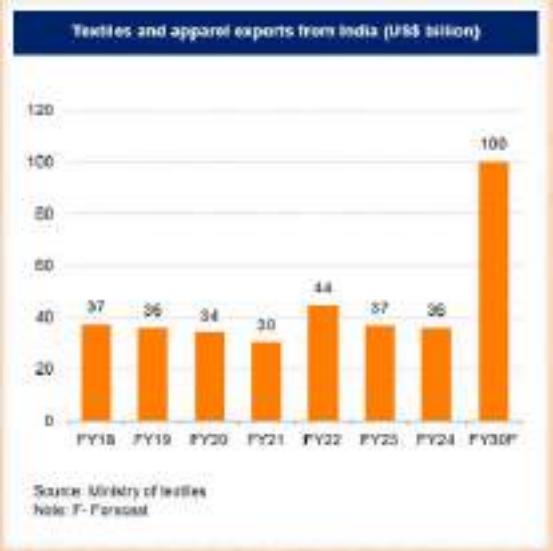
9. India ranks among the top five global exporters in several textile categories, with exports expected to reach US$ 65 billion by FY 2026.

***(Source: Ministry of Textiles, Make In India, Technopak, Annual Report on Indian Textile and Apparel Industry - Wazir Advisors)***

***(Source- https://www.ibef.org/download/1752830131_Textiles-and-Apparel-PPT-May-2025.pdf)***

**Market Size**

The market for Indian textiles and apparel is projected to grow at a 10% CAGR to reach US$ 350 billion by 2030. Moreover, India is the world's 3rd largest exporter of Textiles and Apparel. India ranks among the top five global exporters in several textile categories, with exports expected to reach US$100 billion.




The textiles and apparel industry contributes 2.3% to the country's GDP, 13% to industrial production and 12% to exports. The textile industry in India is predicted to double its contribution to the GDP, rising from 2.3% to approximately 5% by the end of this decade.

Textile manufacturing in India has been steadily recovering amid the pandemic. The manufacturing of textiles Index for the month of June 2024 is 106.

Global apparel market is expected to grow at a CAGR of around 8% to reach US$ 2.37 trillion by 2030 and the Global Textile & Apparel trade is expected to grow at a CAGR of 4% to reach US$ 1.2 trillion by 2030.

India's home textile industry is expected to expand at a CAGR of 8.9% during 2023-32 and reached US$ 23.32 billion in 2032 from US$ 10.78 billion in 2023.

Technical textiles are revolutionizing the textile industry in India by offering innovative solutions across various sectors. These specialized fabrics are designed for specific performance attributes and applications, ranging from automotive and aerospace to healthcare and construction.

With a growing emphasis on technology and research, India is positioning itself as a global leader in this field, leveraging its strong textile heritage and advanced manufacturing capabilities.

The Indian Technical Textiles market is the 5th largest in the world. The technical textiles industry is on the brink of remarkable growth, with projections placing the global market size at an impressive US$ 309 billion by 2047.

The Indian Medical Textiles market for drapes and gowns is around US$ 9.71 million in 2022 and is expected to grow at 15% to reach US$ 22.45 million by 2027.

The Indian composites market is expected to reach an estimated value of US$ 1.9 billion by 2026 with a CAGR of 16.3% from 2021 to 2026 and the Indian consumption of composite materials will touch 7,68,200 tonnes in 2027.

India is the world's largest producer of cotton. India's total production of cotton in the 2024-25 season have been estimated at 302.25 lakh bales of 170 kgs.

In current cotton season 2024-25, up to March 31, 2025, Government of India, through its nodal agency, the Cotton Corporation of India Ltd. (CCI) under Ministry of Textiles has successfully procured 525 lakh quintals of seed cotton, equivalent to 100 lakh bales, under Minimum Support Price (MSP) operations. This procurement accounts for 38% of the total cotton arrivals of 263 lakh bales and 34% of the estimated total cotton production of 294.25 lakh bales in the country.

In 2022-23, the production of fibre in India stood at 2.15 million tonnes. While for yarn, the production stood at 5,185 million kgs during the same period. Natural fibres are regarded as the backbone of the Indian textile industry, which is expected to grow from US$ 138 billion to US$ 195 billion by 2025.

India's textile industry is on the brink of expansion, with total textile export projected to reach US$ 65 billion by FY26.

India saw a 36.4% increase in industrial design applications, particularly in textiles, accessories, tools, machines, health, and cosmetics.

According to ICRA, Indian apparel exporters are projected to achieve revenue growth of 9-11% in FY25, driven by the gradual reduction of retail inventory in key end markets and a shift in global sourcing towards India.

In FY25, the total exports of textiles and apparels (incl. handicrafts) stood at Rs. 3,12,540 crore (US$ 36.61 billion). Ready Made Garments (RMG) category with export of US$ 15,989 million has the largest share (44%) in the total exports, followed by Cotton Textiles (33%, US$ 12,056 million) and Man- Made Textiles (13%, US$ 4,869 million).

India's textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country.

**Investment and key Development**

Total FDI inflows in the textiles sector stood at Rs. 29,291.05 crore (US$ 4.59 billion) between April 2000-December 2024.

The textile sector has witnessed a spurt in investment during the last five years.

- The center has approved four start-ups with a grant of approx. Rs. 50 Lakhs (US$ 58,568), each, under the 'Grant for Research & Entrepreneurship across Aspiring Innovators in Technical Textiles (GREAT)' scheme. The approved start-up projects are focused on key strategic areas of medical textiles, industrial textiles and protective textiles.

- The committee has also approved a grant of approx. Rs. 6.5 crore (US$ 761,392) to three education institutes to introduce courses in technical textiles under the 'General Guidelines for Enabling of Academic Institutes in Technical Textiles'.

- The central government has set a target to export Rs. 87,450 crore (US$ 10 billion) worth of technical textiles under its National Technical Textiles Mission.

- The Textile Ministry's allocation increases by 19%, rising from Rs. 4,417.03 crore (US$ 512 million) in 2024–25 to Rs. 5,272 crore (US$ 611 million) in 2025–26, reflecting the government's commitment to addressing long-standing challenges and unlocking new growth opportunities.

- The Union Budget 2025-26 allocates Rs. 1,148 crore (US$ 133.1 million) for the PLI Scheme to boost domestic manufacturing and exports, and Rs. 635 crore (US$ 73.6 million) for the Amended Technology Upgradation Fund Scheme to modernize textile machinery.

- In August 2023, government has sanctioned the establishment of seven PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks on Greenfield and Brownfield sites. These parks will feature world-class infrastructure, including plug-and-play facilities, with a total investment of Rs. 4,445 crore (US$ 535 million) over a seven-year period, extending to 2027-28.

- Ministry of Textiles has sanctioned 19 research projects totalling approximately Rs. 21 crore (US$ 2.52 million) across various domains of Technical Textiles under the National Technical Textiles Mission.

- DS Group's luxury menswear division, Brioni inaugurates its first boutique in India in November 2023.

- In November 2023, Reliance Foundation launched the first 'Swadesh' handicrafts store in Hyderabad, aimed at supporting and promoting Indian craftwork.

- Industry bodies to host the largest global mega textiles event, Bharat Tex 2024 from February 26-29, 2024, in New Delhi. According to Union Minister, Mr. Piyush Goyal, Bharat Tex 2024 Expo is a testament to India's commitment to becoming a global textile powerhouse.

- In September 2023, the Khadi and Village Industries Commission signed 3 MoUs to promote Khadi Products.

- In September 2023, Grasim Industries plans to open nearly 120 retail stores over the upcoming 2 years, by expanding its footprint in smaller cities and towns.

- In September 2023, Reliance Retail Ventures Ltd. (RRVL) announced the acquisition of Ed-a-Mamma for a 51% stake.

- In September 2023, Shadowfax inaugurated a 1.5 lakh sq. ft. fulfilment centre in Surat with 10 lakh orders per day processing capacity.

- In August 2023, the Ministry of Textiles approved 26 engineering institutions for the introduction of Technical Textiles under the National Technical Textiles Mission.

- In July 2023, PM MITRA Park, Amravati expected to attract investment of Rs. 10,000 crore (US$ 1.20 billion) and create employment for 300,000 individuals.

- In May 2023, an investment of around Rs. 6,850 crore (US$ 824.25 million) is expected in the PM MITRA Park in Madhya Pradesh and Rs. 8,675 crore (US$1.04 billion) in other parts of the state.

- In May 2023, Aditya Birla Fashion and Retail Ltd. announced the acquisition of TCNS Clothing with a deal size of US$ 198.54 million.

- India is expected to host the 81st Plenary Meeting of the International Cotton Advisory Committee (ICAC) from 2nd to 5th December 2023 in Mumbai with the theme "Cotton Value Chain- Local Innovations for Global Prosperity".
- Cott-Ally mobile app has been developed for farmers to increase awareness about MSP rates, nearest procurement centers, payment tracking, best farm practices etc.

- In April 2023, Godrej Consumer Products Ltd (GCPL) announced the Rs. 2,825 crore (US$ 339.93 million) acquisition of Raymond Consumer Care Ltd (RCCL).

- In April 2022, Indo Count Industries bagged the home textile business of GHCL for US$ 74.14 million.

- In March 2022, Reliance Retail Ventures Limited (RRVL) acquired a controlling share of Purple Panda Fashions for US$ 115.8 million.

- Sutlej Textiles plans to set up a green field project for 89,184 spindles comprising cotton mélange yarn and PC grey yarn along with a dye house in Jammu & Kashmir with an estimated cost of US$ 111.41 million (Rs. 914 crore).

- Vardhman has established Vardhman ReNova, a cotton recycling facility with a six TPD production capacity. By establishing two new facilities in Madhya Pradesh, the company has also increased its capacity to produce yarn. With top-notch technology, the expansion includes over 100,000 spindles in total. This will result in a 75 TPD increase in yarn production capacity.

- The textile ministry has selected 61 companies, including Arvind Limited to enjoy benefits under its US$ 1.3 billion (Rs. 10,683 crore) production-linked incentive (PLI) scheme for the labour-intensive textiles and garment sector. The companies have pledged to invest US$ 2.32 billion (Rs 19,077) crore over five years under the scheme, which will lead to an incremental turnover of US$ 22.55 billion (Rs 1.85 trillion) and direct employment generation for 240,000 people.

- Arvind Limited, the largest textile-to-technology conglomerate in India, and PurFi Global LLC, a sustainable technology firm that specializes in rejuvenating textile waste into virgin-grade products, have formed a joint venture to reduce the quantity of textile waste dumped in landfills.

- In November 2022, local weavers in Tuensang in Nagaland were provided 45 days of skill-upgrading training, which would equal 315 hours under the SAMARTH programme.

***(Source- https://www.ibef.org/industry/textiles)***

**Government Initiatives**

The Indian government has come up with several export promotion policies for the textile sector. It has also allowed 100% FDI in the sector under the automatic route.

Other initiatives taken by the Government of India are:

- The Central government aims to achieve Rs. 86,680 crore (US$ 10 billion) in technical textile exports under the National Technical Textiles Mission, launched in FY21 and extended until FY26 with a financial outlay of Rs. 1,480 crore (US$ 170.74 million). India's technical textile exports range between Rs. 17,336 crore (US$ 2 billion) and Rs. 26,004 crore (US$ 3 billion).

- The Prime Minister Mega Integrated Textile Region and Apparel (PM MITRA) Parks Scheme aims to establish 7 world-class mega textile parks with state-of-the-art infrastructure, plug-and-play facilities, and a fully integrated textile value chain with a total investment of US$ 541.82 million (Rs. 4,445 crore) for the years up to 2027–28 was approved by the government. These parks are expected to attract investments worth Rs. 85,370 crore (US$ 10 billion).

- Secretary of the Ministry of Textiles, Ms. Rachna Shah, announced that India's technical textiles market has great potential, with a notable growth rate of 10% and ranking as the 5th largest in the world.

- A tripartite Memorandum of Understanding (MoU) was signed by the Textiles Committee under the Ministry of Textiles, the Government e Marketplace (GeM) under the Ministry of Commerce and Industry, and the Standing Conference of Public Enterprises (SCOPE) to promote upcycled products made from textile waste and scrap.

- Mr. Piyush Goyal also discussed the roadmap to achieve the target of US$ 250 billion in textiles production and US$ 100 billion in exports by 2030.

- In July 2023, 43 new implementing partners were empanelled under the SAMARTH scheme and an additional target of training around 75,000 beneficiaries has been allocated.

- 1,83,844 beneficiaries trained across 1,880 centres under Samarth.

- In June 2023, the Government approved R&D projects worth US$ 7.4 million (Rs. 61.09 crore) in the textile sector.

- In February 2023, the union government approved 1,000 acres for setting up a textile park in Lucknow.

- In February 2023, according to the Union Budget 2023-24, the total allocation for the textile sector was Rs. 4,389.24 crore (US$ 536.4 million). Out of this, Rs. 900 crore (US$ 109.99 million) is for Amended Technology Upgradation Fund Scheme (ATUFS), Rs. 450 crore (US$ 54.99 million) for National Technical Textiles Mission, and Rs. 60 crore (US$ 7.33 million) for Integrated Processing Development Scheme.

- In December 2022, a total of 44 R&D projects were started, and 23 of them were successfully completed. 9777 people were trained in a variety of activities relating to the silk industry.

- In December 2022, a total of US$ 75.74 million (Rs. 621.41 crore) in subsidies was distributed in 3,159 cases under the Amended Technology Upgradation Fund Scheme, with special campaigns held in significant clusters to settle backlog cases.

- In December 2022, a total of 73,919 people (SC: 18,194, ST: 8,877, and Women: 64,352) have received training, out of which 38,823 have received placement under SAMARTH.

- The establishment of 7 (seven) PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks with a total investment of US$ 541.82 million (Rs. 4,445 crore) for the years up to 2027–28 was approved by the government.

- Under the National Technical Textile Mission (NTTM), 74 research projects for speciality fibre and technical textiles valued at US$ 28.27 million (Rs. 232 crore) were approved. 31 new HSN codes have been developed in this space.

- In November 2022, Tamil Nadu Chief Minister Mr. M. K. Stalin announced the establishment of a "Textile City" in Chennai as part of Tamil Nadu's strategy to become a major participant in the global textile industry. Additionally, the state will build a 1,500-acre textile park in the Virudhunagar district, for which SIPCOT will buy land.

- In June 2022, Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, stated that the Indian government wants to establish 75 textile hubs, similar to Tiruppur, which will greatly increase employment opportunities while promoting the export of textile products and ensuring the use of sustainable technology.

- In June 2022, Amazon India signed a MoU with the Manipur Handloom & Handicrafts Development Corporation Limited (MHHDCL), a Government of Manipur entity, to encourage the development of weavers and artisans throughout the state.

- In June 2022, the Kerala government announced that it would provide free training to 1,975 candidates under the SAMARTH scheme of the textile industry.

- The Sustainable Textiles for Sustainable Development (SusTex) project by the United Nations Climate Change entity enhances the employment and working circumstances of textile artisans while promoting the sustainable production and use of environmentally friendly textiles.

- In May 2022, Minister of Micro, Small and Medium Enterprises, Mr. Narayan Rane, inaugurated the Center of Excellence for Khadi (CoEK) at NIFT, Delhi. In order to produce innovative fabrics and apparel that will meet the needs of both domestic and foreign consumers, the CoEK will seek to introduce the newest designs and adopt procedures that adhere to international standards.

- In April 2022, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Mr. Piyush Goyal, said that new Economic Cooperation and Trade Agreements with Australia and the UAE would open infinite opportunities for textiles and handloom. Indian textile exports to Australia and the UAE would now face zero duties, and he expressed confidence that soon Europe, Canada, the UK and GCC countries would also welcome Indian textile exports at zero duty.

- In March 2022, the Tamil Nadu government included a Sustainable Cotton Cultivation Mission in its agriculture budget by allocating US$ 1.86 million (Rs 15.32 crore) to enhance the yield of organic cotton.

- In March 2022, the Ministry of Textiles, in collaboration with the Confederation of Indian Industries (CII), organized a day-long International Conference on Technical Textiles with the theme: Creating the Winning Leap in Technical Textiles.

- The Khadi and Village Industries Commission (KVIC) achieved turnover of Rs. 1.15 lakh crore (US$ 14.68 billion) in FY22, a growth of 20.54% YoY, and more than any Indian FMCG company managed in FY22.

- The Government of India has earmarked a corpus of Rs. 1,000 crore (US$ 127.72 million) dedicated for research and development of the technical textiles sector.

- In March 2022, the Bihar government submitted a proposal to the Ministry of Textiles to set up a mega hub under the PM Mitra Mega Textile Park.

- In March 2022, Tamil Nadu Chief Minister Mr. MK Stalin announced that the State Industries Promotion Corporation of Tamil Nadu Ltd (SIPCOT) will set up a mega textile park in the Virudhunagar district.

- For export of handloom products globally, the Handloom Export Promotion Council (HEPC) is participating in various international fairs/events with handloom exporters/weavers to sell their handloom products in the international markets under NHDP.

- The Ministry of Textiles has also been implementing the Handloom Marketing Assistance (HMA), a component of National Handloom Development Programme (NHDP) all across India. HMA provides a marketing platform to the handloom weavers/agencies to sell their products directly to the consumers and develop and promote the marketing channel through organizing expos/events in domestic as well as export markets.

- In November 2021, Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, stated the desire to target a 3-5x time increase in the export of technical textiles worth US$ 10 billion over the next three years.

- The Indian government has notified uniform goods and services tax rate at 12% on man-made fabrics (MMF), MMF yarns, MMF fabrics and apparel, which came into effect from January 1, 2022.

- Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, announced a mega handloom cluster in Manipur and a handloom and handicraft village at Moirang in Bishnupur. The mega cluster will be set up at an estimated cost of Rs. 30 crore (US$ 4.03 million) under the National Handloom Development Programme (NHDP).

**(Source- *https://www.ibef.org/industry/textiles*)**

**Road Ahead**

The future of the Indian textiles industry looks promising, buoyed by strong domestic consumption as well as export demand. India is working on various major initiatives to boost its technical textile industry. Owing to the pandemic, the demand for technical textiles in the form of PPE suits and equipment is on the rise. The government is supporting the sector through funding and machinery sponsoring.

Top players in the sector are achieving sustainability in their products by manufacturing textiles that use natural recyclable materials.

With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The growth in textiles will be driven by growing household income, increasing population, and increasing demand by sectors like housing, hospitality, healthcare, etc.

The technical textiles market for automotive textiles is projected to increase to US$ 3.7 billion by 2027, from US$ 2.4 billion in 2020.

Similarly, the industrial textiles market is likely to increase at an 8% CAGR from US$ 2 billion in 2020 to US$ 3.3 billion in 2027. The overall Indian textiles market is expected to be worth more than US$ 209 billion by 2029.

***References:*** *Ministry of Textiles, Indian Textile Journal, Department of Industrial Policy and Promotion, Press Information Bureau, Union Budget 2023-24, Union Budget 2025-26, Invest India*

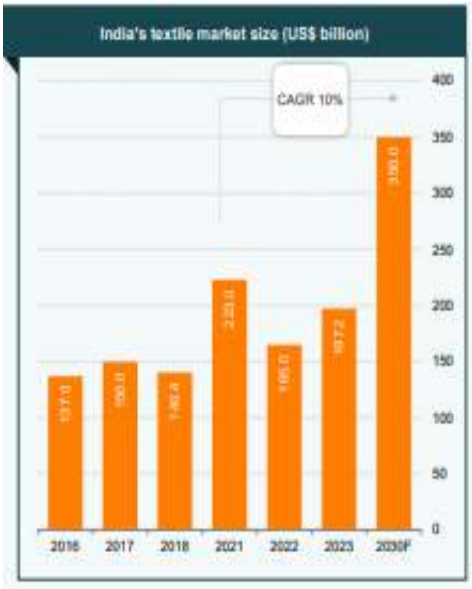
***(Source- [https://www.ibef.org/industry/textiles](https://www.ibef.org/industry/textiles))***

## THE SECTOR HAS BEEN POSTING STRONG GROWTH OVER THE YEARS

1. According to Crisil Ratings, the organized retail apparel sector is projected to achieve revenue growth of 8-10% in the current financial year, driven by rising demand from a normal monsoon, easing inflation, and the festive and wedding seasons. The increasing preference for affordable, trendy fashion clothing that mimics high-fashion designs is expected to be the primary revenue driver this fiscal year.

2. The textile industry in India is predicted to double its contribution to the GDP, rising from 2.3% to approximately 5% by the end of this decade.

3. The Indian textiles market is expected to be worth US$ 350 billion by 2030.

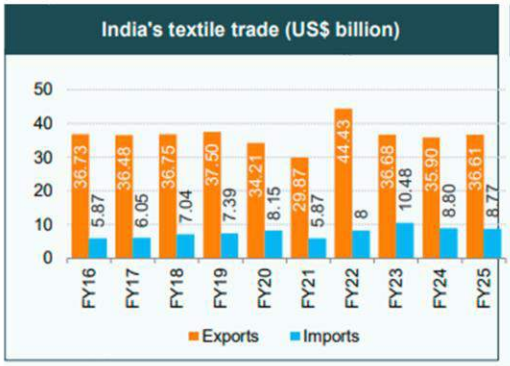


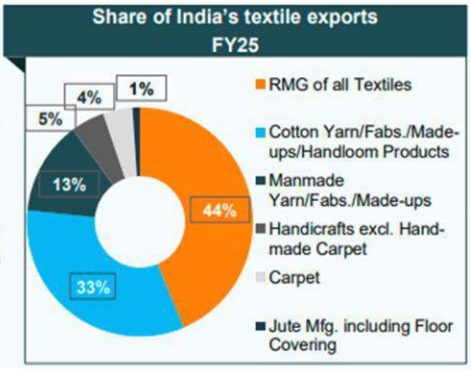

4. In December 2022, the Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution, and Textiles, Mr. Piyush Goyal, discussed the roadmap to achieve the target of US$ 250 billion in textiles production and US$ 100 billion in exports by 2030.

5. Incentives under the scheme will be available for five years from 2025-26 to 2029-30 on incremental turnover achieved from 2024-25 to 2028-29. The scheme proposes to incentivise MMF (man-made fibre) apparel, MMF fabrics and 10 segments of technical textiles products.

***Source: Make in India, News Articles, Ministry of Textiles***
***(Source: https://www.ibef.org/download/1752830131_Textiles-and-Apparel-PPT-May-2025.pdf)***

## EXPORT HAVE POSTED STRONG GROWTH OVER THE YEARS




**Textile Exports FY25**

| Commodities | Value (US$ million) |
|---|---|
| RMG of all Textiles | 15,989.33 |
| Cotton Yarn/Fabs./Made-ups/ Handloom Products | 12,055.88 |
| Manmade Yarn/Fabs./Made-ups | 4,869.44 |
| Handicrafts excl. Hand-made Carpet | 1,766.57 |
| Carpet | 1,541.09 |
| Jute Mfg. including Floor Covering | 384.10 |

1. India's textile industry is on the brink of expansion, with total textile export projected to reach US$ 65 billion by FY26.

2. India's share of global trade in textiles and apparel stands at 3.9%

3. In FY25 the total exports of textiles and apparels (incl. handicrafts) stood at Rs. 3,12,540 crore (US$ 36.61 billion)

4. Ready Made Garments (RMG) category with export of US$ 15,989 million has the largest share (44%) in the total exports Rs. 3,12,540 crore (US$ 36.61 billion) during FY25, followed by Cotton Textiles (33%, US$ 12,056 million), Man- Made Textiles (13%, US$ 4,869 million).

5. India's ready-made garment (RMG) exports are likely to surpass US$ 30 billion by 2027, growing at a CAGR of 12-13%.

***Note: RMG – Readymade Garments; imports include textile yarn fabric and made-up articles; Exports include RMG of all textiles, cotton yarn/fabs./made-ups/handloom products, manmade yarn/fabs./made-ups, handicrafts excl. handmade carpets, carpets, jute mfg. including floor coverings.***

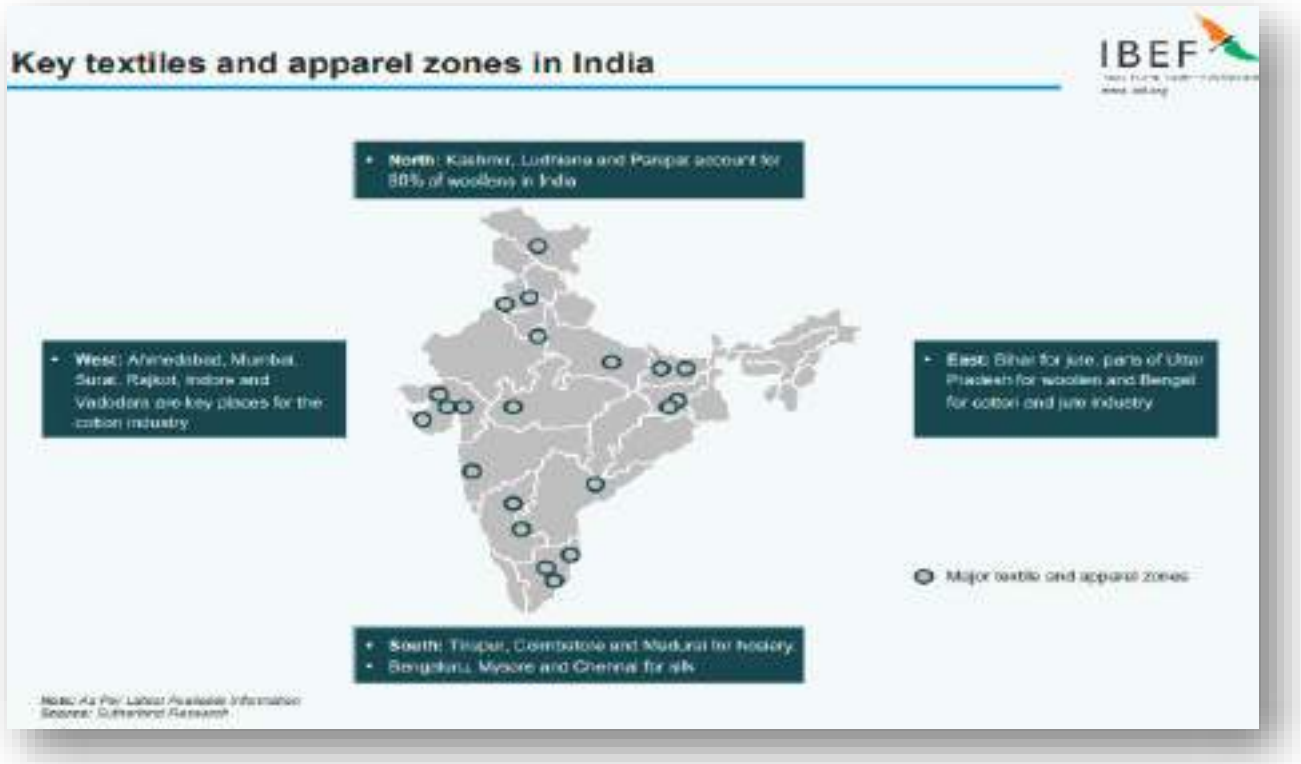
***(Source: Ministry of Textiles)***

***(Source: https://www.ibef.org/download/1752830131_Textiles-and-Apparel-PPT-May-2025.pdf)***

## NOTABLE TRENDS IN THE TEXTILES SECTOR

### A. Textile Parks

- Since 2014, 59 textile park projects have been sanctioned under SITP and PPP with 40% government assistance of up to Rs. 40 crore (US$ 6 million). Of these, 24 textile parks are operational, as of July 2021.
- In August 2023, government has sanctioned the establishment of seven PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks on Greenfield and Brownfield sites. These parks will feature world-class infrastructure, including plug-and-play facilities, with a total investment of Rs. 4,445 crore (US$ 535 million) over a seven-year period, extending to 2027-28.
- In July 2023, PM MITRA Park, Amravati expected to attract investment of Rs. 10,000 crore (US$ 1.20 billion) and create employment for 300,000 individuals.
- In May 2023, an investment of around Rs. 6,850 crore (US$ 824.25 million) is expected in the PM MITRA Park in Madhya Pradesh and Rs. 8,675 crore (US$1.04 billion) in other parts of the state.
- In February 2023, the union government approved 1,000 acres for setting up a textile park in Lucknow.
- In March 2022, the Bihar government submitted a proposal to Ministry of Textiles to set up a mega hub under the PM Mitra Mega Textile Park



## B. Incubation in apparel manufacturing

1. The objective here has been to promote entrepreneurs in apparel manufacturing by providing them an integrated workspace and reducing operational and financial cost for establishing and growing a new business.

2. As of July 2019, three projects were sanctioned by the Government, one each in Madhya Pradesh, Odisha and Haryana.

## C. Technical textiles

1. The central government has set a target to export Rs. 87,450 crore (US$ 10 billion) worth of technical textiles under its National Technical Textiles Mission.

2. In August 2023, the Ministry of Textiles approved 26 engineering institutions for the introduction of Technical Textiles under the National Technical Textiles Mission.

3. Secretary of the Ministry of Textiles, Ms. Rachna Shah, announced that India's technical textiles market has great potential, with a notable growth rate of 10% and ranking as the 5th largest in the world.

4. The technical textiles market for automotive textiles is projected to increase to US$ 3.7 billion by 2027, from US$ 2.4 billion in 2020. Similarly, the industrial textiles market is likely to increase at an 8% CAGR from US$ 2 billion in 2020 to US$ 3.3 billion in 2027.

## D. Public Private Partnership (PPP)

1. The Ministry of Textiles commenced an initiative to establish institutes under PPP to encourage private sector participation in the development of the industry.

2. In August 2021, Flipkart and Himachal Pradesh State Handicrafts and Handloom Corporation Ltd. (HPSHHCL) signed a memorandum of understanding (MoU) to help the state’s master craftsmen, weavers and artisans showcase their hallmark products on e-commerce platforms.

## E. Promotion of khadi

1. In September 2023, Khadi and Village Industries Commission signed 3 MoUs to promote Khadi Products.

2. In January 2023, Prime Minister Mr. Narendra Modi's vision of “Khadi for Nation, Khadi for Fashion and Khadi for Transformation”’, a first-ever spectacular ‘Khadi Fashion Show’ took place in white fields at ‘Rann of Kutch’. It was organized by the Khadi and Village Industries Commission.

3. Khadi and Village Industries Commission (KVIC) achieved turnover of Rs. 1.15 lakh crore (US$ 14.68 billion) in FY22, a growth of 20.54% YoY, and more than any Indian FMCG company managed in FY22.

4. In May 2022, Minister of Micro, Small and Medium Enterprises, Mr. Narayan Rane, inaugurated the Center of Excellence for Khadi (CoEK) at NIFT, Delhi. In order to produce innovative fabrics and apparel

that will meet the needs of both domestic and foreign consumers, the CoEK will seek to introduce the newest designs and adopt procedures that adhere to international standards.

**F. Diversification**

1. In September 2023, Grasim Industries plans to open nearly 120 retail stores over the upcoming 2 years, by expanding its footprint in smaller cities and towns.

2. DS Group's luxury menswear division, Brioni inaugurates its first boutique in India in November 2023.

3. Raymond group under its group company, J.K.Helene Curtis, is looking to ramp up male grooming segment by unleashing new variants of shampoos and deodorants.

**G. Research and Development (R&D)**

1. In June 2023, the Government has approved R&D projects worth US$ 7.4 million (Rs. 61.09 crore) in the textile sector. 20 R&D Projects have been approved under the National Technical Textiles Mission in Geotech, Protech, Indutech, Sustainable Textiles, Sportech, Buildtech and Speciality Fibres.

2. In December 2022, a total of 44 R&D projects were started, and 23 of them were successfully completed in the silk industry

3. Defence Research and Development Organisation (DRDO) is helping the Indian textile industry to produce yarns and eliminate dependence on import of Chinese and other foreign clothing for military uniforms.

4. In October 2021, IIT Delhi converted the SMITA Research Lab Centre of Excellence in smart textiles to work on emerging materials and technologies; this step was taken to innovate the country's textile industry

**H. Focus on high growth domestic markets**

1. In November 2022, Tamil Nadu Chief Minister Mr. M. K. Stalin announced the establishment of a "Textile City" in Chennai as part of Tamil Nadu's strategy to become a major participant in the global textile industry. Additionally, the state will build a 1,500-acre textile park in the Virudhunagar district, for which SIPCOT will buy land.

2. In June 2022, Minister of Textiles, Commerce & Industry and Consumer Affairs, Food & Public Distribution, Mr. Piyush Goyal, stated that the Indian government plans to establish 75 textile hubs similar to Tiruppur that would not only promote the export of textile products and assure the use of sustainable technologies, but also create a significant amount of job possibilities.

3. The Government of India has increased the basic custom duty to 20% from 10% on 501 textile products to boost Make in India and indigenous production.

**I. Focus on backward integration**

1. On July 17, 2020, the Khadi and Village Industries Commission (KVIC) inaugurated the first-of-its-kind footwear training center in Delhi to train the marginalized community of leather artisans.

**J. Focus on forward integration**

1. In October 2019, Asahi Songwon Colors Limited entered into a joint venture (JV) with Tennants Textile Colours (TTC) Limited to set up a state-of-the-art red and yellow pigments plant.

2. On July 10, 2020, Flipkart Group bought a minority stake in Arvind Youth Brands, a subsidiary of Arvind Fashions Ltd. (AFL), for Rs. 260 crore (US$ 36.88 million).

**K. Scaling-up organic cotton industry**

1. India is expected to host the 81st Plenary Meeting of the International Cotton Advisory Committee (ICAC) from 2nd to 5th December 2023 in Mumbai with the theme "Cotton Value Chain- Local Innovations for Global Prosperity".

2. Cott-Ally mobile app has been developed for farmers to increase awareness about MSP rates, nearest procurement centers, payment tracking, best farm practices etc.

3. In March 2022, the Tamil Nadu government included a Sustainable Cotton Cultivation Mission in its agriculture budget by allocating US$ 1.86 million (Rs. 15.32 crore) to enhance the yield of organic cotton.

**L. Innovations to create sustainable textiles**

1. In February 2024, an agreement was signed during the Bharat Tex event between the Textiles Committee, the Government e-Marketplace (GeM) under the Ministry of Commerce and Industry, and the Standing Conference of Public Enterprises (SCOPE) from the Department of Public Enterprises. This agreement is focused on encouraging the use of upcycled products created from textile waste and scrap.

2. Arvind Limited, the largest textile to technology conglomerate in India, and PurFi Global LLC, a sustainable technology firm that specialises in rejuvenating textile waste into virgin grade products, have formed a joint venture to reduce the quantity of textile waste dumped in landfills.

3. The Sustainable Textiles for Sustainable Development (SusTex) project by the United Nations Climate Change entity enhances the employment and working circumstances of textile artisans while promoting the sustainable production and use of environmentally friendly textiles.

4. Sangam India Ltd, one of the foremost producers in PV dyed yarn, cotton and OE yarn and also ready to stitch fabric, has installed two solar power plants of 5 MW that on average helps them to bring down their carbon footprint by at least 20% per annum. SIL also plans to increase the use of recycled fibre, leading to lesser consumption of plastic waste by using it as a raw material.

5. In November 2023, Reliance Foundation launched the first 'Swadesh' handicrafts store in Hyderabad, aimed at supporting and promoting Indian craftwork.

***(Source: Annual Reports, Company Presentations, News Articles)***

*(Source: https://www.ibef.org/download/1752830131_Textiles-and-Apparel-PPT-May-2025.pdf)*

## FOREIGN INVESTMENT FLOWING INTO THE SECTOR

1. 100% FDI is permitted in the sector. Cumulative FDI inflows in the textiles sector (including dyed and printed textiles) stood at Rs. 29,077 crore (US$ 4.56 billion) between April 2000-September 2024.

2. The textiles industry in India is experiencing a significant increase in collaboration between global majors and domestic companies.

3. International apparel giants like Hugo Boss, Liz Claiborne, Diesel and Kanz have already started operations in India.

4. In April 2021, South Korea's textile major Youngone announced that it will start its operations within six months at Kakatiya Mega Textile Park in Warangal, providing employment to 12,000 people in the region.

***Note: Textiles sector FDI includes Dyed and Printed, FDI - Foreign Direct Investment***

***(Source: Ministry of Commerce and Industry, DPIIT)***
***(Source: https://www.ibef.org/download/1752830131_Textiles-and-Apparel-PPT-May-2025.pdf)***

## POLICY SUPPORT HAS BEEN A KEY INGREDIENT TO GROWTH

### A. Amended Technology Up-gradation Fund Scheme (A-TUFS)

1. A total of US$ 75.74 million (Rs. 621.41 crore) in subsidies was distributed in 3,159 cases under the Amended Technology Upgradation Fund Scheme, with special campaigns held in significant clusters to settle backlog cases.

2. The government allocated funds worth Rs. 17,822 crore (US$ 2.38 billion) between FY16 and FY22 for the 'Amended Technology Upgradation Fund Scheme' (A-TUFS) to boost the Indian textile industry and enable ease of doing business.

### B. National Textile Policy - 2000

1. Key areas of focus include technological upgrades, enhancement of productivity, product diversification and financing arrangements.

2. New draft for this policy ensures that 35 million people get employment by attracting foreign investment. It also focuses on establishing a modern apparel garment manufacturing centre in every state in the Northeast for which the Government has invested an amount of US$ 3.27 million.

**C. FDI**

1. Foreign direct investment (FDI) of up to 100% is allowed in the textile sector through the automatic route.

**D. SAATHI Scheme**

1. The Ministry of Textiles, Government of India, along with Energy Efficiency Services Ltd. (EESL), has launched a technology upgradation scheme called SAATHI (Sustainable and Accelerated Adoption of Efficient Textile Technologies to Help Small Industries) for reviving the power loom sector of India.

**E. Merchandise Exports from India Scheme**

1. The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for two subsectors of textiles Industry - readymade garments and made-ups - from 2% to 4%.

**F. Scheme for Capacity Building in Textiles Sector (SCBTS)**

1. The Cabinet Committee on Economic Affairs (CCEA), Government of India, has approved a new skill development scheme called 'Scheme for Capacity Building in Textile Sector (SCBTS)' with an outlay of Rs. 1,300 crore (US$ 202.9 million) from FY18-20.

2. The scheme is aimed at providing a demand driven and placement-oriented skilling programme to create jobs in the organised textile sector and to promote skilling and skill upgradation in the traditional sectors.

**G. Government Incentives**

1. A tripartite Memorandum of Understanding (MoU) was signed by the Textiles Committee under the Ministry of Textiles, the Government e Marketplace (GeM) under the Ministry of Commerce and Industry, and the Standing Conference of Public Enterprises (SCOPE) to promote upcycled products made from textile waste and scrap.

2. In the academic year 2022–23, the opening of a new campus of the National Institute of Fashion Technology (NIFT) in Daman. Moreover, new campus buildings are being constructed in Bhopal and Srinagar.

3. Under the National Technical Textile Mission (NTTM), 74 research projects for specialty fibre and technical textiles valued at US$ 28.27 million (Rs. 232 crore) were approved.

4. The Central government aims to achieve Rs. 86,680 crore (US$ 10 billion) in technical textile exports under the National Technical Textiles Mission, launched in FY21 and extended until FY26 with a financial outlay of Rs. 1,480 crore (US$ 170.74 million). India's technical textile exports range between Rs. 17,336 crore (US$ 2 billion) and Rs. 26,004 crore (US$ 3 billion).

5. For the export of handloom products globally, the Handloom Export Promotion Council (HEPC) is participating in various international fairs/events with handloom exporters/weavers to sell their handloom products in the international markets under NHDP.

6. The Ministry of Textiles has also been implementing Handloom Marketing Assistance (HMA), a component of National Handloom Development Programme (NHDP) all across India. HMA provides a marketing platform to the handloom weavers/agencies to sell their products directly to the consumers and develop and promote the marketing channel through organizing expos/events in domestic as well as export markets.

**H. Textile Incentives**

1. The Textile Ministry of India earmarked Rs. 690 crore (US$ 106.58 million) for setting up 21 readymade garment manufacturing units in seven states for development and modernisation of the Indian textile sector.

**I. SAMARTH**

1. In July 2023, 43 new implementing partners were empanelled under the SAMARTH scheme and an additional target of training around 75,000 beneficiaries has been allocated. 1,83,844 beneficiaries trained across 1,880 centres under Samarth.

2. A total of 73,919 people (SC: 18,194, ST: 8,877, and Women: 64,352) have received training, out of which 38,823 have received placement under SAMARTH.

3. In November 2022, local weavers in Tuensang in Nagaland were provided 45 days of skill-upgrading training, which would equal 315 hours under the SAMARTH programme.

**J. Production-Linked Incentive Scheme**

1. Under this scheme, incentives will be provided to manufacture and export specific textile products made of man-made fibres.

2. The government approved Rs. 10,683 crore (US$ 1.44 billion) for man-made fibre and technical textiles.

**K. Mega Integrated Textile Region and Apparel (MITRA) Parks Scheme**

1. The Prime Minister Mega Integrated Textile Region and Apparel (PM MITRA) Parks Scheme aims to establish 7 world-class mega textile parks with state-of-the-art infrastructure, plug-and-play facilities, and a fully integrated textile value chain with a total investment of US$ 541.82 million (Rs. 4,445 crore) for the years up to 2027–28 was approved by the government. These parks are expected to attract investments worth Rs. 85,370 crore (US$ 10 billion).

2. The government is planning to set up 12 new industrial parks and 5-6 mega textile parks, announced by Minister of Commerce and Industry Mr. Piyush Goyal. He also urged the private sector to capitalize on these initiatives.

## L. Government Announcements

1. The Union Budget 2025-26 introduced a five-year Cotton Mission to enhance cotton productivity, especially extra-long staple varieties, with Science & Technology support for farmers. This initiative aligns with the 5F principle, aiming to boost farmer income, ensure quality cotton supply, reduce imports, and strengthen MSME-driven textile competitiveness.

2. MoU signed at Bharat Tex 2024 between Textiles Committee, Government e-Marketplace and Standing Conference of Public Enterprises to promote upcycled products made from textiles waste and scrap.

3. National Technical Textiles Mission (NTTM) has been approved with an outlay of US$ 178.74 million (Rs. 1,480 crore); from Financial Year 2020-21 and valid upto 31.03.2026. So far, as of February 2024, 137 research projects have been approved under NTTM. The total cost approved of the said projects by the Government is US$ 57.33 million (Rs. 474.7 crore (approx.)

4. In June 2022, Amazon India signed a MoU with the Manipur Handloom & Handicrafts Development Corporation Limited (MHHDCL), a Government of Manipur entity, to encourage the development of weavers and artisans throughout the state.

5. Through the Digital India Corporation and the Ministry of Electronics and Information Technology, the Ministry of Textiles is creating an ecommerce platform to offer direct marketing opportunities to the handicraft artists and weavers. In the first phase, artisans/weavers from 205 handicrafts/handlooms clusters are being selected throughout the country for uploading their handicrafts/handlooms products on the portal.

## M. Government e-Marketplace

1. To support the handloom and handicrafts sector, the government has taken steps to onboard weavers/artisans on Government eMarketplace (GeM), provide a wider market and enable them to sell products directly to various government departments and organisations.

2. As of June 30, 2021, 1.77 lakh weavers/artisans/handloom entities have been registered on the GeM portal.

## N. Weavers MUDRA Scheme

1. To support the handloom weavers/weaver entrepreneurs, the Weavers MUDRA Scheme was launched to provide margin money assistance at 20% of the loan amount subject to a maximum of Rs. 10,000 (US$ 127.72) per weaver. The loan is provided at an interest rate of 6% with credit guarantee of three years.

***(Source: Press Releases)***
***(Source: https://www.ibef.org/download/1752830131_Textiles-and-Apparel-PPT-May-2025.pdf)***

# OPPORTUNITIES

## 1. Immense growth potential

- In September 2023, Shadowfax inaugurated a 1.5 lakh sq. ft. fulfilment center in Surat with 10 lakh orders per day processing capacity.

- The Indian textile industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand.

- The textile and apparel industry is expected to grow to US$ 190 billion by FY26.

**2. Silk Production**

- The total amount of Raw Silk produced was 28,106 MT. A total of 44 R&D projects were started, and 23 of them were successfully completed. 9,777 people were trained in a variety of activities relating to the silk industry.

- The Central Silk Board sets a target for raw silk production and encourages farmers and private players to grow silk. To achieve these targets, alliances with the private sector, especially agro-based industries in pre-cocoon and post-cocoon segments, are encouraged.

- In FY24, India produced 38,913 metric tons (MT) of silk, whereas during FY25 (April-December) 30,614 metric ton silk was produced.

**3. Bilateral relations**

- In October 2021, the Ministry of Textiles and GIZ (Deutsche Gesellschaft fur Internationale Zusammenarbeit) signed an MoU to implement the 'Indo German Technical Cooperation' project. The project aims to increase the value addition from sustainable cotton production in the country.

- In March 2021, Pakistan approved reinstitution of cotton and sugar imports from India, indicating softening of bilateral relations.

- Industry bodies to host the largest global mega textiles event, Bharat Tex 2024 from February 26-29, 2024, in New Delhi. According to Union Minister, Mr. Piyush Goyal, Bharat Tex 2024 Expo is a testament to India's commitment to becoming a global textile powerhouse.

**4. Proposed FDI in multi-brand retail**

- For the textile industry, the proposed hike in FDI limit in multi-brand retail will bring in more players, thereby providing more options to consumers.
- It will also bring in greater investment along the entire value chain - from agricultural production to final manufactured goods.
- With global retail brands assured of a domestic foothold, outsourcing will also rise significantly.

**5. Union Budget 2023-24**

- Under the Union Budget 2023-24, the government has allocated:
- Rs. 4,389.24 crore (US$ 536.4 million) to the Ministry of Textiles.
- Rs. 900 crore (US$ 109.99 million) is for Amended Technology Upgradation Fund Scheme (ATUFS).

- Rs. 60 crore (US$ 7.33 million) for Integrated Processing Development Scheme.
- Rs. 450 crore (US$ 54.99 million) for National Technical Textiles Mission.

**6. Centers of Excellence (CoE) for research and technical training**

- The CoEs are aimed at creating testing and evaluation facilities as well as developing resource centres and training facilities.

- Existing 4 CoEs, BTRA for Geotech, SITRA for Meditech, NITRA for Protech and SASMIRA for Agrotech, would be upgraded in terms of development of incubation centres and support for the development of prototypes.

- Fund support would be provided for appointing experts to develop these facilities.

**7. Foreign investments**

- The Government is taking initiatives to attract foreign investment in the textile sector through promotional visits to countries such as Japan, Germany, Italy and France.

- According to the new Draft of the National Textile Policy, the Government is planning to attract foreign investment and creating employment opportunities for 35 million people.

- India can become the one-stop sourcing destination for companies from Association of Southeast Asian Nations (ASEAN) as there exist several opportunities for textile manufacturing companies from 10-nation bloc to invest in India.

**8. Union Budget 2025-26**

- The Textile Ministry's allocation increases by 19%, rising from Rs. 4,417.03 crore (US$ 512 million) in 2024–25 to Rs. 5,272 crore (US$ 611 million) in 2025–26, reflecting the government's commitment to addressing long-standing challenges and unlocking new growth opportunities.

- A five-year Cotton Mission is launched with an allocation of Rs. 600 crore (US$ 69.6 million) to boost extra-long staple (ELS) cotton productivity through science and technology support.

- The initiative promotes global agronomy best practices and clean cotton production to secure a steady raw material supply, reduce imports, enhance competitiveness, and improve farmer incomes.

- Two types of shuttle-less looms—Rapier looms (below 650 m/min) and Air Jet looms (below 1,000 m/min)—are fully exempted from customs duty (reduced from 7.5% to nil) to lower production costs and modernize technical textiles.

- The Basic Customs Duty on knitted fabrics is revised from "10% or 20%" to "20% or Rs. 115 per kg, whichever is higher," aimed at curbing cheap imports and supporting domestic manufacturers. •Support for the handicrafts sector is strengthened by extending the duty-free export period to one

year (extendable by three months) and adding nine new duty-free input items to reduce costs for exporters and promote traditional arts.

- Enhanced credit access and revised MSME classification, along with initiatives like the Bharat Trade Net digital platform, are introduced to support the predominantly MSME-driven textile industry.

- The budget allocates Rs. 1,148 crore (US$ 133.1 million) for the PLI Scheme to boost domestic manufacturing and exports, and Rs. 635 crore (US$ 73.6 million) for the Amended Technology Upgradation Fund Scheme to modernize textile machinery.

***Notes: BTRA - The Bombay Textile Research Association, SITRA - South India Textile Research Association, NITRA - Northern India Textile Research Association, SASMIRA - Synthetic and Art Silk Mills Research Association***

***[Source: Department for Promotion of Industry and Internal Trade (DPIIT)]***

***(Source: https://www.ibef.org/download/1744102589_Textiles-and-Apparel-February-2025.pdf)***

## COMPANY'S PRODUCT OVERVIEW

### DYED FABRIC

Dyed fabric refers to textile material that has undergone a coloring process using dyes to achieve the desired shade or pattern. After greige fabric is cleaned and pre-treated, it is dyed using various methods such as piece dyeing, yarn dyeing, or garment dyeing. The dyeing process ensures colorfastness, vibrancy, and uniformity. Dyed fabrics are available in countless colors and finishes, and can also be further enhanced through printing or texturing. Depending on the dye type—reactive, direct, vat, or pigment—the fabric can gain special properties like wash resistance, brightness, and longevity. Dyed fabrics are widely used in fashion, home decor, and industrial textiles.

### PRINTED FABRIC

Printed fabric refers to textile material that has undergone a surface design process to create patterns, motifs, or images using printing techniques. After the fabric is prepared, printing methods such as screen printing, rotary printing, digital printing, or block printing are applied. This process enhances the visual appeal of the fabric by adding intricate designs, vibrant colors, and unique textures. Printed fabrics can be produced on cotton, polyester, silk, or blended bases, offering endless design possibilities. Depending on the printing technique and inks used—pigment, reactive, or discharge—the fabric can achieve properties like wash fastness, sharp detailing, and long-lasting brightness. Printed fabrics are widely used in fashion, home furnishings, and technical textiles.

## OUR BUSINESS

*Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statement that involve risks and uncertainties. You should read "**Forward Looking Statements**" beginning on page 22 of this Draft Prospectus for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read "**Risk Factors**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" beginning on pages 35 and 314, respectively of this Draft Prospectus, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our fiscal year ends on March 31 of each year, and references to a particular fiscal year are to the twelve months ended March 31 of that year.*

*We have, in this Draft Prospectus, included various operational and financial performance indicators, some of which may not be derived from our Restated Financial Information, and may not have been subjected to an audit or review by our Statutory Auditor. For further information, see "**Financial Information**" beginning on page 267. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Information and other information relating to our business and operations included in this Draft Prospectus.*

*Unless otherwise indicated or the context otherwise requires, the financial information for the Fiscal 2023, 2024 and 2025, included herein is derived from the Restated Financial Information, included in this Draft Prospectus. Unless otherwise indicated or the context otherwise requires, in this section, references to "we" or "us" mean Vinod Texworld Limited. For further information, relating to various defined terms used in our business operations, see "**Definitions and Abbreviations**" beginning on page 01 of this Draft Prospectus.*

*Unless stated otherwise, industry and market data used in this section has been obtained or derived from publicly available information as well as industry publications and other sources for more information, see "**Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation**" beginning on page 19.*

## OVERVIEW

- **Background of Our Company**

Our Company was originally incorporated as "Shree Shiv Shakti Cot-Fab Private Limited" as a private limited company, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated July 19, 2012 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli having Corporate Identification Number U17200GJ2012PTC071210. Subsequently in Financial Year 2016-17, Mr. Vinod Mittal, Harsh Vinod Mittal and Yash Vinod Mittal acquired 100% shareholding in the Shree Shiv Shakti Cot-Fab Private Limited.

Subsequently, Our Company changed its name from "Shree Shiv Shakti Cot-Fab Private Limited" to "Vinod Fabtex Private Limited" vide Certificate of Incorporation pursuant to change of name dated March 08, 2018 issued by Registrar of Companies, Ahmedabad, pursuant to special resolution passed in the Extra Ordinary General Meeting held on March 03, 2018.

Subsequently, Our Company changed its name from "Vinod Fabtex Private Limited" to "Vinod Texworld Private Limited" vide Certificate of Incorporation pursuant to change of name dated May 25, 2018 issued by

Registrar of Companies, Ahmedabad, pursuant to special resolution passed in the Extra Ordinary General Meeting held on May 23, 2018. Subsequently, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra Ordinary General Meeting held on November 05, 2024 and consequently the name of our Company was changed to "Vinod Texworld Limited" pursuant to fresh certificate of incorporation dated December 18, 2024 issued to our Company by the Registrar of Companies, Central Processing Centre having Corporate Identification Number U17200GJ2012PLC071210. For details of change in name and registered office of our Company, please refer to chapter titled "***Our History and Certain Other Corporate Matters***" beginning on page 224 of this Draft Prospectus.

- **About Us**

"Vinod Texworld Limited" is engaged in the business of manufacturing, processing, and supplying textile products. The company operates in India and caters to both domestic and international markets. Its core operations include dyeing and printing of greige fabric, which is subsequently marketed and sold. The company's product portfolio includes cotton, polyester, and blended fabrics.

- **Our Promoters**

The Promoters of the Company, Mr. Harsh Vinod Mittal, Mr. Yash Vinod Mittal, and Ms. Sweta Yash Mittal, have approximately 14 years, 14 years, and 9 months of experience respectively in the textile industry. They have been involved in making strategic decisions of the Company. Drawing upon the experience of its Promoters and its established operational practices, the Company manufactures products in accordance with relevant industry specifications and customer requirements. For further details, please refer to the chapters titled "Our Management" and "Our Promoters and Promoter Group" on pages 230 and 249 of this Draft Prospectus.

- **Business Overview**

Our Company is engaged in the production of fabrics for fast fashion by combining modern technology, creative design, and traditional skills. We manage the entire process—from Greige Fabric to Dyed fabric and Printed fabric ensuring quality and the ability to quickly adapt to evolving market demands. Our key focus areas include fostering innovation, adopting a customer-centric approach, and driving research and development along with technological advancements. The Company has also undertaken certain initiatives aimed at incorporating sustainable practices, including steps towards the use of renewable energy across its operations.

The company's focus is on Innovation, Customer Orientation, R & D, Technology Up Gradation, Continuous Improvement and Moving towards Green Energy. Our Company manufacture and sells its products like Dyed Fabric and Printed Fabric.

With a domestic network, the Company serves various locations across India, including states such as Gujrat, Punjab, Haryana, Delhi, Rajasthan, Uttar Pradesh, and West Bengal, among others.

The Company undertakes initiatives aimed at process improvement, adoption of new technologies, and operational efficiency. It has also initiated steps to incorporate green energy solutions with the objective of reducing its carbon footprint and improving energy efficiency across its operations.

The Company supplies its dyed and printed fabrics based on customer specifications to buyers across India and in international markets. During Fiscal 2025, the Company exported its products to Nepal. A break-up of revenue from domestic and export sales for Fiscal 2025, Fiscal 2024, and Fiscal 2023 is set forth in the table below.

**END USERS**

***Amount (Rs. in Lakhs unless otherwise stated)***

| Particulars | For the financial year ended 31.03.25 | | For the financial year ended 31.03.24 | | For the financial year ended 31.03.23 | |
|---|---|---|---|---|---|---|
| | Revenue | % of revenue from operations | Revenue | % of revenue from operations | Revenue | % of revenue from operations |
| **Domestic Customers** | 33,205.65 | 99.01% | 26,663.86 | 98.21% | 19,896.87 | 99.15% |
| **Export Customers** | 331.28 | 0.99% | 484.94 | 1.79% | 170.03 | 0.85% |
| **Total** | **33,536.93** | **100.00%** | **27,148.80** | **100.00%** | **20,066.90** | **100.00%** |

*#As certified by our Peer Reviewed Auditors, M/s. S N Shah & Associates, Chartered Accountant, vide their certificate dated September 15, 2025 vide UDIN: 25144892BMHWRQ1723.*

The Company undertakes product development based on sample specifications provided by existing and potential customers. The quality control and quality assurance team conducts various technical and manual tests on finished products to meet required standards and reduce the likelihood of rejections. The Company also carries out product testing, including durability tests, through its in-house laboratory. The quality assurance and quality control processes support the Company's operations in both domestic and international markets. The narrow fabrics manufactured by the Company are supplied to customers across various industries.

## FINANCIAL SNAPSHOT

**Details of Total Revenue and Profits on Standalone basis are us under:**

***Amount (Rs. in Lakhs unless otherwise stated)***

| Particulars | For the financial year ended 31.03.25 | For the financial year ended 31.03.24 | For the financial year ended 31.03.23 |
|---|---|---|---|
| **Revenue from Operations** | 33,536.93 | 27,148.80 | 20,066.90 |
| **Other Income** | 19.11 | 16.59 | 6.33 |
| **Total Income** | 33,556.04 | 27,165.39 | 20,073.23 |
| **Total Expenditure** | 32,318.74 | 26,457.09 | 19,980.50 |
| **Net Profit before Tax** | 1,245.88 | 708.31 | 92.73 |
| **Profit (Loss) for the period** | 920.76 | 529.68 | 67.65 |
| ***PAT Margins (%)*** | 2.75% | 1.95% | 0.34% |
| **EBITDA** | 2,099.00 | 1,229.09 | 480.24 |
| ***EBITDA Margins (%)*** | 6.26% | 4.53% | 2.39% |

**As certified by our Peer Reviewed Auditors, M/s. S N Shah & Associates, Chartered Accountant, vide their certificate dated September 15, 2025 vide UDIN: 25144892BMHWRQ1723.*

**From FY 2022-23 to FY 2024-25, as per our Restated Financial Statements, our Company has shown the growth:**

i) Our EBITDA has shown growth from Rs. 480.24 lakhs to Rs. 2,099.00 lakhs, representing a CAGR of 109.06%;
ii) Our EBITDA margin has increased from 2.39% in FY 2022-23 to 6.26% in FY 2024-25;
iii) Our PAT was Rs. 67.65 lakhs in FY 2022-23 and Rs. 920.76 lakhs in FY 2024-25, representing a CAGR of 268.93%.
iv) Our PAT margin has increased from 0.34% in FY 2022-23 to 2.75% in FY 2024-25.

## OUR COMPETITIVE STRENGTHS AND STRATEGIES

- **Established Client Relationships and Customer Retention**

  The Company has maintained long-standing relationships with key customers, contributing to repeat business and a stable revenue base. These relationships have facilitated customer retention and have been instrumental in supporting consistent order inflow from various categories, including retailers, semi-wholesalers, and wholesalers.

- **Customer-Centric Operations**

  The Company follows a structured approach to customer service, covering order placement, product quality, delivery timelines, and complaint redressal. A customer-first philosophy underpins operations, especially for bulk buyers such as wholesalers and large-scale fabric traders.

- **Experienced Management and Operational Team**

  The Company is managed by a team with relevant industry experience of over a decade. The Promoter and Managing Director have played a key role in the Company's growth and are supported by a competent team with in-depth knowledge of operational processes. This internal expertise enables the Company to respond to market developments and operational challenges effectively.

- **Timely Order Fulfilment and Operational Efficiency**

  Timely delivery is critical in the textile sector. The Company has implemented business processes to ensure adherence to delivery schedules while seeking to improve cost efficiency. Continuous monitoring of supply chain processes supports this objective.

- **Quality Control Mechanisms**

  The Company applies multiple quality tests, including colour fastness, residual shrinkage, stretchability, and skewness, to ensure product standards are maintained. This process enables the assessment of product performance under various conditions and supports quality consistency.

- **Resource Optimization**

  The Company undertakes regular evaluations of its processes to identify inefficiencies and optimize resource usage. It has developed internal systems to monitor and improve the use of inputs, production methods, and overall operational effectiveness.

- **Cost Management and Process Improvement**

  A focus on cost optimization through improved production methods, supply chain efficiencies, and environmentally responsible practices is central to the Company's strategy. Time and Motion studies and alternative sourcing methods are used to manage production costs. The Company also intends to leverage economies of scale for cost benefits in procurement and operations.

- **Supplier and Stakeholder Relationships**

  The Company maintains working relationships with suppliers and contractors, which supports consistent procurement and supply chain continuity. Long-term engagement with stakeholders is considered an important factor for operational stability.

- **Capacity Expansion**

  The Company plans to enhance its production capacity by acquiring and installing new machinery, particularly in the Dye House segment. Expansion efforts are aimed at meeting increasing demand and supporting future business growth.

- **Renewable Energy Initiatives**

  The Company has implemented a 100-kW solar power plant at its manufacturing unit and has proposed an additional 1500-kW solar module installation. These initiatives are part of an ongoing effort to reduce energy costs and reliance on conventional power sources, thereby contributing to long-term sustainability and cost control.

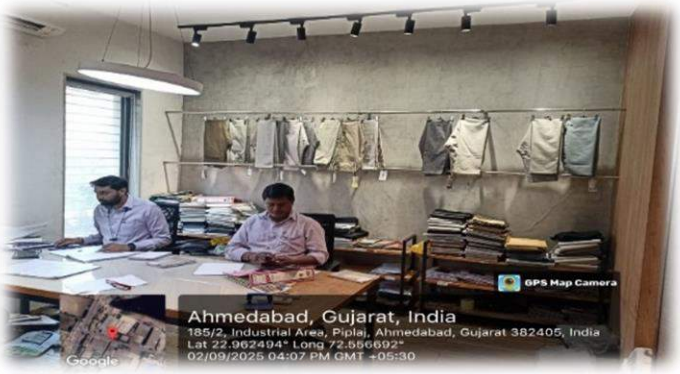
## SWOT ANALYSIS OF OUR COMPANY

| STRENGTHS | WEAKNESS |
|---|---|
| • Quality Assurance and Standards;<br>• Experienced Management Team;<br>• Satisfied customer with quality;<br>• Strong business model;<br>• Established operations and proven track record;<br>• Focus on Sustainability, Quality, Innovation and Technology;<br>• Sourcing, Production & Delivery;<br>• Strong Industry Relationship. | • Heavy dependence on suppliers;<br>• High working capital requirement;<br>• Insufficient market reach;<br>• Seasonal Labour Problem; |
| **OPPORTUNITIES** | **THREATS** |
| • Expanding new geographical area;<br>• Opportunities in Indian Market;<br>• Government thrust for development will boost in rise in demand;<br>• Growing Demand for Sustainable & Technical Textile Products leads to increased consumer awareness and demand for sustainable and organic materials. | • Increased Competition from Big Players;<br>• Change in Government Policies;<br>• Rising labour wages;<br>• There are no entry barriers in our industry which puts us to the threat of competition from new entrants;<br>• Fluctuation in Raw Material Prices. |

## SALES AND MARKETING

Our Company has a structured sales and marketing strategy for expanding its market presence and strengthening customer relationships. The Company appoints agents in various cities who are entrusted with defined sales targets and compensated through commission-based arrangements. These agents not only focus on selling products but also play a vital role in gathering market intelligence by discussing with customers their preferences and requirements. This continuous feedback mechanism enables the Company to align its product portfolio with evolving customer demand.

We have a dedicated sales team that manages relationships with customers. Their experience helps in penetrating deeper into the market and reaching out to new clients across different regions. The marketing team adopts a direct approach to engage with potential customers, supported by timely and quality delivery of products, which has been instrumental in building a strong and reliable business platform for the Company.
To further assist customers in evaluating the finishing quality of our products, special emphasis is given to the preparation of stitched pants made from our finished goods, including dyed and printed fabrics.



These stitched pants serve as a practical demonstration of how the fabric performs when converted into a final garment, allowing customers to closely examine aspects such as texture, fall, and overall appearance. By showcasing these stitched pants, we enable our customers to better visualize their own end products and build greater confidence in our offerings.

In addition to stitched pants, we also provide samples of our fabrics and other finished clothing articles, ensuring that customers have a comprehensive understanding of the versatility and quality of our product.

We also participate in several trade fairs and exhibitions, which serve as an important avenue for networking, attracting new customers, and showcasing the Company's latest product developments. Additionally, referrals from existing satisfied customers form a significant source of new business, with trial lots and product samples provided to prospective clients to establish long-term business relationships.

*#Images captured at Gartex Texprocess exhibition held at Yashobhoomi, Dwarka, Delhi, India*

## OUR PRODUCT PORTFOLIO AND DETAILS

Following are the Products manufactured by our Company: -

### 1. Dyed Fabric & Printed Fabric

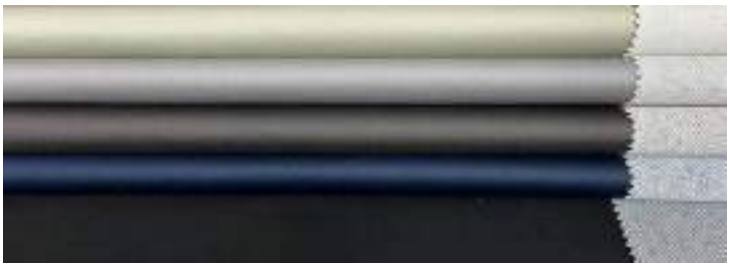
**Dyed Fabric:**

The dyed fabric range includes 100% Cotton and Polyester Cotton, dyed with Reactive, Sulphur, and Pigment dyes. The collection features weaves as Plain, Twill, Satin, Dobby, and Matty, with weights ranging from 300 to 600 grams per meter. Available width spans from 54" to 64", making it ideal for bottom-weight applications.

**Printed Fabric**

Our printed fabrics are available in cotton, polyester, and blended varieties. They designed for aesthetic appeal and durability, suitable for applications ranging from casual wear to high-end fashion and industrial uses.

The Company's range of dyed and printed fabrics is developed to meet customer specifications and is supplied to clients across various industries.

| | |
|---|---|
| • **Sulphur Dyed Fabric:**<br><br>Known for its strong color retention and high durability, suitable for both fashion and industrial applications. | |
| • **Reactive Dyed Fabric:**<br><br>Offers vibrant, long-lasting colors, with eco-friendly properties, perfect for premium textile products. |  |
| • **Pigment Print Fabric:**<br><br>Provides excellent color consistency, fastness, and vivid designs, ideal for various printed fabric applications. | |

| | |
|---|---|
| • **PU Coated Fabric:**<br><br>A high-performance fabric designed for water resistance and durability, ensuring enhanced longevity for outdoor and industrial use. | |

**2. Specialty Fabrics**

Our Specialty Fabrics cater to various applications, combining texture, comfort, and performance to offer distinctive product lines:

- **Twill Fabric:** A versatile fabric known for its diagonal weave, providing a balance of durability and softness, widely used in apparel and home textiles.
- **Satin Fabric:** Known for its luxurious sheen, this fabric is ideal for formal and fashion-forward designs.
- **Oxford Fabric:** Strong, breathable, and often used in shirts, offering both style and comfort.
- **Dobby Fabric:** A fabric with textured patterns, offering unique designs suitable for high-end fashion.
- **Slub Fabric:** Characterized by irregularities in texture, providing a natural, earthy feel perfect for casual wear.
- **Drill Fabric:** Tough and durable, often used in workwear and uniforms.
- **Melange Fabric:** Offers a unique color variation, perfect for creating stylish, heathered effects.
- **Cotton Spun Fabric:** Soft, breathable, and versatile, making it a staple in casual and formal wear.
- **Polyester Fabric:** Durable and easy to maintain, suitable for activewear and performance garments.
- **Knitted Fabric:** Known for its stretch and comfort, ideal for activewear and loungewear.
- **Broken Twill Fabric:** With its distinctive weave, this fabric offers both flexibility and durability.
- **Tussar Fabric:** A luxurious, textured fabric made from wild silk, offering an elegant feel for high-end fashion.

**3. Fabric Yarn Counts**

We specialize in an extensive range of yarn counts to provide our customers with precisely the right materials for their needs:

- **40’s Combed Compact** – Fine yarns for premium finishes and smoother textures.
- **10’s NE Open End** & **8’ NE Open End** – Durable, cost-effective yarns ideal for industrial applications.
- **20’s Carded Compact** – Offers a good balance of strength and texture for everyday applications.
- **16’s Carded Compact** – Versatile, medium-thickness yarn used across various fabric types.
- **Spandex Blends (70 Deniers, 40 Deniers)** – Ideal for stretchable fabrics used in performance wear and activewear.
- **Poly Spun Yarns (220/70, 330/40, 530 ATY)** – These offer soft feels and durability, essential for modern textiles.

**4. Fabrics for Industrial Use**

Dyed fabrics are used in industries where **durability, uniform coloration, and resistance** are important.

**Common Industrial Applications:**

- **Workwear & Uniforms**

- Cotton, polyester-cotton, or polyester fabrics dyed with reactive or disperse dyes.
- Properties: Colorfast, resistant to washing, sunlight, and abrasion.

- **Protective Clothing**
  - Industries: Oil & gas, chemical plants, firefighting gear.

## PRODUCT WISE REVENUE BREAKUP

***Amount (Rs. in Lakhs unless otherwise stated)***

| Sl. No. | Product | For the period ended 31st March, 2025 | % of revenue | For the period ended 31st March, 2024 | % of revenue | For the period ended 31st March, 2023 | % of revenue |
|---|---|---|---|---|---|---|---|
| **1** | **Cotton Dyed Fabrics** | 24,461.83 | 72.94% | 18,895.45 | 69.60% | 12,448.64 | 62.04% |
| **2** | **Cotton Print Fabrics** | 9,047.55 | 26.98% | 7,717.83 | 28.43% | 5,858.19 | 29.19% |
| **3** | **Job Work Sales** | 23.41 | 0.07% | 510.30 | 1.88% | 1,717.35 | 8.56% |
| **4** | **Wash Liquor Sales** | 4.14 | 0.01% | 14.68 | 0.05% | 34.75 | 0.17% |
| **5** | **Scrap Sale** | - | 0.00% | 10.54 | 0.04% | 7.97 | 0.04% |
| | **Total** | **33,536.93** | **100.00%** | **27,148.80** | **100.00%** | **20,066.90** | **100.00%** |

**As certified by our Statutory Auditors, M/s. S N Shah & Associates, Chartered Accountant, vide their certificate dated September 15, 2025 vide UDIN: 25144892BMHWRQ1723.*

## OUR TOTAL PRODUCTION AND SALES VOLUME

**(Qty. in Meters)**

| Sl. No. | For the period ended 31st March, 2025 | For the period ended 31st March, 2024 | For the period ended 31st March, 2023 |
|---|---|---|---|
| Total Production | 19,840,507.00 | 16,257,755.00 | 8,408,733.00 |
| Total Sales | 19,666,060.00 | 15,723,400.00 | 8,276,227.00 |

**As certified by our Statutory Auditors, M/s. S N Shah & Associates, Chartered Accountant, vide their certificate dated September 15, 2025 vide UDIN: 25144892BMHWRQ1723.*

## GEOGRAPHICAL BREAKUP OF REVENUE

***Amount (₹ in Lakhs)***

| S. No. | Place | For the period ended 31st March, 2025 | % of revenue | For the period ended 31st March, 2024 | % of revenue | For the period ended 31st March, 2023 | % of revenue |
|---|---|---|---|---|---|---|---|
| **DOMESTIC** | | | | | | | |
| **1.** | Punjab | 4,570.79 | 13.63% | 4,699.00 | 17.31% | 6,432.71 | 32.06% |
| **2.** | Haryana | 0 | 0.00% | 2.82 | 0.01% | 0 | 0.00% |
| **3.** | Delhi | 1,694.97 | 5.05% | 1,080.59 | 3.98% | 958.34 | 4.78% |
| **4.** | Rajasthan | 32.12 | 0.10% | 9.87 | 0.04% | 88.02 | 0.44% |
| **5.** | Uttar Pradesh | 657.74 | 1.96% | 418.04 | 1.54% | 688.14 | 3.43% |
| **6.** | West Bengal | 2,328.58 | 6.94% | 1,989.88 | 7.33% | 1,092.91 | 5.45% |
| **7.** | Jharkhand | 2.10 | 0.01% | 0 | 0.00% | 0 | 0.00% |
| **8.** | Madhya Pradesh | 531.81 | 1.59% | 287.40 | 1.06% | 55.54 | 0.28% |
| **9.** | Gujarat | 21,664.49 | 64.60% | 16,672.40 | 61.41% | 9,909.48 | 49.38% |
| **10.** | Maharashtra | 715.34 | 2.13% | 502.94 | 1.85% | 58.30 | 0.29% |
| **11.** | Karnataka | 527.78 | 1.57% | 242.60 | 0.89% | 158.90 | 0.79% |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **12.** | Tamil Nadu | 38.49 | 0.11% | 96.19 | 0.35% | 12.04 | 0.06% |
| **13.** | Telangana | 15.48 | 0.05% | 40.22 | 0.15% | 1.79 | 0.01% |
| **14.** | Andhra Pradesh | 425.95 | 1.27% | 621.91 | 2.29% | 440.68 | 2.20% |
| **TOTAL (A)** | | **33,205.64** | **99.01%** | **26,663.86** | **98.21%** | **19,896.87** | **99.15%** |
| **EXPORT** | | | | | | | |
| **1.** | Nepal | 331.28 | 0.99% | 484.94 | 1.79% | 170.03 | 0.85% |
| | | | | | | | |
| **Total (B)** | | **331.28** | **0.99%** | **484.94** | **1.79%** | **170.03** | **0.85%** |
| **TOTAL (A+B)** | | **33,536.93** | **100.00%** | **27,148.80** | **100.00%** | **20,066.90** | **100.00%** |

*Note: Percentage of sales is calculated on the basis of total sales.*

**As certified by our Statutory Auditors, M/s. S N Shah & Associates, Chartered Accountant, vide their certificate dated September 15, 2025 vide UDIN: 25144892BMHWRD4159.*

## RAW MATERIALS

**Our company has sourced the raw materials from Domestic sources. The list of raw materials is as follows:**

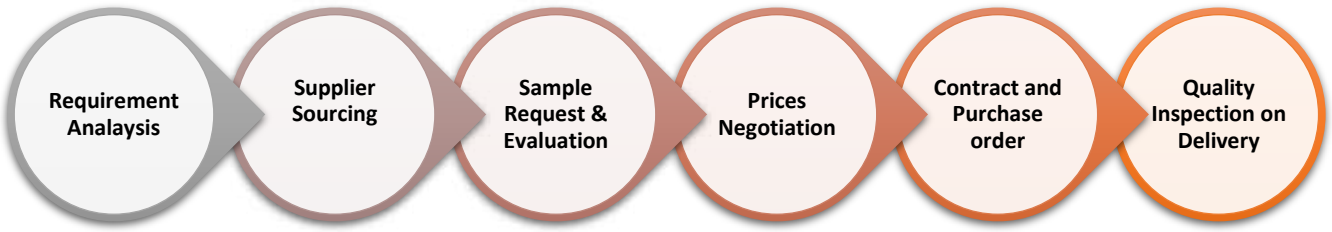
| **LIST OF RAW MATERIAL PURCHASE** | | | | |
|---|---|---|---|---|
| **Sr. No.** | **Place of procurement (State wise)** | **2022-23 (Quantity Mtr/KGS)** | **2023-24 (Quantity Mtr/KGS)** | **2024-25 (Quantity Mtr/KGS)** |
| **GREIGE FABRIC** | | | | |
| **1.** | Gujarat | 8,454,731 | 16,455,680 | 19,917,378 |
| **2.** | Himachal Pradesh | 7,868 | - | - |
| **3.** | Madhya Pradesh | 206,481 | 181,602 | 14,224 |
| **4.** | Maharashtra | 301,755 | 208,098 | 89,522 |
| **5.** | Rajasthan | 24,656 | - | - |
| **6.** | Tamil Nadu | 156,976 | 1,094,972 | 960,100 |
| **Total Grey Fabric (Mtrs.)** | | **9,152,467** | **17,940,352** | **20,981,224** |
| **DYED FABRICS** | | | | |
| **1.** | Gujarat | 57,391 | 58,275 | 103,883 |
| **Total Dyed Fabrics (Mtrs.)** | | **57,391** | **58,275** | **103,883** |
| **COLOUR** | | | | |
| **1.** | Gujarat | 238,375 | 232,545 | - |
| **Total Colours (Kgs)** | | **238,375** | **232,545** | - |
| **COLOUR & CHEMICALS** | | | | |
| **1.** | Gujarat | 3,550,874 | 3,554,273 | 3,651,428 |
| **2.** | Maharashtra | - | 1,890 | 13,320 |
| **Total Chemicals (Kgs)** | | **3,550,874** | **3,556,163** | **3,664,748** |
| **COAL** | | | | |
| **1.** | Gujarat | 13,293,795 | 21,662,915 | 19,713,106 |
| **Total Coal (Kgs)** | | **13,293,795** | **21,662,915** | **19,713,106** |

**As certified by our Statutory Auditors, M M/s. **S N Shah & Associates**, Chartered Accountant, vide their certificate dated September 15, 2025 vide UDIN: 25144892BMHWRQ1723.*

The Company carefully assess the reliability of all materials purchased to ensure that the regulatory and legal requirements are complied with, and they comply with the all quality and safety standards required for our products. We work closely with our suppliers to help ensure availability and continuity of supply while maintaining quality and reliability and identifying any potential for improvement.

Generally, there are multiple sources that can supply the raw materials that we require. Our raw material sourcing is not dependent on a single source of supply and we have access to alternate sources for our procurement of raw materials. All raw materials and packing materials are easily available in India.

## PROCUREMENT PROCESS




### KEY STEPS

1. **Requirement Analysis**
   - ❖ Determine the type of greige fabric needed based on the desired characteristics (e.g., weight, texture, strength).
   - ❖ Consider factors like end-use (garments, upholstery, etc.), fabric properties (softness, durability), and market demand.

2. **Supplier Sourcing**
   - ❖ The company typically works with existing suppliers for each type of greige fabric.
   - ❖ For new fabric requirements, initiate the sourcing process by identifying potential suppliers, requesting quotations, and evaluating their capacity.
   - ❖ Evaluate suppliers based on production capacity, quality standards, reputation, and past performance.

3. **Sample Request and Evaluation**
   - ❖ Request fabric samples from shortlisted suppliers to assess attributes like weave, texture, weight, and color consistency.
   - ❖ Conduct laboratory tests to ensure fabric quality meets specifications (e.g., strength, shrinkage, dye compatibility).

4. **Price Negotiation**
   - ❖ Discuss pricing based on fabric type, quality, order quantity, and delivery terms.
   - ❖ Finalize payment terms and negotiate any discounts for larger orders or long-term agreements.

5. **Contract and Purchase Order**
   - ❖ Finalize the purchase agreement, ensuring all key details (fabric type, quality standards, delivery schedule, payment terms) are covered.
   - ❖ Place the purchase order with the selected supplier.

6. **Quality Inspection on Delivery**
   - ❖ Conduct a thorough inspection of the delivered greige fabric to ensure it meets the agreed specifications (e.g., weight, texture, weave integrity).
   - ❖ Accept or reject the fabric batch based on quality inspection results.

## TOP 10 CUSTOMERS#

**A. Table showing Top 10 customers for the financial year 2022-23 as per the Restated Financials:**

| Sr. No. | Particulars | Amount (Rs. In Lacs) | Share in Revenue (%)* |
|---|---|---|---|
| 1 | Customer A | 1,787.15 | 8.90% |
| 2 | Customer B | 1,508.93 | 7.52% |
| 3 | Customer C | 1,328.27 | 6.62% |
| 4 | Customer D | 1,105.71 | 5.51% |
| 5 | Customer E | 1,094.62 | 5.45% |
| 6 | Customer F | 698.44 | 3.48% |
| 7 | Customer G | 614.95 | 3.06% |
| 8 | Customer H | 601.89 | 3.00% |
| 9 | Customer I | 527.87 | 2.63% |
| 10 | Customer J | 510.95 | 2.55% |
| **Total** | | **9,778.78** | **48.72%** |

**B. Table showing Top 10 customers for the financial year 2023-24 as per the Restated Financials:**

| Sr. No. | Particulars | Amount (Rs. In Lacs) | Share in Revenue (%)* |
|---|---|---|---|
| 1 | Customer K | 4,163.50 | 15.33% |
| 2 | Customer L | 3,908.73 | 14.39% |
| 3 | Customer M | 1,309.10 | 4.82% |
| 4 | Customer N | 1,030.47 | 3.79% |
| 5 | Customer O | 976.01 | 3.59% |
| 6 | Customer F | 809.73 | 2.98% |
| 7 | Customer H | 807.43 | 2.97% |
| 8 | Customer E | 626.49 | 2.31% |
| 9 | Customer P | 625.83 | 2.30% |
| 10 | Customer Q | 614.1 | 2.26% |
| **Total** | | **14,871.39** | **54.74%** |

**C. Table showing Top 10 customers for the financial year 2024-25 as per the Restated Financials:**

| Sr. No. | Particulars | Amount (Rs. In Lacs) | Share in Revenue (%)* |
|---|---|---|---|
| 1 | Customer L | 5469.71 | 16.30% |
| 2 | Customer K | 4019.2 | 11.98% |
| 3 | Customer N | 1500.14 | 4.47% |
| 4 | Customer F | 1225.67 | 3.65% |
| 5 | Customer R | 1113.79 | 3.32% |
| 6 | Customer S | 989.21 | 2.95% |
| 7 | Customer N | 922.8 | 2.75% |
| 8 | Customer T | 649.42 | 1.94% |
| 9 | Customer U | 593.22 | 1.77% |
| 10 | Customer V | 577.22 | 1.72% |
| **Total** | | **17060.38** | **50.85%** |

** Share in Revenue (%) is calculated as Amount (excluding GST Rs. In Lacs) divided by restated revenue from operation.*
*#As certified by our Peer Reviewed Auditors, M/s. S N Shah & Associates, Chartered Accountant, vide their certificate dated September 15, 2025 vide UDIN: 25144892BMHWRJ3222.*
***Note:** We unable to disclose the names of individual customers since information is Commercially sensitive to our business.*

## TOP 10 SUPPLIERS[#]

**A. Table showing Top 10 suppliers for the financial year 2022-23 as per the Restated Financial:**

| Sr. No. | Particulars | Amount (Rs. In Lacs) | Share in Purchase %* |
|---|---|---|---|
| 1 | Supplier A | 7,360.25 | 43.04% |
| 2 | Supplier B | 1,836.42 | 10.74% |
| 3 | Supplier C | 1,063.45 | 6.22% |
| 4 | Supplier D | 1,042.21 | 6.09% |
| 5 | Supplier E | 979.87 | 5.73% |
| 6 | Supplier F | 608.16 | 3.56% |
| 7 | Supplier G | 496 | 2.90% |
| 8 | Supplier H | 478.11 | 2.80% |
| 9 | Supplier I | 392.45 | 2.29% |
| 10 | Supplier J | 388.01 | 2.27% |
| **Total** | | **14644.93** | **85.64%** |

**B. Table showing Top 10 suppliers for the financial year 2023-24 as per the Restated Financial:**

| Sr. No. | Particulars | Amount (Rs. In Lacs) | Share in Purchase %* |
|---|---|---|---|
| 1 | Supplier C | 4,492.45 | 17.70% |
| 2 | Supplier B | 4,395.11 | 17.31% |
| 3 | Supplier I | 3,962.28 | 15.61% |
| 4 | Supplier K | 3,328.28 | 13.11% |
| 5 | Supplier A | 1,751.39 | 6.90% |
| 6 | Supplier D | 1,146.33 | 4.52% |
| 7 | Supplier L | 834.52 | 3.29% |
| 8 | Supplier E | 781.29 | 3.08% |
| 9 | Supplier M | 566.58 | 2.23% |
| 10 | Supplier N | 550.93 | 2.17% |
| **Total** | | **21809.16** | **85.91%** |

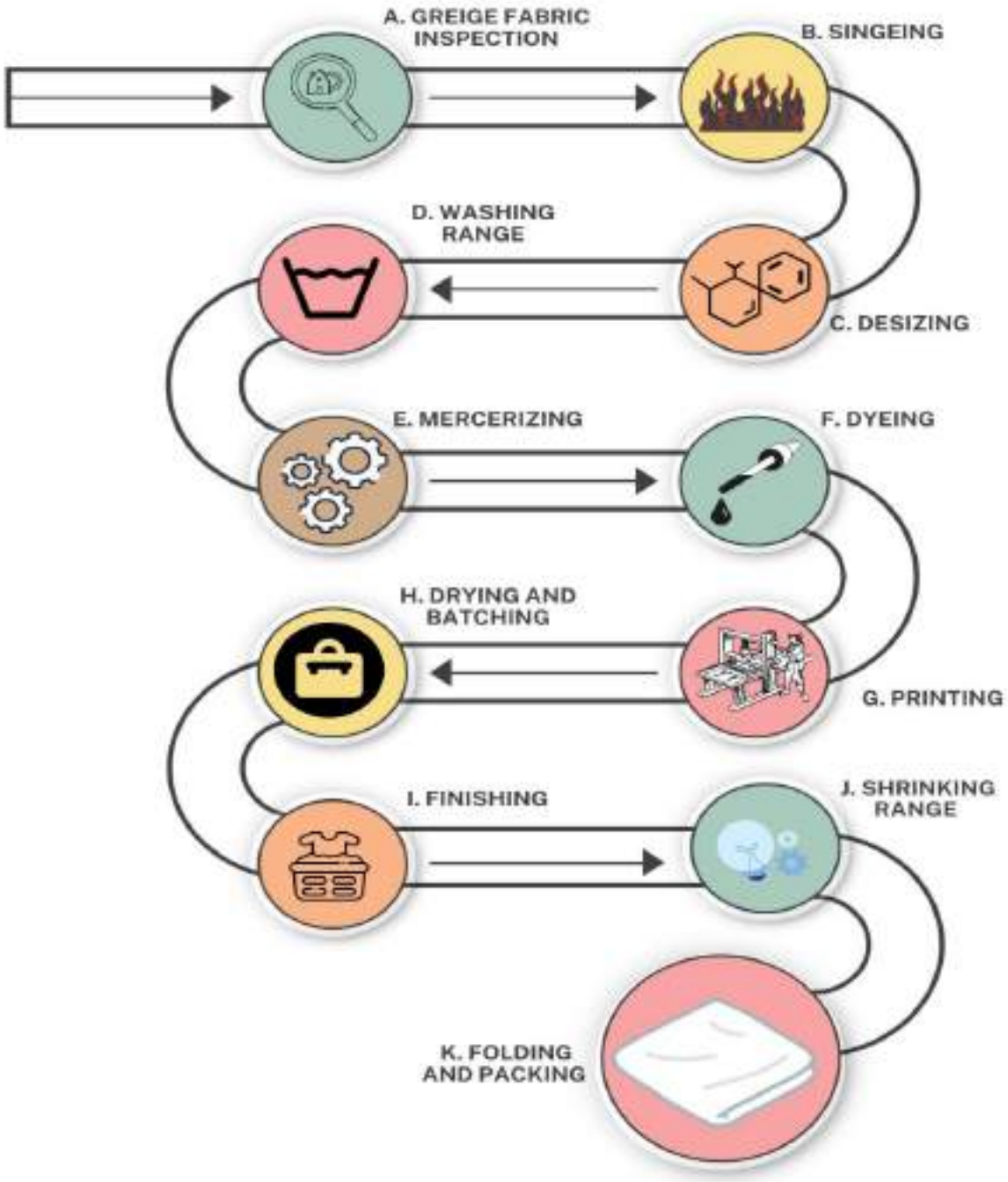
**C. Table showing Top 10 suppliers for the financial year 2024-25 as per the Restated Financial:**

| Sr. No. | Particulars | Amount (Rs. In Lacs) | Share in Purchase %* |
|---|---|---|---|
| 1 | Supplier I | 12,830.17 | 43.08% |
| 2 | Supplier L | 2,952.96 | 9.92% |
| 3 | Supplier B | 2,679.56 | 9.00% |
| 4 | Supplier C | 2,673.99 | 8.98% |
| 5 | Supplier D | 2,278.96 | 7.65% |
| 6 | Supplier K | 2,179.35 | 7.32% |
| 7 | Supplier N | 555.9 | 1.87% |

| | | | |
|---|---|---|---|
| 8 | Supplier O | 454.14 | 1.52% |
| 9 | Supplier M | 429.57 | 1.44% |
| 10 | Supplier E | 397.41 | 1.33% |
| **Total** | | **27432.01** | **92.12%** |

** Share in Purchase (%) is calculated as Amount (excluding GST Rs. In Lacs) divided by restated purchase of raw material minus purchase return plus purchase of Stock-in-trade.*
*#As certified by our Peer Reviewed Auditors, M/s. S N Shah & Associates, Chartered Accountant, vide their certificate dated September 15, 2025 vide UDIN: 25144892BMHWRJ3222.*
***Note:** We unable to disclose the names of individual customers since information is Commercially sensitive to our business.*

## OUR MANUFACTURING PROCESS



## THE FLOWCHART TO PROCESS THE GREY FABRIC IS AS UNDER

**A. Grey Fabric Inspection** (Grey Checking): Upon receipt, the grey fabric undergoes a thorough inspection using a grey checking machine. This process ensures the detection of any defects such as spots, damage, or fungus before the fabric is released for further processing.

**B. Singeing:** Singeing is performed to create a smooth, even surface by burning off protruding fibers, yarn ends, and fuzz. The grey fabric is passed over a controlled gas flame at high speed to remove surface impurities without damaging the fabric. Immediately after singeing, the fabric is passed through a desizing chemical bath to halt any smoldering and prepare it for the next stage.

**C. Desizing:** Desizing involves the removal of sizing agents applied to warp yarns during weaving. This process restores the fabric's absorbency and prepares it for further chemical treatments. The choice of desizing method depends on the sizing materials used during weaving.

**D. Washing Range** (Continuous Bleaching Range): Following desizing, the fabric enters the washing range for scouring, which eliminates natural and added impurities such as waxes, oils, and residual size. This step improves the fabric's absorbency and cleanliness. Subsequently, the fabric undergoes bleaching, using oxidizing agents like hydrogen peroxide ($H_2O_2$) to remove natural coloration and achieve a uniform white base. This continuous processing setup increases efficiency by eliminating the need for repeated loading/unloading, allowing the fabric to proceed directly to mercerization.

**E. Mercerizing** (Mercerize Machine): Mercerization enhances the fabric's luster, strength, dimensional stability, and dye affinity. This is achieved by treating the fabric with caustic soda under tension.

**F. Dyeing:** The mercerized fabric is dyed using a jigger dyeing machine. This process involves immersing the fabric in dye liquor, ensuring uniform coloration as per customer specifications.

**G. Printing:** Post-dyeing, the fabric is printed with customized designs provided by clients or textile traders. Depending on the complexity of the design, either semi-automatic or fully automatic printing machines are used.

**H. Drying and Batching:** Printed fabric is passed through a vertical drying range to remove moisture. It is then batched and prepared for the final finishing steps.

**I. Finishing:** The fabric is processed through a Stenter Machine, which stabilizes the width, enhances surface finish, and improves shrinkage control. It also helps to fix the color, ensuring better color fastness.

**J. Shrinking Range:** Next, the fabric passes through a Zero-Zero Machine, where controlled shrinkage is applied to impart the desired softness, handle, and final dimensional characteristics.

**K. Folding and Packing:** The finished fabric is folded using a folding machine, inspected for quality, and then packed in the designated packing department for dispatch.

## OUR MACHINERIES

Our Manufacturing Facility with an aggregate installed capacity of around 2,25,00,000 Meters/annum with an owned Land area of 5,949 Square meter Approximately. Further, our Company has not taken any machinery on lease for the production of its goods.

***Our Machineries & Equipments***

The details of existing plant and machineries in our manufacturing facilities are given below:

| Sr. No. | Name/Type of Machine | Description | Quantity (Nos.) | Owned/ Leased | Photos of Machines |
|---|---|---|---|---|---|
| 1 | Grey Machine | Inspects spots, damage, or fungus in greige fabric. | 3 | Owned | |
| 2 | Jigger Machine | Used for dyeing in the wet process. Fabric is loaded onto the Jigger. | 40 | Owned | |
| 3 | Vertical Drying Range (VDR) | Used to dry fabrics after wet processing. | 3 | Owned | |
| 4 | Desize Machine | Removes sizing chemicals from warp yarns in cotton and blended woven fabrics. | 2 | Owned | |
| 5 | Mercerise Machine | Enhances luster, dimensional stability, and dye uptake of cotton fabrics. | 1 | Owned | |

| Sr. No. | Name/Type of Machine | Description | Quantity (Nos.) | Owned/ Leased | Photos of Machines |
|---|---|---|---|---|---|
| 6 | Batching Machine | Eliminates manual loading/unloading of Jiggers; can feed fabric directly to Mercerise or printing. | 1 | Owned | |
| 7 | Zero Machine | Final shrinkage process to improve fabric feel and dimensional stability. | 2 | Owned | |
| 8 | Singeing Machine | Burns off surface fibers and fuzz to give fabric an even surface. | 1 | Owned | |
| 9 | Lizza Machine | Provides mechanical action on the fabric surface for a soft and fuzzy hand feel. | 1 | Owned | |
| 10 | Soaper with VDR | Washes off desizing chemicals and improves absorbency. | 1 | Owned | |

| Sr. No. | Name/Type of Machine | Description | Quantity (Nos.) | Owned/ Leased | Photos of Machines |
|---|---|---|---|---|---|
| 11 | Stenter Machine | Final finishing stage; controls fabric width, shrinkage, and color fastness. | 3 | Owned | |
| 12 | Rotary Printing Machine | Prints designs onto fabric surface for decorative effects. | 1 | Owned | |
| 13 | Folding Machine | Folds finished fabric for dispatch or packaging. | 1 | Owned | |
| 14 | Steam & Oil Boiler | Provides steam for processing. | 2 | Owned | |
| 15 | Turbine | Used for electricity saving in the plant. | 1 | Owned | |

| Sr. No. | Name/Type of Machine | Description | Quantity (Nos.) | Owned/ Leased | Photos of Machines |
|---|---|---|---|---|---|
| 16 | Checking & Rolling Machine | Used for final checking and rolling of finished fabric. | 4 | Owned | |
| 17 | Compressor | Provides compressed air for running various machines. | 3 | Owned | |
| 18 | Caustic Recovery Plant (CRP) | Recovers concentrated caustic from mercerizing wash liquor, reducing chemical waste. | 1 | Owned | |
| 19 | R.O. Plant | Supplies purified water to machines like Boilers, CRP, Desizer, etc. | 1 | Owned | |

**As per the Chartered engineer certificate dated 1st September, 2025 issued by M/s Pranav Parikh & Associates, Chartered Engineer.*

**Other Plant and machineries:**

**1. EFFLUENT TREATMENT PLANT**

Our Company has a full - fledged Effluent Treatment Plant ("ETP") at the existing Unit. The salient features of the existing ETP are as under:

- **Multi-Stage Treatment Process -** ETPs utilizes several phases to remove pollutants from wastewaters, applying physical, chemical, and biological methods. The individual step has its own function for all the possible contaminants that may include, solid, chemical, and pathogenic bacteria.

- **Advanced Filtration Systems -** Some of the features include the ability of ETPs to have effective filters that enable them to remove fine or even smaller impurities in the water. These systems may be classified as sand filter, activated carbon filter, membrane filter and are essential for the purification of the water.

- **Automated Controls -** Most of the modern ETPs are equipped with a control system that assists in the operation of the treatment process. These controls are useful to observe the condition of water respectively and control the process of water treatment to gain the same outputs.

- **Sludge Management -**In treatment process, there is a production of the solid waste that is referred to as a sludge. ETPs have provisions to handle this sludge and the processes by which it is dealt with are environmentally appropriate for its disposal or reuse.

- **Energy-Efficient Design -** ETPs are expected to incorporate energy-saving features with the incorporation of latest technologies in the achievement of their tasks of efficient treatment of wastewater. This helps to bring down operating expenses, and thus make friendly impacts towards the tiny environment.

**ETP (Effluent Treatment Plant) key benefits:**

Effluent treatment plants offer several significant benefits for both industries and the environment:

- **Environmental Protection -** ETPs remove pollutants from the wastewater through tertiary treatment thus conserving natural water sources from pollution. This is important in natural conservation especially to the lives of water beings as well as securing water for human consumption.

- **Compliance with Regulations -** The law has set standards of water quality which industries must meet when discharging their wastewater. ETPs assist companies in meeting these requirements thus avoiding cases of fines and lawsuits.

- **Reduction of Water Pollution -** ETPs have the added advantage of releasing fewer pollutants into the environment. It reduces water pollution and since water forms a large part of life, the effects that comes with it are enormous.

- **Resource Recovery -** Some ETPs are used primarily for the purpose of recycling certain materials from effluents these may include metals or chemicals as well as energy. But it also helps industries find another way to earn money, apart from cutting down waste products.

**Note: Capacity of the ETP Plant is as follows:**

*(in Litre)*

| Date of Installation | Capacity per Day | Capacity Per Year |
|---|---|---|
| Year 2013 | 7,25,000 | 26,10,00,000 |

**As per the chartered engineer certificate dated 1st September, 2025 issued by M/s Pranav Parikh & Associates, Chartered Engineer*

***# Images from ETP at our Manufacturing Unit.***

## 2. SOLAR POWER PLANT

**Project Name:** Solar Power Plant (Sanctioned Capacity: 100 kW)
**Project Type:** Renewable Energy – Solar Power
**Location:** 185/2, Saijpur, Gopalpur, Opp. Shanti Process, Piplaj Pirana Road, Ahmedabad, Gujarat, India, 382405.
**Sanctioned Capacity:** 100 kW
**Commissioning Date:** 15/05/2021
**System Type:** Grid-connected Solar Power System

**Objective**

The primary objective of installing the 100 KW solar power plant is to harness renewable energy, reduce dependency on conventional electricity, and promote sustainable energy solutions. This initiative supports the company's commitment to environmental responsibility and energy efficiency.

**System Components**

- **Solar Panels (Photovoltaic Cells):** The plant is equipped with high-efficiency photovoltaic solar panels that convert sunlight into electricity.
- **Inverters:** The system uses advanced inverters to convert DC power produced by the solar panels into AC power, which is compatible with the local electrical grid.
- **Mounting System:** The solar panels are mounted on durable, weather-resistant structures to ensure optimal performance under varying environmental conditions.
- **Monitoring System:** Real-time monitoring software is in place to track the performance, efficiency, and output of the solar plant, ensuring effective maintenance and operation.

**Energy Production and Savings**

The solar power plant is designed to produce 100 kW of electricity, contributing significantly to the company's overall energy needs. The plant's energy generation will:

- **Reduce electricity bills** by offsetting energy purchased from the grid.
- **Lower carbon emissions**, supporting sustainability goals.
- **Enhance operational efficiency** by providing a reliable source of clean energy.

**Environmental Impact**

By adopting solar energy, the company is making a positive environmental impact. This expected reduction in carbon emissions, aligning with national and international environmental goals for carbon neutrality.

**Economic Benefits**

- **Cost Savings:** The solar plant is projected to save the company [Insert savings per year] in energy costs.
- **Government Incentives:** The installation qualifies for various government incentives and subsidies, helping to offset initial installation costs.
- **Return on Investment (ROI):** The solar plant is expected to deliver a strong ROI, providing financial benefits through reduced energy bills and possible government incentives.

**Note: Capacity of the Solar Power Plant is as follows:**

*(Per Month)*

| Particulars | Sanction Load |
|---|---|
| Solar Roof Top | 100 KW |

**As per the chartered engineer certificate dated 1st September, 2025 issued by M/s Pranav Parikh & Associates, Chartered Engineer*

*Existing solar plant of the company at Manufacturing Unit*

## Capacity and Capacity Utilization

| Capacity type | For the financial year ended 31.03.25 | | For the financial year ended 31.03.24 | | For the financial year ended 31.03.23 | |
|---|---|---|---|---|---|---|
| | Capacity (MTRS/Annum) | As % of installed capacity (in%) | Capacity (MTRS/Annum) | As % of installed capacity (in%) | Capacity (MTRS/Annum) | As % of installed capacity (in%) |
| Installed Capacity | 2,25,00,000 | 100.00% | 1,90,00,000 | 100.00% | 1,00,00,000 | 100.00% |
| Utilised capacity | 1,98,40,507 | 88.18% | 1,62,57,755 | 85.57% | 84,08,733 | 84.09% |

**As per the chartered engineer certificate dated 1st September, 2025 issued by M/s Pranav Parikh & Associates, Chartered Engineer.*

## UTILITIES & INFRASTRUCTURE FACILITIES

**Power**

| Sr. No. | Details of electricity provider | Sanctioned/Generation |
|---|---|---|
| 1 | Torrent Power | 700 KW |
| 2 | Turbine (Steam) | 225 KW |
| 3 | Solar Power | 100 KW |

| Total Plant Requirement: | | |
|---|---|---|
| **Sr. No.** | **Particulars of Machinery** | **Power Required in KW** |
| 1 | Steam Boiler | 208 KW |
| 2 | Stenter Machine | 433 KW |
| 3 | Zero Machine | 70 KW |
| 4 | Rotary - Printing | 80 KW |
| 5 | Vdr. | 52 KW |
| 6 | Desize Machine | 15 KW |
| 7 | Singeing Machine | 30 KW |
| 8 | Lizza | 43 KW |

| | | |
|---|---|---|
| 9 | Mercerise | 93 KW |
| 10 | Soaper | 74 KW |
| 11 | CRP | 34 KW |
| 12 | ETP | 80 KW |
| 13 | Grey | 15 KW |
| 14 | Packing Machine | 27 KW |
| 15 | Jigger Machine (Dying) | 364 KW |
| 16 | Caustic Pump Lift, Colour Lab | 44 KW |

***Note: -*** *Approx. 1700 KW is the machine connected load, and the running load does not exceed from 40% to 50% of the connected load, because we installed all the machines with the invertors.*

Our Company's registered office and processing facility sources its power from Torrent Power and the same is sufficient for our day-to-day functioning.

The company has also installed a 100 KW solar power plant at its factory located 185/2, Saijpur, Gopalpur, Opp. Shanti Process, Piplaj Pirana Road, Ahmedabad, Gujarat, India, 382405. Installing solar panels will help generate our own electricity from sunlight, reducing our reliance on fossil fuels and decreasing greenhouse gas emissions. This shift to renewable energy helps lower our carbon footprint, promoting environmental sustainability. Additionally, using solar power can lead to cost savings on energy bills over time.

**WATER**

Our manufacturing units use ground water for our manufacturing operations. Subsequently, our registered office and processing facility have adequate water supply arrangements for human consumption purposes. The requirements are fully met at our existing premises.

**INFORMATION TECHNOLOGY**

The Company uses Accounting Software. Accounting Software is an integrated billing and accounting software for micro, small & medium enterprises. In addition, the company has installed dedicated server which is used without compromising the security. It allows multiple users to login simultaneously on server. Further, Company has adequate protection against data virus**.**

**PLACE OF BUSINESS**

| Sr. No. | Location/Place | Total Area (Sq. Mtr.) | Possession | Usage Purpose | Name of Transferer/ Lessor | Date of Agreement |
|---|---|---|---|---|---|---|
| 1. | 185/2, Saijpur, Gopalpur, Opp. Shanti Process, Piplaj Pirana Road, Ahmedabad, Gujarat, India, 382405 | 5949 | Owned | Registered office | Lalabhai Lakhabhai Bharwad | July 05, 2018 |
| 2. | 185/2, Saijpur, Gopalpur, Opp. Shanti Process, Piplaj Pirana Road, Ahmedabad, Gujarat, India, 382405 | 5949 | Owned | Manufacturing Facility | Lalabhai Lakhabhai Bharwad | July 05, 2018 |
| 3. | Survry No 128 Godown No-3, Bharwad Vas -4 Opp, Nimesh Transport, Piplaj Pirana Road, Ahmedabad | 700 | Leave and license | Warehouse | Baldevbhai Popatbhai Bharwad | April 24, 2025 |

## OUR MANUFACTURING FACILITY

## WAREHOUSE FACILITY

## LAND AND PROPERTY

| Sr. No. | Address | Details of the Agreements | Date of Agreement | Area (sq. Mtr.) | Usage area | Validity | Possession | Details of Transferor/Lessor |
|---|---|---|---|---|---|---|---|---|
| **1.** | 185/2, Saijpur, Gopalpur, Opp. Shanti Process, Piplaj Pirana Road, Ahmedabad, Gujarat, India, 382405 | Non – Consideration assignment | July 05, 2018 | 5,949 | Registered office & Manufacturing Facility | NA | Owned | Lalabhai Lakhabhai Bharwad |
| **2.** | Survry No 128 Godown No-3, Bharwad Vas -4 Opp, Nimesh Transport, Piplaj Pirana Road, Ahmedabad | Leave and License Agreement dated April 24, 2025, at Monthly Compensation of Rs. 67000/- (Sixty-Seven Thousand Rs. Only) per month | April 24, 2025 | 700 | Warehouse | 11 Months and 29 Days | Leave and license | Baldevbhai Popatbhai Bharwad |
| **3.** | Survey No 302, village Paladi, Tal Diyodar, Dist-Banasakatha, Gujrat | Lease Agreement Between Vaghela Jitendrasinh hathesinh and Vinod texworld LTD - The Lessor is absolute owner of the land measuring 16,048 Sq. Mtr. | March 25, 2025 | 16,048 | Installation of Ground Mounter Solar Power Project | 29 Years and 11 Month | Lease | Vaghela Jitendrasinh hathesinh |

## HUMAN RESOURCE

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business.

As of 31st August, 2025, there are total of 103 employees all of which are on payroll basis and none of them are employees are on contract basis. In addition to our own employees, our operations also involve additional workers who are hired on a contract labour basis. We have encountered no significant work disruptions to date and we believe that we have maintained good relations with our employees.

## DEPARTMENT WISE BREAK-UP

| Count of Employee Code<br>Department | No. of Employees (as on 31st August, 2025) |
|---|---|
| Finance & Accounts | 10 |
| Legal and Compliance | 2 |
| Mechanical Engineer | 2 |
| Designer | 1 |
| Sample – Fabric Sample Checking | 4 |
| Fitter/ Fitter helper/ Welder | 10 |
| Driver | 3 |

| Count of Employee Code<br>Department | No. of Employees (as on 31st August, 2025) |
|---|---|
| Electric Engineer | 1 |
| Electricians | 4 |
| Dispatch Department | 6 |
| Dispatch Driver | 3 |
| Finish Department | 5 |
| Grey Department | 1 |
| Human Resource | 1 |
| LAB Department | 3 |
| Manager | 5 |
| Production Department | 16 |
| Printing department | 2 |
| Packing Department | 2 |
| Salesman/Market | 10 |
| Store Department & Store Incharge | 5 |
| Mechanical Store Clerk | 1 |
| Administration (Office Staff, Receptionist) | 1 |
| Others (Office Boy/ Helper/House Keeping) | 5 |
| **Grand Total** | **103** |

**EMPLOYEE ATTRITION RATE**

| Particulars | Associate | Sub staff | Staff | Total |
|---|---|---|---|---|
| **Financial Year 2022-23** | | | | |
| Opening | 8 | 7 | 58 | 73 |
| Add | 3 | 3 | 23 | 29 |
| less | 2 | 1 | 21 | 24 |
| Closing | 9 | 9 | 60 | 78 |
| **Total (%)** | **23.53%** | **12.50%** | **35.59%** | **31.79%** |
| **Financial Year 2023-24** | | | | |
| Opening | 9 | 9 | 60 | 78 |
| Add | 4 | 5 | 32 | 41 |
| less | 0 | 2 | 27 | 29 |
| Closing | 13 | 12 | 65 | 90 |
| **Total (%)** | **0.00%** | **19.05%** | **43.20%** | **34.52%** |
| **Financial Year 2024-25** | | | | |
| Opening | 13 | 12 | 65 | 90 |
| Add | 6 | 3 | 23 | 32 |
| less | 2 | 3 | 15 | 20 |
| Closing | 17 | 12 | 73 | 102 |
| **Total (%)** | **13.33%** | **25.00%** | **21.74%** | **20.83%** |

*Note: refer risk factor no. 28 on page 51 of this Draft Prospectus.*

***Employees Benefits Expenses:***

***Amount in lakhs***

| Particular | March 31, 2025 | March 31, 2025 | March 31, 2025 |
|---|---|---|---|
| **Employees Benefits Expenses** | 395.45 | 318.72 | 258.26 |
| **% of Total Revenue** | 1.18% | 1.17% | 1.29% |

**Employee benefits expenses include director's remuneration.*

***Details of Employees' Provident Fund and Employees State Insurance Corporation for last three years.***

***Amount in lakhs except no. of employees***

| Particulars | For the year ended March 31 | | |
|---|---|---|---|
| | **2025** | **2024** | **2023** |
| Contribution to Provident & Pension/Other Funds* | 3.42 | 3.51 | 3.47 |
| % of Total Revenue | Negligible | Negligible | Negligible |
| **No of employees at the end of the year in Employees' Provident Fund ("EPF")** | **75** | **71** | **63** |
| **No of employees at the end of the year in Employees State Insurance Corporation("ESIC")** | **97** | **87** | **75** |

**Contribution to Provident & Pension/Other Funds include Employees' Provident Fund ("EPF") and Employees State Insurance Corporation("ESIC").*

## FINANCIAL ACHIEVEMENTS OF THE COMPANY

***Following are the details as per the restated financial statements for the financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023.***

*(Amount in Lakhs)*

| Particulars | Financial year 2024-25 | Financial year 2023-24 | Financial year 2022-23 |
|---|---|---|---|
| Share Capital | 1,160.12 | 1,160.12 | 1,147.62 |
| Reserves & Surplus | 2,037.88 | 1,117.12 | 499.94 |
| **Net Worth** | 3,198.00 | 2,277.24 | 1,647.56 |
| **Total Income** | **33,556.04** | **27,165.39** | **20,073.23** |
| **PAT** | **920.76** | **529.68** | **67.65** |

## COMPETITION

Much of the market in which we operate is unorganized and fragmented with many small and medium-sized entities. We face substantial competition for our products from other brands in domestic market. Our competition varies for our products and regions. We compete with other brands on the basis of product range, product quality, and product price including factors, based on reputation, regional needs, and customer convenience. While these factors are key parameters in client's decisions matrix in purchasing goods; product range, product quality and product price is often the deciding factor in most deals.

## LOGISTICS

Our suppliers directly deliver raw materials to our manufacturing facility. We outsource the delivery of our products to either third-party logistics companies or as mutually agreed shipment terms as decided between the customer and Company. We do not enter into any formal contracts rather we finalise delivery companies on the basis of pricing mechanism pursuant to which such companies undertake the delivery of products to our consumers. We instruct the delivery companies to collect products from our manufacturing facility and deliver to our consumers in accordance with their orders.

## QUALITY CONTROL

Our Company has inhouse quality management systems which ensures good quality and at all steps from procurement till dispatch. We have established a quality control team which has the responsibility to ensure compliance with manufacturing practices. Before commencement of the manufacturing process, the materials purchased by our Company have to undergo a quality check, to ensure that they are of relevant quality and match the standards as specified. The finished products are tested done by our in-house team to ensure that the same is of relevant standards and design as specified by the customer to achieve the norms of self- certification; the products are then packed and dispatched.

## ENVIRONMENT, HEALTH & SAFETY

Our activities are subject to various environmental laws and regulations which govern, among other matters, air emissions, waste water discharges, the handling, storage and disposal of hazardous substances and wastes and employee health and employee safety. For further information, see *"Key Industry Regulations and Policies"* beginning on page 210 of this Draft Prospectus. We continue to ensure compliance with applicable health and safety regulations and other requirements in our operations. We have complied, and will continue to comply, with all applicable environmental and associated laws, rules and regulations. We have obtained, or are in the process of obtaining or renewing, all material environmental consents and licenses from the relevant governmental agencies that are necessary for us to carry on our business. For further information, see *"Government and Other Statutory Approvals"* beginning on page 347 of this Draft Prospectus.

## REPAIR AND MAINTAINANCE

We place strong emphasis on regular upkeep of its manufacturing infrastructure to ensure smooth operations, consistent product quality, and minimal downtime. The Company follows a structured schedule of weekly and quarterly repair and maintenance programs, covering both preventive and corrective measures. Our machinery and electrical teams carry out periodic servicing, inspections, and repairs as required, ensuring that all plant equipment operates at optimal efficiency. This proactive approach helps extend the life of machinery, avoid unexpected breakdowns, and maintain uninterrupted production flow.

- **In-House Repair and Maintenance**

To strengthen operational reliability, we established a dedicated in-house repair and maintenance facility. This workshop is staffed with skilled technicians who are trained to handle machinery servicing, part replacements, and immediate troubleshooting requirements. Having this capability internally reduces dependency on external service providers, enables faster turnaround time for repairs, and supports the timely execution of production schedules. The facility also houses necessary tools and equipment to manage day-to-day repair requirements effectively.

## COLLABORATIONS/ TIE – UPS/ JOINT VENTURES

Except as disclosed in this Draft Prospectus, we do not have any Collaboration/Tie Ups/ Joint Ventures as on date of Prospectus.

## EXPORT AND EXPORT OBLIGATION

More than 0.99% of the total revenue of the company is come from the export, however we have don't have formal agreement with our overseas customer. For more details, please see geographical wise revenue in the chapter titled Our business on page 177 of this Draft Prospectus.

***The remainder of this page is left blank intentionally.***

## INSURANCE

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with the industry standards. Our Company has taken following insurance policies against any damage or loss:

| S. No | Insurance Company | Policy No. | Party Insured | Sum insured (in Rs.) | Premium Paid (in Rs.) | Details | Period |
|---|---|---|---|---|---|---|---|
| 1. | Shriram General Insurance | 215064/11/25/000133 | Vinod Texworld Private limited | 96,30,00,000 (Indian Rupees Ninety-Six Crores Thirty Lakhs Only) | 9,09,072 (Indian Rupees Nine Lakhs Nine Thousand Seventy-Two Only) | Standard Fire and Special Perils Policy - UIN NO. IRDAN137RP0001V01200809 - SAC Code. 997139 | From 17:35 on 31/12/2024 To Midnight of 30/12/2025 |
| 2. | United India Insurance Company Limited | 0000000039551978 | Vinod Texworld Limited | 5,00,00,000 (Indian Rupees Five Crores Only) | 29,238 (Indian Rupees Twenty-Nine Thousand Two Hundred and Thirty-Eight Only) | Stock of grey, synthetic, cotton and raw material, finished and Unfinished Goods | From 00:00 Hrs of 07/05/2025 To Midnight of 06/05/2026 |
| 3. | TATA AIG Insurance | 6301187997 01 00 | Vinod Texworld Private Limited | 2,47,680 (Indian Rupees Two Hundred Forty-Seven Thousand, Six Hundred Eighty) | 19,187 (Indian Rupees Nineteen Thousand One Hundred Eighty-Seven) | Auto Secure - Commercial Vehicle Package Policy - Goods Carrying Vehicle – Mahindra Bolero Maxitruck Plusbs4 Open Pick-Up Van | From 00:00 Hours on 25/12/2024 to Midnight of 24/12/2025 |
| 4. | TATA AIG Insurance | 6301178289 01 00 | Vinod Texworld Private Limited | 4,99,500 (Indian Rupees Four Hundred Ninety-Nine Thousand Five Hundred) | 19,756 (Indian Rupees Nineteen Thousand, Seven Hundred Fifty-Six) | Auto Secure - Commercial Vehicle Package Policy - Goods Carrying Vehicle – Mahindra Bolero Pikupfb Cbc Ps 1.7txl Closed Pick Up Van | From 00:00 Hours on 04/01/2025 to Midnight of 03/01/2026 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 5. | Liberty General Insurance Limited | 201140020124704951800000 | Vinod Texworld Limited | 517,500 (Indian Rupees Five Hundred Seventeen Thousand Five Hundred) | 12,771 (Indian Rupees Twelve Thousand, Seven Hundred Seventy-One) | Private Car Package Policy - Maruti/Ciaz/1.5 Smart Hybrid Delta | From 00:00 Hrs of 13/03/2025 To Midnight of 12/03/2026 |
| 6. | TATA AIG Insurance | 6302425664 00 00 | Vinod Texworld Private Limited | 196830 (Indian Rupees One Hundred and Ninety-Six Thousand Eight Hundred and Thirty) | 5493 (Indian Rupees Five Thousand Four Hundred and Ninety-Three) | Auto Secure - Commercial Vehicle Package Policy - Goods Carrying Vehicle - Tata Atul Shakti Cargo 3-Wheeler | From 00:00 Hrs of 08/12/2024 To Midnight of 07/12/2025 |

***Note:*** *Company has taken the company had following insurance claim during the last three years:*

*Amount in (Rs. Lakhs)*

| Sr. No. | Particulars | FY 22-23 | FY 23-24 | FY 24-25 |
|---|---|---|---|---|
| **1.** | **SBI General Bharat Laghu Udyam Suraksha**<br>**UIN** IRDAN144RP0031V01202021; **Policy No.** 0000000031910997;<br>**Issue Date:** 31/12/2022; **Total Sum Insured (Amount in Lakhs):** 4,495.00 | - | 31.41 | **-** |

## CORPORATE SOCIAL RESPONSIBILITY

While we are focused on sustained financial performance, our Company has taken up corporate social responsibility ("CSR") activities and has adopted a CSR policy in compliance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014, as notified by the Central Government. In the past years, we have contributed or spent amount toward CSR activities details are given as follow:

**Following is details of CSR expenditure as per the Schedule VII of the Companies Act, 2013**

| S.no. | Event | Date | Details of Expenditure | Amount (INR) | Mode of payment/ invoice no. |
|---|---|---|---|---|---|
| 1. | Animal Welfare | 20 August, 2024 | Implementing Agency: **KALAVATI MANGALCHAND MITTAL CHARITABLE TRUST** *(CSR Reg. No.:CSR00069390)*<br><br>**For:** Gaushala Renovation and Construction of the (Cow's Shelter House) and Food and Related Activities of Gau Seva by Jay Shree Maa Meladi Seva Charitable Trust at Narol Ahmedabad, Gujarat.<br><br>There is no balance remaining utilization on 31/03/2025 | 60,000 | INR 60,000 via Cheque No. 548682 |
| | | 09 October, 2024 | | 1,51,000 | INR 1,51,000 via Cheque No. 617344 |
| | | 12 March, 2025 | | 6,10,000 | INR 6,10,000 via Cheque No. 764287 |
| | | | **Total** | **8,21,000** | - |

## INTELLECTUAL PROPERTY RIGHTS

### ❖ TRADE MARKS

As on the date of the Draft Prospectus, Our Company do not have any Intellectual Property Rights except herein below:

| Sr. No. | TM Application Number | Trademark (~~Word Mark/~~ Device Mark) | Class | Date of Registration / application /Renewal application | Valid upto | Goods & Services Description | Status |
|---|---|---|---|---|---|---|---|
| 1. | 6842918 | | 40 | Date of Application: 06th February, 2025 | - | *To carry out the business of Dyeing and Printing of Fabrics, Textiles and Clothes and related activities.* | **Formalities Chk Pass** |

### ❖ WEBSITE

As on the date of the Draft Prospectus, Our Company do not have any registered Domain on our Company's Name except herein below:

| S. No | Domain Name | Registrant Name | Creation Date | Registration Expiry Date |
|---|---|---|---|---|
| 1. | www.vinodtexworld.com | Hostinger Operations, UAB | April 06, 2024 | April 06, 2026 |

## KEY INDUSTRY REGULATIONS AND POLICIES

*Except as otherwise specified in this Draft Prospectus, we are subject to several central and state legislations which regulate substantive and procedural aspects of our business.*

*Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business. Taxation statutes such as the I.T. Act, GST and applicable Labour laws, contractual laws, and intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive and are only intended to provide general information to Investors and are neither designed nor intended to be a substitute for professional legal advice.*

### APPROVALS

For the purpose of the business undertaken by our Company, it is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled "*Government and Other Statutory Approvals*" beginning on page 347 of this Draft Prospectus.

### (A) RELATED TO OUR BUSINESS

#### (i) The Textile Committee Act, 1963

The Textile Committee Act, 1963 was enacted by the Government of India to regulate and ensure the quality of textiles and textile machinery, and to promote the development of the textile industry. The Act led to the establishment of the Textile Committee, a statutory body under the Ministry of Textiles, with the primary objective of ensuring standardization and quality control of textile products meant for both domestic consumption and export. The Committee is empowered to undertake testing, inspection, and certification of textiles, textile machinery, and other related goods to ensure they conform to prescribed quality standards. It also plays a key role in promoting research, providing technical guidance, and facilitating the modernization of the textile sector.

Another important feature of the Act is the levy and collection of cess on textiles and textile machinery, which provides financial resources for the functioning of the Committee. The Committee advises the government on measures for improving production techniques, quality assurance, and competitiveness of Indian textiles in global markets. By providing scientific services and certification, it helps exporters meet international requirements, thereby enhancing India's trade reputation. Over the years, the Textile Committee has become a crucial instrument for ensuring consumer protection, supporting industry growth, and safeguarding India's textile exports.

#### (ii) The National Jute Board Act, 2008

The National Jute Board Act, 2008 was enacted by the Government of India with the objective of promoting the development, production, and marketing of jute and jute products. The Act provided for the establishment of the National Jute Board (NJB) by merging the erstwhile Jute Manufactures Development Council, the National Centre for Jute Diversification, and the Jute Technology Mission. The Board functions under the administrative control of the Ministry of Textiles and acts as the apex body responsible for ensuring the growth

and diversification of the jute sector. It works towards improving the productivity of jute, enhancing quality, and ensuring better returns for jute farmers as well as competitiveness for manufacturers and exporters.

The Act empowers the NJB to undertake various promotional, advisory, and developmental functions, such as supporting research and development, facilitating market intelligence, promoting eco-friendly diversified jute products, and ensuring compliance with quality standards. The Board also takes initiatives to expand the domestic and international markets for jute goods, encourage innovation, and promote sustainable practices. By consolidating different agencies into one unified body, the Act streamlined policy implementation for the sector. Overall, the National Jute Board Act, 2008 plays a vital role in preserving the relevance of jute as a natural, biodegradable fiber while boosting employment and exports in the industry.

**(iii) The Textile Undertakings (Nationalization) Act, 1995**

The Textile Undertakings (Nationalization) Act, 1995 was enacted by the Government of India with the objective of reviving and protecting sick textile undertakings that were vital to the country's economy. The Act provided for the acquisition and transfer of 18 sick textile mills that were earlier managed by the National Textile Corporation (NTC) under the provisions of the Sick Textile Undertakings (Nationalization) Act, 1974. With the 1995 legislation, the ownership of these undertakings vested permanently in the Central Government, which subsequently transferred them to the NTC. This step was taken to safeguard the interests of workers, protect employment, and prevent the closure of units that had significant socio-economic impact in their respective regions.

Under the Act, all rights, titles, and interests of the sick textile undertakings, including their assets, liabilities, and obligations, were transferred to and vested in the NTC. The Act also laid down provisions for the payment of compensation to the owners of the acquired undertakings. By nationalizing these units, the government aimed to modernize the textile sector, ensure better management, and enhance productivity while protecting the livelihoods of thousands of workers. Thus, the Act became an important legislative measure for stabilizing the textile industry during a period of crisis.

**(iv) Labour Laws**

The following is a detailed, indicative list of labor laws and regulations applicable to the Company:

a) Employees' Compensation Act, 1923 : The Employees' Compensation Act, 1923 (formerly known as the Workmen's Compensation Act) is a key social welfare legislation aimed at providing financial protection to employees and their dependents in cases of injury, disability, or death arising out of and in the course of employment. The Act makes it mandatory for employers to compensate employees for accidents resulting in personal injury or occupational disease, regardless of fault. It covers both partial and total disablement, and compensation is calculated based on the employee's wages and the nature of the injury. The Act applies to specified classes of employees engaged in hazardous or manual work.

b) Workmen's Compensation Act, 1923: The Workmen's Compensation Act, 1923 (now referred to as the Employees' Compensation Act, 1923) is a beneficial legislation enacted to provide compensation to workers who suffer injury, disability, or death due to accidents arising out of and in the course of their employment. It imposes a statutory obligation on employers to compensate affected employees or their dependents, even in the absence of negligence. The amount of compensation is determined based on the nature of injury and the employee's wages. The Act applies to workers engaged in certain specified hazardous employments and aims to ensure social security and economic relief to industrial workers.

c) Employees (Provident Fund and Miscellaneous Provisions) Act, 1952 : The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 is a key social security legislation enacted to ensure

financial stability for employees after retirement or in cases of disability or death. It applies to specified establishments employing 20 or more persons. The Act provides for the institution of three schemes: the Employees' Provident Fund (EPF), the Employees' Pension Scheme (EPS), and the Employees' Deposit Linked Insurance Scheme (EDLI). Contributions are made by both employer and employee, and the accumulated funds are payable to employees upon retirement or to their nominees in case of death. The Act is administered by the EPFO.

d) Employees' State Insurance Act, 1948 : The Employees' State Insurance Act, 1948 is a comprehensive social welfare legislation aimed at providing medical, sickness, maternity, disablement, and dependent benefits to employees in case of employment-related injuries or health issues. It applies to factories and specified establishments employing 10 or more workers, with a wage ceiling as prescribed. Under the Act, both employers and employees contribute to the Employees' State Insurance (ESI) fund, which is managed by the Employees' State Insurance Corporation (ESIC). The Act ensures access to medical care for insured persons and their families and offers financial support during periods of illness, maternity, or employment-related disablement.

e) Industrial Disputes Act, 1947 : The Industrial Disputes Act, 1947 is a key legislation enacted to promote industrial peace and harmony by providing a legal framework for the investigation and settlement of industrial disputes between employers and workmen. It applies to all industrial establishments and governs matters related to layoffs, retrenchment, strikes, lockouts, and closure of undertakings. The Act provides for the constitution of various authorities such as Works Committees, Conciliation Officers, Labour Courts, and Industrial Tribunals to resolve disputes. It aims to secure fair terms of employment, prevent illegal strikes and lockouts, and protect the rights of both employers and employees in the industrial sector.

f) Industrial Employment (Standing orders) Act 1946 : The Industrial Employment (Standing Orders) Act, 1946 was enacted to require employers in industrial establishments to formally define and communicate conditions of employment through certified standing orders. The Act applies to establishments employing 100 or more workmen (threshold reduced to 50 in some states) and mandates the employer to clearly specify terms relating to classification of workmen, working hours, leave, misconduct, disciplinary procedures, and termination. These standing orders must be certified by a Certifying Officer to ensure fairness and consistency. The Act aims to reduce industrial disputes by promoting transparency, standardizing service conditions, and ensuring employees are aware of their rights and obligations.

g) Child Labour (Prohibition and Regulation) Act, 1986 : The Child Labour (Prohibition and Regulation) Act, 1986 was enacted to prohibit the engagement of children in certain employments and to regulate the conditions of work for children in permitted occupations. As amended by the Child Labour (Prohibition and Regulation) Amendment Act, 2016, it prohibits employment of children below 14 years in all occupations and processes, and of adolescents (aged 14 to 18) in hazardous occupations. The Act also prescribes working conditions such as hours of work, rest intervals, and health and safety measures for adolescents in non-hazardous sectors. It aims to safeguard the rights and development of children across India.

h) The Contract Labour (Regulation and Abolition) Act, 1970 : The Contract Labour (Regulation and Abolition) Act, 1970 was enacted to regulate the employment of contract labour in certain establishments and to provide for its abolition under specific circumstances. The Act applies to establishments and contractors employing 20 or more contract workers. It mandates registration of establishments and licensing of contractors, ensuring proper working conditions, payment of wages, and welfare facilities such as canteens, restrooms, and first aid. The Act aims to prevent exploitation of contract labour by ensuring parity in basic rights and by allowing the appropriate government to prohibit contract labour in processes where it is deemed perennial or essential.

i) Maternity Benefit Act, 1961 : The Maternity Benefit Act, 1961 was enacted to regulate the employment of women during the period of maternity and to provide them with maternity and certain other benefits. It applies to establishments employing 10 or more persons and entitles eligible women to paid maternity leave of 26 weeks (for the first two children) and 12 weeks for subsequent children. The Act also provides for benefits such as medical bonus, nursing breaks, and protection from dismissal during maternity. It prohibits employment of women during the prescribed period and ensures their right to return to the same job, thereby promoting maternal and child health.

j) Minimum Wages Act, 1948 : The Minimum Wages Act, 1948 was enacted to ensure that workers are paid fair and minimum rates of wages by their employers in scheduled employments. It empowers the Central and State Governments to fix, review, and revise minimum wages for different sectors, skill levels, and regions. The Act applies to both organized and unorganized sectors and mandates payment of wages in cash, ensuring they are not less than the statutory minimum. It also provides for working hours, overtime, and wage deductions. The objective of the Act is to prevent exploitation of labour and to secure a basic standard of living for workers.

k) Payment of Bonus Act, 1965 : The Payment of Bonus Act, 1965 was enacted to provide for the payment of bonus to employees based on profits or on the basis of productivity. It applies to establishments employing 20 or more persons and covers employees drawing wages up to a specified limit, currently Rs. 21,000 per month. Eligible employees who have worked for at least 30 days in a year are entitled to a minimum bonus of 8.33% and a maximum of 20% of their annual wages, depending on the allocable surplus. The Act aims to bridge the gap between labour and capital by sharing the profits of the establishment with its workers.

l) Payment of Gratuity Act, 1972 : The Payment of Gratuity Act, 1972 was enacted to provide a statutory benefit to employees as a token of appreciation for their long and continuous service. It applies to establishments employing 10 or more persons and covers all employees, including those in factories, mines, plantations, and shops. An employee is eligible to receive gratuity upon termination, resignation, retirement, or death, provided they have completed at least five years of continuous service (not required in case of death or disablement). The amount payable is calculated based on 15 days' wages for every completed year of service. The Act ensures financial security after employment.

m) Apprentices Act, 1961 : The Apprentices Act, 1961 was enacted to regulate and promote the training of apprentices in various trades and industries, with the objective of developing a skilled workforce. It applies to establishments in both the public and private sectors and mandates employers to engage apprentices in accordance with prescribed ratios. The Act defines the qualifications, period of training, stipend, and obligations of both employers and apprentices. It ensures that training is conducted as per the syllabus approved by the National Council for Vocational Training (NCVT) or other designated bodies. The Act aims to bridge the gap between theoretical education and practical industrial experience.

n) Payment of Wages Act, 1936 : The Payment of Wages Act, 1936 was enacted to ensure timely and fair payment of wages to employees and to prevent unauthorized deductions. It applies to employees drawing wages below a specified limit (as notified by the government) and working in certain industrial and commercial establishments. The Act mandates that wages must be paid on time, either monthly, weekly, or fortnightly, and within the prescribed period after the wage period ends. It strictly regulates permissible deductions, such as for fines, absence from duty, or advances. The Act seeks to protect workers from exploitation and delays in wage disbursement by employers.

o) Equal Remuneration Act, 1976 : The Equal Remuneration Act, 1976 was enacted to ensure equal pay for equal work for men and women and to prevent discrimination on the grounds of gender in matters of employment. The Act mandates that employers must pay equal remuneration to male and

female workers for performing the same or similar nature of work. It also prohibits discrimination in recruitment, promotion, training, and transfer based on gender. Applicable to all establishments, the Act empowers authorities to investigate complaints and enforce compliance. Its objective is to promote workplace equality and uphold the constitutional principle of non-discrimination under Article 39(d) of the Indian Constitution.

p) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 : The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 was enacted to provide a safe and secure working environment for women by preventing and addressing acts of sexual harassment at the workplace. The Act defines sexual harassment broadly and applies to all workplaces, including the organized and unorganized sectors. It mandates the establishment of an Internal Committee (IC) in every organization with 10 or more employees to inquire into complaints. The Act outlines detailed procedures for complaint resolution, protection of complainants, and penal consequences for non-compliance. It aims to uphold women's right to equality, dignity, and safety at work

**(v) The Micro, Small and Medium Enterprises Development (MSME) Act, 2006**

The Micro, Small and Medium Enterprises Development (MSME) Act, 2006, was enacted by the Indian government to promote, develop, and enhance the competitiveness of micro, small, and medium enterprises (MSMEs). Recognizing the vital role of MSMEs in economic growth, employment generation, and innovation, the act provides a comprehensive framework for their support and regulation. It defines MSMEs based on investment in plant and machinery or equipment, and outlines policies for facilitating their growth, ensuring timely credit, providing infrastructure, and promoting technological advancement. The act also emphasizes the importance of protecting MSMEs from delayed payments, mandating that buyers must make payments for goods or services within 45 days.

The MSMED Act, 2006, also established a statutory body, the National Board for Micro, Small and Medium Enterprises (NBMSME), to oversee the implementation of policies and address issues facing the sector. This board advises the government on various policy measures, development strategies, and promotional activities. Additionally, the act provides for the creation of Micro and Small Enterprises Facilitation Councils (MSEFC) to resolve disputes regarding delayed payments, thereby safeguarding the financial health of MSMEs. By providing a structured and supportive environment, the MSMED Act fosters the sustainable development of MSMEs, ensuring their significant contribution to India's economic landscape.

**(vi) The Swadeshi Cotton Mills Company Limited (Acquisition and Transfer of Undertakings) Act, 1986**

The Swadeshi Cotton Mills Company Limited (Acquisition and Transfer of Undertakings) Act, 1986 was enacted by the Government of India to ensure the continued functioning of Swadeshi Cotton Mills, which had faced severe financial and managerial difficulties. The Act provided for the acquisition and transfer of the undertakings of Swadeshi Cotton Mills Company Limited to the National Textile Corporation (NTC) in the public interest. This legislative measure aimed to secure the proper management of the mills, safeguard the livelihood of thousands of workers, and protect the production of cotton textiles, which were vital to the economy. By transferring ownership and management to the NTC, the government sought to revive the mills, prevent their closure, and maintain stability in the textile sector.

The Act laid down provisions for vesting all rights, properties, assets, and liabilities of the company in the Central Government, which subsequently handed them over to the NTC. It also ensured that the interests of employees were protected, with provisions for their continued employment on the same terms and conditions. Compensation was also provided to the previous owners for the acquisition. Overall, the Act was an important intervention to protect public interest, sustain employment, and ensure the growth

and continuity of India's textile industry.

**(vii) The Handlooms (Reservation of Articles for Production) Act, 1985**

The Handlooms (Reservation of Articles for Production) Act, 1985 was enacted with the primary objective of protecting and promoting the traditional handloom sector in India, which is a significant source of rural employment and cultural heritage. The Act empowers the Central Government to reserve certain textile articles for exclusive production by the handloom industry, thereby preventing their mass manufacture by power looms and mills. This reservation is meant to safeguard the livelihood of millions of handloom weavers and artisans who depend on this sector for income, while also ensuring the preservation of India's centuries-old weaving traditions and craftsmanship.

Under the Act, the government notifies specific items such as sarees, dhotis, bedsheets, lungis, towels, and other handloom products, which cannot be legally produced by power looms or other mechanized means. It also lays down penal provisions to curb violations, such as confiscation of illegally manufactured goods and penalties for offenders. The legislation is instrumental in protecting handloom products from being displaced by cheaper, machine-made substitutes and in maintaining the unique identity of handloom fabrics. By securing a reserved market space for handloom weavers, the Act plays a vital role in sustaining rural employment, promoting artisanal skills, and contributing to India's textile diversity.

**(viii) The Legal Metrology Act, 2009**

The Legal Metrology Act, 2009 was enacted by the Government of India to establish and enforce standards of weights and measures, regulate trade and commerce in goods sold or distributed by weight, measure, or number, and to protect consumer interests. The Act consolidates laws relating to metrology, replacing the earlier Standards of Weights and Measures Act, 1976, and ensures uniformity and accuracy in weighing and measuring instruments across the country. It mandates that all pre-packaged goods must carry essential declarations such as name and address of the manufacturer, quantity, date of manufacture, retail sale price, and other prescribed particulars. This ensures transparency in commercial transactions and prevents consumers from being misled or exploited.

The Act also provides for the appointment of Director and Controllers of Legal Metrology, who are responsible for the implementation and enforcement of its provisions. It prescribes penalties for offenses such as use of non-standard weights and measures, incorrect declarations, or tampering with measuring instruments. By regulating manufacturers, importers, and dealers of weights and measures, the Act strengthens consumer protection while facilitating fair trade practices. In addition, it helps align India's measurement standards with international practices, thereby enhancing confidence in trade and supporting economic growth.

**(ix) The Essential Commodities Act, 1955**

The Essential Commodities Act, 1955 was enacted by the Government of India to regulate the production, supply, and distribution of essential commodities and to ensure their availability to the public at fair prices. The Act empowers the Central Government to declare certain goods as "essential commodities," which may include foodstuffs, medicines, fertilizers, petroleum products, and other items crucial for everyday life. By doing so, the government can control hoarding, black-marketing, and profiteering in times of scarcity, thereby protecting consumer interests and ensuring equitable distribution. The Act also enables the government to fix stock limits, regulate storage, transport, and pricing of such commodities, ensuring that essential items remain accessible and affordable.

The Act delegates powers to both the Central and State Governments for effective implementation. Violations such as hoarding, overpricing, or selling adulterated essential goods attract strict penalties, including fines and imprisonment. Over the years, the list of essential commodities has been revised

depending on the needs of the economy and society. The law has played a crucial role during emergencies, natural calamities, and market fluctuations in maintaining stability and preventing exploitation of consumers. Overall, the Essential Commodities Act, 1955 serves as an important tool for safeguarding public interest and ensuring food and economic security.

**(x) The Sale of Goods Act, 1930**

The Sale of Goods Act, 1930 is a key piece of legislation in India that governs contracts relating to the sale and purchase of goods. It defines and regulates the rights, duties, and liabilities of buyers and sellers arising out of such contracts. The Act provides a legal framework for the transfer of ownership of goods from seller to buyer, ensuring fairness in commercial transactions. It applies to contracts where goods are exchanged for a price and distinguishes between a "sale," where ownership is immediately transferred, and an "agreement to sell," where ownership passes at a future date or upon fulfillment of conditions. By doing so, the Act creates clarity in business dealings and protects the interests of both parties.

The Act also lays down important provisions relating to conditions and warranties, passing of property and risk, transfer of title, performance of contracts, and rights of unpaid sellers. For example, it specifies implied conditions such as the seller's right to sell, goods matching their description, and goods being of merchantable quality. Remedies available to buyers and sellers in cases of breach are also provided. Overall, the Sale of Goods Act, 1930 forms the backbone of commercial law in India, ensuring transparency, certainty, and fairness in trade transactions involving goods.

**(xi) The Foreign Trade (Development and Regulation) Act, 1992**

The Foreign Trade (Development and Regulation) Act, 1992 was enacted by the Government of India to provide a framework for the development and regulation of foreign trade, with the objective of facilitating imports and augmenting exports. The Act replaced the earlier Imports and Exports (Control) Act, 1947, and marked a shift towards liberalization and globalization of trade in India. It empowers the Central Government to make provisions for the formulation and implementation of the Foreign Trade Policy (FTP), aimed at promoting exports, ensuring efficient trade management, and increasing India's participation in the global market. By providing for the regulation of imports and exports, the Act seeks to make Indian trade more competitive, transparent, and growth-oriented.

The Act authorizes the government to prohibit, restrict, or regulate the import or export of goods and services in the interest of national security, public policy, conservation of resources, or to comply with international obligations. It also provides for the appointment of a Director General of Foreign Trade (DGFT), who is the key authority responsible for granting licenses, certificates, and overseeing compliance with trade regulations. The Act prescribes penalties for violations such as fraudulent export-import practices or non-compliance with license conditions. Overall, this legislation plays a vital role in streamlining India's foreign trade regime, fostering economic growth, and strengthening the country's position in international commerce.

**A) TAXATION LAWS**

**(i) Income-Tax Act, 1961**

The government of India imposes an income tax on taxable income of all persons including individuals, Hindu Undivided Families (HUFs), companies, firms, association of persons, body of individuals, local authority and any other artificial judicial person. Levy of tax is separate on each of the persons. The levy is governed by the Indian Income Tax Act, 1961. The Indian Income Tax Department is governed by CBDT and is part of the Department of Revenue under the Ministry of Finance, Govt. of India. Income tax is a key source of funds that the government uses to fund its activities and serve the public. The

quantum of tax determined as per the statutory provisions is payable as: a) Advance Tax; b) Self-Assessment Tax; c) Tax Deducted at Source (TDS); d) Tax Collected at Source (TCS); e) Tax on Regular Assessment.

(ii) **The Central Goods and Service Tax Act, 2017**

The Goods and Services Tax ("GST") is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST is enforced through various acts viz. Central Goods and Services Act, 2017 ("CGST"), relevant state's Goods and Services Act, 2017 ("SGST"), Union Territory Goods and Services Act, 2017 ("UTGST"), Integrated Goods and Services Act, 2017 ("IGST"), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

## B) INTELLECTUAL PROPERTY LAWS

### (i) Trademarks Act, 1999 (Tm Act)

A trademark is used in relation to goods to indicate a connection in the course of trade between the goods and a person having the right as proprietor or user to use the mark. The Trademarks Act, 1999, (Trademarks Act) governs the registration, acquisition, transfer and infringement of trademarks and remedies available to a registered proprietor or user of a trademark. Registration is valid for a period of 10 years but can be renewed in accordance with the specified procedure. As per the Trademarks (Amendment) Bill, 2009, Registrar of Trademarks is empowered to deal with international applications originating from India as well as those received from the International Bureau and maintain a record of international registrations. It also removes the discretion of the Registrar to extend the time.

### (ii) Copyrights Act, 1957

The Copyrights Act governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. Following the issuance of the International Copyright Order, 1999, subject to certain exceptions, the provisions of the Copyright Act apply to nationals of all member states of the World Trade Organization.

While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favoring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years.

The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner. The Copyright Act also provides for criminal remedies, including imprisonment of the accused, imposition of fines and seizure of infringing copies.

### (iii) Patents Act, 1970 (Patent Act)

The purpose of the Patent Act in India is to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent.An application for a patent can be made by (a) person claiming to be the true and first inventor of the invention; (b) person being the assignee of the person claiming to be the true and first invention in respect of the right to make such an application; and (c) legal representative of any deceased person who immediately before his death was entitled to make such an application. Penalty for the contravention of the provisions of the Patents Act include imposition of fines or imprisonment or both.

## C) PROPERTY RELATED LAWS

### (i) Transfer of Property Act, 1882

The transfer of property, including immovable property, between living persons, as opposed to the transfer of property by operation of law, is governed by the Transfer of Property Act, 1882. This Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property.

### (ii) Registration Act, 1908 (The "Registration Act")

The Registration Act has been enacted with the objective of providing public notice of the execution of documents affecting, inter alia, the transfer of interest in immovable property. The purpose of the Registration Act is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. It details the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes, among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in any immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. A document will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the TP Act or as collateral), unless it has been registered. Evidence of registration is normally available through an inspection of the relevant land records, which usually contains details of the registered property. Further, registration of a document does not guarantee title of land.

### (iii) The Indian Stamp Act, 1899

Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. The Indian Stamp Act, 1899 (the ―Stamp Act‖) provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state. Instruments chargeable to duty under the Stamp Act but which have not been duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments by certain specified authorities and bodies and imposition of penalties, for instruments which are not sufficiently stamped or not stamped at

all Instruments which have not been properly stamped instruments can be validated by paying a penalty of up to 10 times of the total duty payable on such instruments.

**(iv) Indian Easements Act, 1882 (The "Easement Act")**

An easement is a right which the owner or occupier of land possesses for the beneficial enjoyment of that land, and which permits him to do or to prevent something from being done, in or upon, other land not his own. Under the Easements Act, a license is defined as a right to use property without any interest in favour of the licensee. The period and incident may be revoked and grounds for the same may be provided in the license agreement entered in between the licensee and the licensor.

## D) STATE LAW

**(i) The Gujarat Shops and Establishments Act, 2019**

The Gujarat Shops and Establishments Act is a state legislation enacted to regulate the conditions of work and employment in shops, commercial establishments, residential hotels, restaurants, theatres, and other establishments within the State of Gujarat. The Act aims to ensure fair working conditions, protect the rights of employees, and maintain uniform standards of employment across the state. It covers provisions relating to working hours, rest intervals, opening and closing hours, overtime, holidays, wages, leave, health, safety, and welfare of workers. By doing so, the Act balances the interests of both employers and employees while promoting efficiency and social justice in commercial establishments.

The Act makes it mandatory for every shop or commercial establishment to be registered with the prescribed authority, and it issues guidelines for maintaining employment records, wage registers, and other compliance requirements. It also prescribes rules for the employment of women and young persons, ensuring their protection and welfare. Further, it provides for the appointment of inspectors to supervise enforcement and ensure compliance. Penalties are imposed for violations such as non-registration, excessive working hours, or denial of statutory benefits. Overall, the Gujarat Shops and Establishments Act serves as an important piece of labour welfare legislation, promoting orderly business practices and safeguarding employee rights in the state.

## (E) ENVIRONMENTAL REGULATIONS

**(i) The Environment Protection Act, 1986 ("Environment Protection Act")**

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a framework for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control, and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant more than such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be

bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

**(ii) Air (Prevention and Control of Pollution) Act, 1981**

Air (Prevention and Control of Pollution) Act 1981(―the Act‖) was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Act has declared several areas as air pollution control area and prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Act, if a person intends to commence an industrial plant in a pollution control area.

**(iii) Water (Prevention and Control of Pollution) Act, 1974**

The Water (Prevention and Control of Pollution) Act 1974 (―the Act‖) was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation, or process likely to discharge pollutants must obtain prior consent of the board constituted under the Act.

**(iv) 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 the 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

## (F) IN GENERAL

**(vi) Companies Act, 2013**

The Companies Act, 2013 deals with incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The provisions of this act shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A

company can even be formed by one person i.e. One Person Company. The provisions relating to formation and allied procedures are mentioned in the act.

**(vii) The Competition Act, 2002**

The Competition Act, 2002 (the ―Competition Act) prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates ―combinations in India. The Competition Act also established the Competition Commission of India (the ―CCI) as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds.

There are also different thresholds for those categorized as Individuals and Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is Likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities) approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

**(viii) Consumer Protection Act, 1986 (COPRA)**

The Consumer Protection Act, 1986 (―COPRA) aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services, price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three-tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of these authorities attracts criminal penalties.

**(ix) The Foreign Exchange Management Act (FEMA), 1999**

The Foreign Exchange Management Act (FEMA), 1999 was enacted by the Government of India to replace the earlier Foreign Exchange Regulation Act (FERA), 1973, with the aim of facilitating external trade, promoting orderly development of the foreign exchange market, and maintaining balance of payments. Unlike FERA, which was regulatory and stringent in nature, FEMA adopts a more liberal and management-oriented approach in line with India's economic liberalization policies. The Act regulates dealings in foreign exchange, foreign securities, and transactions involving import and export of currency, ensuring that India's foreign trade and payments are conducted in a transparent and lawful manner. FEMA applies to all branches, offices, and agencies outside India that are owned or controlled by a person resident in India.

The Act empowers the Central Government to frame rules and the Reserve Bank of India (RBI) to issue regulations governing foreign exchange transactions. FEMA classifies transactions into current account

transactions and capital account transactions, allowing most current account dealings to be freely carried out while regulating capital account activities to protect economic stability. It prescribes penalties for contraventions, but unlike FERA, offenses under FEMA are civil in nature, not criminal. By simplifying foreign exchange laws, FEMA has played a crucial role in encouraging foreign investment, facilitating trade, and integrating India more effectively with the global economy.

**(x) The Indian Contract Act, 1872 ("Contract Act")**

The Contract Act 1872 codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

**(xi) The Arbitration and Conciliation Act, 1996**

The Arbitration and Conciliation Act, 1996, is a comprehensive legislation enacted by the Indian government to govern the arbitration process and provide a framework for the resolution of disputes through arbitration and conciliation. The act aims to promote alternative dispute resolution mechanisms as a means of expeditious and cost-effective resolution of disputes, thereby reducing the burden on traditional court systems.

Key features of the Arbitration and Conciliation Act, 1996, include provisions for the appointment of arbitrators, conduct of arbitral proceedings, enforcement of arbitral awards, and recourse against arbitral awards. The act provides parties with autonomy and flexibility in choosing the procedure for appointing arbitrators and conducting arbitration proceedings. It also sets out guidelines for the conduct of arbitrators, ensuring impartiality, independence, and efficiency in the arbitration process.

**(xii) The Insolvency and Bankruptcy Code, 2016 (IBC)**

The Insolvency and Bankruptcy Code, 2016 (IBC), is a landmark legislation enacted by the Indian government to consolidate and amend the laws relating to insolvency resolution and bankruptcy proceedings in India. The primary objective of the IBC is to provide a time-bound and efficient mechanism for resolving insolvency and bankruptcy cases, thereby promoting entrepreneurship, facilitating the ease of doing business, and maximizing the value of distressed assets.

The IBC introduces a comprehensive framework for the resolution of corporate insolvency, wherein a financially distressed company undergoes a structured insolvency resolution process (IRP) under the oversight of a licensed insolvency professional (IP). The code provides for the appointment of resolution professionals and the establishment of adjudicating authorities, including the National Company Law Tribunal (NCLT), to oversee insolvency proceedings and adjudicate disputes.

**(xiii) The Negotiable Instruments Act, 1881**

The Negotiable Instruments Act is a crucial piece of legislation in India that governs the use, issuance, and transfer of negotiable instruments such as promissory notes, bills of exchange, and cheques. Enacted in 1881 and amended subsequently to adapt to changing economic and commercial practices, the act provides a legal framework for regulating transactions involving negotiable instruments, facilitating smooth financial transactions and trade practices across the country.

Key provisions of the Negotiable Instruments Act include defining the rights, duties, and liabilities of parties involved in negotiable instrument transactions. It sets out rules for the negotiation, endorsement, and transfer of negotiable instruments, ensuring their enforceability and legal validity. Additionally, the act specifies the obligations of parties in terms of payment, acceptance, and dishonor of negotiable instruments, as well as the consequences of non-compliance with these obligations.

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## HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### HISTORY AND BACKGROUND

Our Company was originally incorporated as "Shree Shiv Shakti Cot-Fab Private Limited" as a private limited company, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated July 19, 2012 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli having Corporate Identification Number U17200GJ2012PTC071210. Subsequently in the Financial Year 2016-17, Vinod Mangalchand Mittal, Harsh Vinod Mittal and Yash Vinod Mittal acquired 100% shareholding in the Shree Shiv Shakti Cot-Fab Private Limited. Subsequently, Our Company changed its name from "Shree Shiv Shakti Cot-Fab Private Limited" to "Vinod Fabtex Private Limited" vide Certificate of Incorporation pursuant to change of name March 08, 2018 issued by Registrar of Companies, Ahmedabad, pursuant to special resolution passed in the Extra Ordinary General Meeting of the company held on March 03, 2018. Subsequently, Our Company changed its name from "Vinod Fabtex Private Limited" to "Vinod Texworld Private Limited" vide Certificate of Incorporation pursuant to change of name May 25, 2018 issued by Registrar of Companies, Ahmedabad, pursuant to special resolution passed in the Extra Ordinary General Meeting of the company held on May 23, 2018. Subsequently, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra Ordinary General Meeting of the company held on November 05, 2024 and consequently the name of our Company was changed to "Vinod Texworld Limited" pursuant to fresh certificate of incorporation dated December 18, 2024 issued to our Company by the Registrar of Companies, Central Processing Centre having Corporate Identification Number U17200GJ2012PLC071210.

### ADDRESS OF REGISTERED OFFICE AND OTHER OFFICE

| | | |
|---|---|---|
| **1** | **Registered Office** | 185/2, Saijpur, Gopalpur, Opp. Shanti Process, Piplaj Pirana Road, Ahmedabad, Gujarat, India, 382405 |
| **2** | **Manufacturing unit** | 185/2, Saijpur, Gopalpur, Opp. Shanti Process, Piplaj Pirana Road, Ahmedabad, Gujarat, India, 382405 |
| **3** | **Warehouse** | Survey No. 128 of rvhich Godown No. 3, Bharwad Vas, Vibhag - 4, Opp. Nimesh Transport, Piplej-Pirana Road, Ahmedabad |

### CHANGE OF REGISTERED OFFICE

There is no change in the registered office of our Company since its incorporation till the date of this Draft Prospectus.

### MAJOR EVENTS AND MILESTONES IN THE HISTORY OF THE COMPANY

The Table below sets forth some of the major events in the history of our company:

| Financial Year | Key Events/ Milestone/ Achievements |
|---|---|
| 2012-13 | Incorporation of our Company as Private limited Company under the name of "Shree Shiv Shakti Cot-Fab Private Limited" |
| 2012-13 | Company started its business operations. |
| 2016-17 | Vinod Mangalchand Mittal, Harsh Vinod Mittal, and Yash Vinod Mittal have acquired 100% shareholding in Shree Shiv Shakti Cot-Fab Private Limited, resulting in a change in the controlling interest of the Company. |
| 2017-18 | Our Company changed its name from "Shree Shiv Shakti Cot-Fab Private Limited" to "Vinod Fabtex Private Limited" |

| Financial Year | Key Events/ Milestone/ Achievements |
|---|---|
| 2018-19 | Our Company changed its name from "Vinod Fabtex Private Limited" to "Vinod Texworld Private Limited" |
| 2021-22 | Our company took a significant step towards sustainability and energy independence by installing a Rooftop Solar Power Plant. |

## MAIN OBJECT OF OUR COMPANY

To carry on business as manufactures, traders, exporters, importers, dealers and processors of cotton, woolen, silk, polyester, polynosic or any other manmade fibre, yarn or filamert or any kind of yarn, fiat yarn, tarpaulin, textures yarn and yarn of any other varieties and of any other fibrous substances fabrics or any kind and to carry on the business of manufacturing, processing and dealing in the same and twisting, texturising, crimping, combing, spinning, doubling, winding, beaming. mercerizing, bleaching, dyeing, carbonizing singeing and such other processing of fibers and yarns of filament and manufacturing, processing and dealing-la fabrics manufactured there from.

## AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

Since incorporation, the following changes have been made to the Memorandum of Association of the Company:

| Details of Shareholders Approval | Type of General Meeting | Amendments |
|---|---|---|
| July 29, 2013 | EGM | *Clause V of the MoA was amended to reflect an increase in the Authorised share capital of our Company from Rs. 1,00,000 comprising of 10,000 Equity Shares of Face Value of ₹ 10/- each to Rs. 4,50,00,000 comprising of 45,00,000 Equity Shares of Face Value of Rs. 10/- each.* |
| March 03, 2018 | EGM | *Our Company changed its name from "Shree Shiv Shakti Cot-Fab Private Limited" to "Vinod Fabtex Private Limited" vide Certificate of Incorporation pursuant to change of name March 08, 2018 issued by Registrar of Companies, Ahmedabad* |
| March 21, 2018 | EGM | *Clause V of the MoA was amended to reflect an increase in the Authorised share capital of our Company from Rs. 4,50,00,000 comprising of 45,00,000 Equity Shares of Face Value of ₹ 10/- each to Rs. 6,50,00,000 comprising of 65,00,000 Equity Shares of Face Value of Rs. 10/- each.* |
| May 23, 2018 | EGM | *Our Company changed its name from "Vinod Fabtex Private Limited" to "Vinod Texworld Private Limited" vide Certificate of Incorporation pursuant to change of name May 25, 2018 issued by Registrar of Companies, Ahmedabad, pursuant to special resolution passed in the Extra Ordinary General Meeting of the company held on May 23, 2018.* |
| January 22, 2020 | EGM | *Clause V of the MoA was amended to reflect an increase in the Authorised share capital of our Company from Rs. 6,50,00,000 comprising of 65,00,000 Equity Shares of Face Value of ₹ 10/- each to Rs. 8,50,00,000 comprising of 85,00,000 Equity Shares of Face Value of Rs. 10/- each.* |
| March 24, 2022 | EGM | *Clause V of the MoA was amended to reflect an increase in the Authorised share capital of our Company from Rs. 8,50,00,000 comprising of 85,00,000 Equity Shares of Face Value of ₹ 10/- each to Rs. 11,00,00,000 comprising of 1,10,00,000 Equity Shares of Face Value of Rs. 10/- each.* |

| Details of Shareholders Approval | Type of General Meeting | Amendments |
|---|---|---|
| March 20, 2023 | EGM | *Clause V of the MoA was amended to reflect an increase in the Authorised share capital of our Company from Rs. 11,00,00,000 comprising of 1,10,00,000 Equity Shares of Face Value of ₹ 10/- each to Rs. 12,00,00,000 comprising of 1,20,00,000 Equity Shares of Face Value of Rs. 10/- each.* |
| December 18, 2024 | EGM | *Conversion of Company from Private Limited into Public Limited Company i.e. from Vinod Texworld Private Limited to Vinod Texworld Limited.* |
| August 28, 2025 | EGM | *Clause V of the MoA was amended to reflect an increase in the Authorised share capital of our Company from Rs. 12,00,00,000 comprising of 1,20,00,000 Equity Shares of Face Value of ₹ 10/- each to Rs. 17,00,00,000 comprising of 1,70,00,000 Equity Shares of Face Value of Rs. 10/- each.* |

## DETAILS OF BUSINESS OF OUR COMPANY

For details on the description of our company's activity, business model, marketing strategy, strength, please see our 'Business', 'Management Discussion and Analysis of Financial Conditions' and 'Basis for Issue Price' on page 177, 314 and 124 respectively of this Draft Prospectus.

## SIGNIFICANT FINANCIAL AND STRATEGIC PARTNERSHIPS

As on the date of this Draft Prospectus, our Company does not have any significant strategic or financial partners.

## CAPITAL RAISING (DEBT/EQUITY)

For details in relation to our capital raising activity through equity, please refer to the chapter titled "Capital Structure" beginning on page 101 of the Draft prospectus.

For a description of our company's Debt facility, see, "Financial Indebtedness" on page 337 of the Draft prospectus.

## LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY INTO NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS, CAPACITY/FACILITY CREATION OR LOCATION OF STORES

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/ facility creation and location of stores, see "Our Business" and "Our History and Certain Corporate Matters" on pages 177 and 224 of this Draft Prospectus.

## DEFAULT OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTION /BANKS

There have been no defaults or rescheduling of borrowings with any financial institutions / Banks as on the date of the Draft prospectus. Furthermore, none of the Company's loan from any of the financial institutions / Banks have been converted into equity in the past.

## TIME AND COST OVERRUNS IN SETTING UP OF PROJECT

There has been no time /cost overrun in setting up of Project by our Company.

## REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation

## LOCK-OUT OR STRIKES

There have been no lock-outs or strikes in our company since incorporation.

## CHANGE IN ACTIVITIES OF OUR COMPANY SINCE INCORPORATION

There has been no change in business activities of our company since incorporation from the date of this Draft 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 Discussion and Analysis of Financial Conditions & Result of Operations" beginning on page 314 of the Draft prospectus.

## HOLDING COMPANY OF OUR COMPANY

Our Company does not have any Holding Companies as on the date of filing of this Draft prospectus.

## SUBSIDIARY COMPANY OF OUR COMPANY

Our Company does not have any Subsidiary Companies as on the date of filing of this Draft prospectus.

## ASSOCIATES OF OUR COMPANY

As on the date of this Draft Prospectus, our Company does not have any associates

## INJUNCTIONS OR RESTRAINING ORDERS

Our Company is not operating under any injunctions or restraining orders.

## DETAILS REGARDING MATERIAL ACQUISITIONS OR DIVESTMENTS OF BUSINESS/UNDERTAKINGS, MERGERS, AMALGAMATION, REVALUATION OF ASSETS, ETC. IN THE LAST 10 YEARS

As on the date of this Draft Prospectus, there are no Merger, Amalgamation etc. with respect to our Company and we have not acquired any business undertaking since incorporation.

## NUMBER OF SHAREHOLDER OF OUR COMPANY

Our Company has Ten (10) shareholders as on date of the Draft prospectus. For further details on the Shareholding Pattern of our Company, please refer to the Chapter titled "Capital Structure" beginning on page 101 of the Draft prospectus.

## DETAILS OF PAST PERFORMANCE

For details in relation to our past financial performance in the previous 3 (three) financial years, please refer to Section titled "***Financial Statements as restated***" beginning on Page 267 of this Draft prospectus.

For details of Change in management, please see chapter titled "***Our Management***" on page 230 of the Draft prospectus.

## DETAILS OF FINANCIAL PERFORMANCE

For details in relation to our financial performance in the previous three financial years, including details of non- recurring items of income, refer to section titled "Financial Information" beginning on page 267 of this Draft prospectus.

## SHAREHOLDER'S AGREEMENT

As on date of this Draft Prospectus, there are no subsisting shareholders' agreements among our shareholders vis-à-vis our Company.

## AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT, DIRECTORS, PROMOTERS OR ANY OTHER EMPLOYEE

Neither our Promoters, nor any of the Key Managerial Personnel or Senior Management, Directors or employees of our Company have entered into an agreement, 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 the dealings of the securities of our Company.

## MATERIAL AGREEMENTS

Our Company has not entered into any other subsisting material agreement, including with strategic partners, joint venture partners or financial partners, other than in the ordinary course of business.

For details on business agreements of our Company, see "***Our Business***" beginning on page 177 of this Draft Prospectus.

## GUARANTEES GIVEN BY OUR PROMOTERS

Except as stated in "*Financial Indebtedness*" on page 337 of this Draft Prospectus, our Promoters have not given any guarantees on behalf of our Company.

## COLLABORATION AGREEMENT

As on the date of the Draft prospectus, Our Company is not party to any collaboration agreement.

## RESTRICTIVE COVENANTS IN LOAN AGREEMENTS

Our Company has taken Credit facilities from any of the Banks / Financial Institutions but no restrictive covenants applicable on company.

## STRATEGIC / FINANCIAL PARTNERS

Our Company does not have any Strategic / Financial Partner as on the date of this Draft prospectus.

## CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST TEN (10) YEARS

There have been no changes in the activity of our Company during the last ten (10) years preceding as on the date of this draft prospectus, which may have had a material effect on the profits or loss, including discontinuance of the lines of business, loss of agencies or markets and similar factors of our Company. For further details please refer chapter "Our History and Certain Corporate Matters" beginning on Page 224 of this Draft Prospectus.

## SHAREHOLDERS OF OUR COMPANY

As on the date of this Draft Prospectus, our Company has 10 (Ten) shareholders. For further details in relation to the current shareholding pattern, please refer to Section titled "Capital Structure" beginning on Page 101 of this Draft Prospectus.

## OTHER AGREEMENTS

- Our Company has not entered into any non-compete Agreement on the date of this Draft prospectus.
- Our Company has not entered into any Joint Venture Agreement on the date of this Draft prospectus.

## OTHER INFORMATION

- There are no other agreements/ arrangements and clauses / covenants which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in the offer document.
- There are no findings/observations of any of the inspections by SEBI or any other regulator which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in the offer document.
- There is no any conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of the company) and the company, Promoter, Promoter Group, Key Managerial Personnel, Directors and subsidiaries / Group Company and its directors.
- There is no any conflict of interest between the lessor of the immovable properties, (crucial for operations of the company) and the company, Promoter, Promoter Group, Key Managerial Personnel, Senior Management, Directors and subsidiaries / Group Company and its directors.

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## OUR MANAGEMENT

### Our Board of Directors

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than three (3) and not more than fifteen (15). As on date of this Draft prospectus, we have five (5) Directors on our Board, which includes one (1) Managing Director, one (1) Whole Time Director, and one (1) Non-Executive Director, and two (2) Independent Directors. 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.

Set forth below, are details regarding our Board as on the date of this Draft prospectus:

| Name, Designation, DIN, Date of Birth, Address, Qualification, Experience, Occupation, Term, Period of Directorship and Nationality | Age (years) | Other Directorships and Designated Partnerships |
|---|---|---|
| **Mr. Yash Vinod Mittal**<br><br>**Designation:** Managing Director<br><br>**DIN:** 02294797<br><br>**Date of Birth:** February 14, 1985<br><br>**Address:** 33, Golden Tulip Bunglows, Manek Baug, B/H Shreyas Foundation, Satellite, Ahmadabad City, Ahmadabad, Gujarat – 380015.<br><br>**Qualification:** Higher Secondary (10+2).<br><br>**Experience:** 14 Years<br><br>**Occupation:** Business<br><br>**Term:** For a period of 5 years w.e.f. October 25, 2024<br><br>**Period of Directorship**: Director since July 30, 2016 and appointed as Managing Director on October 25, 2024<br><br>**Nationality:** Indian | 40 | **COMPANY:**<br>1. Vinod Spinners Private Limited;<br>2. Vinod Cotfab Private Limited.<br><br>**LLP:**<br>1. Vinod Texspin LLP |
| **Mr. Harsh Vinod Mittal**<br><br>**DIN:** 02333392<br><br>**Date of Birth:** June 18, 1988<br><br>**Designation:** Whole Time Director | 37 | **COMPANY:**<br>1. Vinod Spinners Private Limited;<br>2. Vinod Cotfab Private Limited;<br>3. Mangalya Soft-Tech Limited;<br>4. Siddhyug Textiles Private Limited<br>**LLP:** |

| Name, Designation, DIN, Date of Birth, Address, Qualification, Experience, Occupation, Term, Period of Directorship and Nationality | Age (years) | Other Directorships and Designated Partnerships |
|---|---|---|
| **Address:** 33, Golden Tulip Bunglows, Manek Baug, B/H Shreyas Foundation, Satellite, Ahmadabad City, Ahmadabad, Gujarat – 380015.<br><br>**Qualification:** Post Graduation Diploma in Management- Business Entrepreneurship<br><br>**Experience:** 14 Years<br><br>**Occupation:** Business<br><br>**Term:** For a period of 5 years w.e.f. November 25, 2024<br><br>**Period of Directorship**: Director since July 30, 2016 and appointed as Whole-Time Director on November 25, 2024.<br><br>**Nationality:** Indian | | 1. Vinod Texspin LLP |
| **Mrs. Sweta Yash Mittal**<br><br>**DIN:** 10770026<br><br>**Date of Birth:** February 22, 1986<br><br>**Age:** 39<br><br>**Designation:** Non-Executive Director<br><br>**Address:** 33, Golden Tulip Bunglows, Manek Baug, B/H Shreyas Foundation, Satellite, Ahmadabad City, Ahmadabad, Gujarat – 380015.<br><br>**Qualification:** Bachelor of Commerce.<br><br>**Experience:** 9 Months<br><br>**Occupation: Service**<br><br>**Term:** Liable to be retire by rotation<br><br>**Period of Directorship**: Additional Director w.e.f. 25th October, 2024 hold office till the conclusion of the ensuing Annual General Meeting of the Company.<br><br>**Nationality:** Indian | 39 | **COMPANY:**<br>NIL.<br><br>**LLP:**<br>NIL. |
| **Mr. Saket Jagdishchandra Agarwal**<br><br>**DIN:** 01989441<br><br>**Date of Birth:** June 02, 1971 | 54 | **COMPANY:**<br><br>1. Ratnam Laminates Private |

| Name, Designation, DIN, Date of Birth, Address, Qualification, Experience, Occupation, Term, Period of Directorship and Nationality | Age (years) | Other Directorships and Designated Partnerships |
|---|---|---|
| **Designation:** Independent Director<br><br>**Address:** 15, Anmol Residency, Near Maruti Bunglow Shahibaug, Ahmedabad, India - 380004<br><br>**Occupation:** Business<br><br>**Qualification:** Bachelor of Commerce from Gujarat University<br><br>**Experience:** 19 Years<br><br>**Term:** For a period of 5 consecutive years with effect from October 25, 2024<br><br>**Period of Directorship**: Director since October 25, 2024<br><br>**Nationality:** Indian | | Limited.<br><br>**LLP:**<br>NIL. |
| **Mr. Nikita Sinha**<br><br>**DIN:** 11126745<br><br>**Date of Birth:** September 07, 1989<br><br>**Designation:** Independent Director<br><br>**Address:** Flat No. S2 Building No. 9/2/16 Sai Kripa Apartment, Street 2 judge Colony, Near Apex Green Valley, Vaishali Sector 9, I.E. Sahibabad, Ghaziabad, Uttar Pradesh – 201010.<br><br>**Qualification:** Company Secretary.<br><br>**Experience:** 36 Years<br><br>**Occupation:** Professional<br><br>**Term:** For a period of 5 consecutive years with effect from September 10, 2025<br><br>**Period of Directorship**: Director since September 10, 2025<br><br>**Nationality:** Indian | 36 | **COMPANY:**<br><br>1. Kotia Enterprises Limited<br>2. Rodec Pharma Limited<br>3. All About Content Limited<br><br>**LLP:**<br>NIL. |

## BRIEF PROFILE OF DIRECTOR

**Mr. Yash Vinod Mittal**, aged 40 years, is a Managing Director of Vinod Texworld Limited and Promoter of the company. He was appointed as the on the Board of our Company upon on July 30, 2016. He has done Higher Secondary (10+2), with over 14 years of demonstrated exemplary expertise and strategic leadership in the textile industry. Mr. Yash Vinod Mittal is currently serving as a Director in Vinod Spinners Private Limited, Vinod Cotfab Private Limited and Designated Partner in Vinod Texspin LLP. He was appointed as Managing Director of the company for a period of 5 years w.e.f. October 25, 2024.

**Mr. Harsh Vinod Mittal,** aged 37 years, is the Whole Time Director of Vinod Texworld Limited and Promoter of the Company. He was appointed as the on the Board of our Company on July 30, 2016. He has gained the qualification of Post Graduation Diploma in Management - Business Entrepreneurship. He has 14 years of demonstrated exemplary expertise and strategic leadership in the textile industry. Mr. Harsh Vinod Mittal currently serving as the Director Vinod Spinners Private Limited, Vinod Cotfab Private Limited, Mangalya Soft-Tech Limited, Siddhyug Textiles Private Limited and Designated Partner in Vinod Texspin LLP. He was appointed as Managing Director of the company for a period of 5 years w.e.f. November 25, 2024.

**Mrs. Sweta Yash Mittal,** aged 39 years, is a Non-Executive Director on the Board of Vinod Texworld Limited since 25th October, 2024. She holds a Bachelor of Commerce, which has equipped her with a strong foundation in critical thinking and strategic analysis. In her upcoming role Mrs. Sweta Yash Mittal will bring her expertise and insights to help guide Vinod Texworld Limited towards continued success and growth. Prior to this, there is no employment in any company.

**Mr. Saket Jagdishchandra Agarwal,** aged 54 years, is an Independent Director on the Board of Vinod Texworld Limited since October 25, 2024. He holds a Bachelor of Commerce. Mr. Saket Jagdishchandra Agarwal is having about 19 years of experience in Ratnam Laminates Private Limited and demonstrate leadership, strategic vision and a strong commitment to the growth and success of the organisation. He is proficient in overseeing the company operations, decision-making and implementing polices that have contributed significantly to the Company's achievements. His professionalism, dedication and expertise have been highly valued by the management and his colleagues.

**Ms. Nikita Sinha,** aged 36 years, has been appointed as an Independent Director on the Board of our Company with effect from September 10, 2025. She is a qualified Company Secretary and has approximately 1.6 years of experience in the field of corporate secretarial and legal compliance. Prior to joining our Board, she was associated with Raipur Power and Steel Limited as a Company Secretary.

## CONFIRMATION

**As on the date of this Draft prospectus.**

a) None of our Directors have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Draft Prospectus, during the term of his/ her directorship in such company.

b) Further, none of our Directors are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.

c) None of our Directors have been identified as a willful defaulter, as defined in the SEBI Regulations and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation are pending against them.

d) Neither Company nor our Directors are declared as fugitive economic offenders as defined in Regulation 2(1) (p) of the SEBI ICDR Regulations, and have not been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.

e) None of our Directors have been debarred from accessing capital markets by the Securities and Exchange Board of India. Additionally, none of our directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.

f) None of the above-mentioned Directors are on the RBI List of wilful defaulters or Fraudulent Borrowers, in terms of RBI master circular dated July 01, 2016.

g) None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.

h) In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertakenwith regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

**DETAILS OF CURRENT AND PAST DIRECTORSHIP(S) OF THE ABOVE DIRECTORS IN LISTED COMPANIES WHOSE SHARES HAVE BEEN / WERE SUSPENDED FROM BEING TRADED ON ANY OF THE STOCK EXCHANGES, DURING HIS/HER TENURE**

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Draft prospectus, during the term of his/her directorship in such company.

**DETAILS OF CURRENT AND PAST DIRECTORSHIP(S) OF THE ABOVE DIRECTORS IN LISTED COMPANIES WHICH HAVE BEEN/ WERE DELISTED FROM THE STOCK EXCHANGE(S), DURING HIS/HER TENURE**

None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

**NATURE OF FAMILY RELATIONSHIP BETWEEN DIRECTORS AND KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT**

Except as stated below, none of the Directors or Director and Key Managerial Personnel or Senior Management of the Company are related to each other as per Section 2(77) of the Companies Act, 2013:

| Name of the Director | Designation | Relationship with other Directors |
|---|---|---|
| Mr. Yash Vinod Mittal | Managing Director | Brother of Mr. Harsh Vinod Mittal and Husband of Mrs. Sweta Yash Mittal |
| Mr. Harsh Vinod Mittal | Whole Time Director | Brother of Mr. Yash Vinod Mittal and Brother-in-law of Mrs. Sweta Mittal |
| Mrs. Sweta Yash Mittal | Executive Director | Spouse of Mr. Yash Vinod Mittal and Sister-in-law of Mr. Harsh Vinod Mittal |

**DETAILS OF ANY ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS, PURSUANT TO WHICH ANY OF THE DIRECTOR WAS SELECTED AS DIRECTOR OR MEMBER OF SENIOR MANAGEMENT**

None of our Directors have been appointed or selected pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

## DETAILS OF SERVICE CONTRACTS ENTERED INTO BY THE DIRECTORS WITH THE COMPANY PROVIDING FOR BENEFITS UPON TERMINATION OF EMPLOYMENT

Other than the statutory benefits that the KMPs are entitled to, upon their retirement, Directors and the Key Managerial Personnel of our Company have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

## DETAILS OF BORROWING POWERS

In terms of the resolution passed at the Extra Ordinary General Meeting of our Company held on April 02, 2025 and pursuant to Section 180(1)(c) of the Companies Act,2013 (including any statutory modification or re-enactment thereof, for the time being in force) and Articles of Association of the Company, consent of the Company be and is hereby given to the Board of Directors of the Company to borrow moneys whether rupee loans or foreign currency loans or other external commercial borrowings, from time to time, at their discretion together with the moneys to be borrowed/already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) either from the Company's Bankers and/or any one or more persons or Financial Institutions or from any other sources abroad, such as, Foreign Banks, Foreign Investment/Financial Institutions or Funds or other Bodies. Authorities/Entities abroad whether by way of cash credit. advance. loans or bill discounting, Issue of Non-Convertible Debentures/Fully Convertible Debentures/Partly Convertible Debentures with or without detachable or non-detachable warrants or warrants of any other kind, bonds, external commercial borrowings or other debt instruments, or otherwise and whether unsecured or secured by mortgage. charge. hypothecation or lien or pledge on the Company's assets and properties whether movable or immovable or stock-in-trade (including raw materials, stores, spare parts and components or stock in transit) and work-in-progress of the Company on such terms and conditions as may be considered suitable by the Board of Directors up to a limit of INR. 2,00,00,00,000/- [Indian Rupees Two Hundred Crore Only] in excess of 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."

## REMUNERATION /COMPENSATION OF MANAGING DIRECTOR

**Mr. Yash Vinod Mittal – Managing Director**

Pursuant to a resolution passed by the Board of Directors at the meeting held on October 25, 2024 Mr. Yash Vinod Mittal was designated as the Managing Director of our Company for a period of Five (05) year with effect from October 25, 2024. Pursuant to a resolution passed by the Board of Directors at the meeting held on October 25, 2024 and approved by the Shareholders of our Company at the EGM held on December 17, 2024, consent is given for payment of remuneration to Mr. Yash Vinod Mittal in accordance the terms of their appointment and shall be subject to the provisions of Sections 2(54), 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 terms and conditions approved by the Board of Directors have been summarised below:

| | |
|---|---|
| **Remuneration (including Perquisites and benefits, is any)** | ₹ 36,00,000 (Indian Rupees Twenty-Six Lakhs Sixty-Six Thousand Six Hundred and Sixty-Four Only) for each year effective from December 17, 2024. |
| **Minimum Remuneration** | All perquisites and other allowances limited to remuneration as per applicable provisions of Schedule V of the Companies Act, 2013 |
| **Commission** | Nil |
| **Remuneration paid for the period from** | Rs 12,00,000/- |

| | |
|---|---|
| **April 01, 2024 to March 31, 2025** | |

## TERMS OF APPOINTMENT AND REMUNERATION OF OUR WHOLE-TIME DIRECTOR

**Mr. Harsh Vinod Mittal – Whole-time Director**

Pursuant to a resolution passed by the Board of Directors at the meeting held on November 25, 2024 and approved by the Shareholders of our Company at the EGM held on December 17, 2024 Mr. Harsh Vinod Mittal designated as the Whole Time Director of our Company for a period of Five (05) year with effect from November 25, 2024 in accordance the terms of their appointment and shall be subject to the provisions of Sections 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 terms and conditions approved by the Board of Directors have been summarised below:

| | |
|---|---|
| **Remuneration (including Perquisites and benefits, is any)** | ₹ 36,00,000 (Indian Rupees Thirty-Six Only) for each year effective from December 17, 2024. |
| **Minimum Remuneration** | All perquisites and other allowances limited to remuneration as per applicable provisions of Schedule V of the Companies Act, 2013 |
| **Commission** | Nil |
| **Remuneration paid for the period from April 01, 2024 to March 31, 2025** | Rs 12,00,000/- |

## REMUNERATION DETAILS OF OUR DIRECTOR

*(i) Sitting fee details of our Independent Directors and Non-Executive Directors*

| S. No. | Name of the Director | Remuneration (₹ in lacs) |
|---|---|---|
| **1.** | Saket Jagdishchandra Agarwal | NA |
| **2.** | Nikita Sinha | NA |
| **3.** | Sweta Yash Mittal | 5.50 |

*Note: - With effect from October 25, 2024, for Mr. Saket Jagdishchandra Agarwal (Independent Director) and September 10, 2025, for Ms. Nikita Sinha (Independent Director), sitting fees shall be payable for meetings of the Board and committees as may be decided by the Board from time to time.

## REMUNERATION PAID TO OUR DIRECTOR BY OUR SUBSIDIARY OR ASSOCIATE

As on the date of this Draft prospectus, our Company does not have a subsidiary or Associate.

## SHAREHOLDING OF DIRECTORS IN OUR COMPANY

Except as stated below, none of our directors holds any Equity Shares of our Company as on the date of filing of this Draft prospectus:

| Sr. No. | Name of Director | Number of Equity Shares | % of the pre-Issue Equity Share Capital |
|---|---|---|---|
| 1) | Mr. Yash Vinod Mittal (Managing Director) | 43,91,795 | 37.86% |
| 2) | Mr. Harsh Vinod Mittal (Whole Time Director) | 42,13,145 | 36.32% |
| 3) | Ms. Sweta Yash Mittal (Director) | 2,95,000 | 2.54% |

*None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Draft Prospectus.*
*Note: Our Articles of Association do not require our directors to hold any qualification Equity Shares in the Company.*

## INTEREST OF OUR DIRECTORS

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our see "Terms of appointment and remuneration of our Executive Directors" above.

Our directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or kartas or coparceners or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to this Issue. Except as disclosed in "Financial Information" and "Our Promoter and Promoter Group" beginning on Page Nos. 267 and 249 respectively of this Draft prospectus, our directors are not interested in any other company, entity or firm.

Except as stated in "Restated Financial Information –Note AB – Statement of Related Party Transactions" on Page No. 305 of this Draft prospectus, our directors do not have any other interest in the business of our Company.

## INTEREST AS TO PROPERTY

Except as mentioned in "Our Business – Place of Business" and "Restated Financial Information –Note AB– Statement of Related Party Transactions" from the chapter titled "Restated Financial Information" on Page Nos. 177 and 305 of this Draft Prospectus. our directors do not have any interest in any property acquired or proposed to be acquired by our Company.

## BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS

None of our Directors are a party to any bonus or profit-sharing plan.

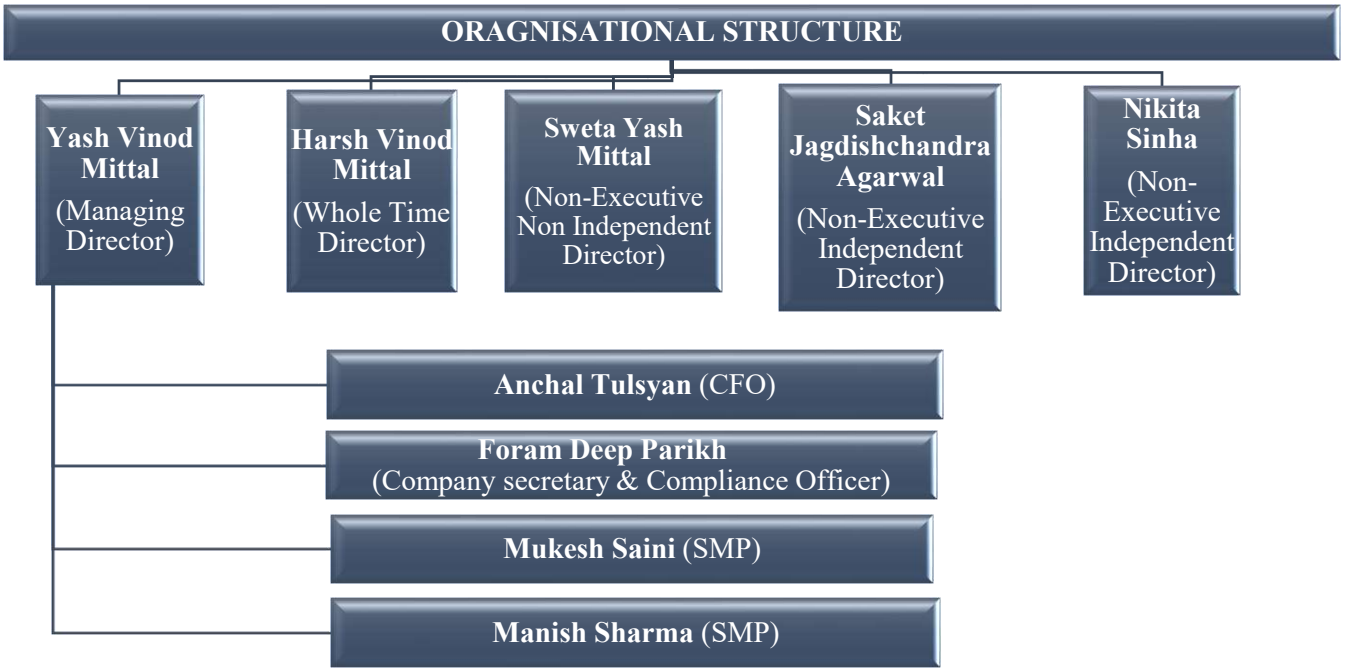
## CHANGES IN OUR BOARD DURING THE LAST THREE YEARS

Save and except as mentioned below, there had been no change in the Directorship during the last three (3) years. To maintain brevity and to avoid any confusion, this table does not enumerate the instances where the status or designation of the Director has been changed or when the appointment of an Additional Director has been regularized:

| Sr. No. | Name of the Director | Date of Appointment / Change in designation/Date of cessation | Appointment/ Cessation/ Change in Designation | Event | Reason for Change |
|---|---|---|---|---|---|
| 1. | Mr. Yash Vinod Mittal | October 25, 2024 | Change in Designation | Change in Designation from Director to Managing Director | Restructuring of Board of Directors (Corporate Restructuring) |
| 2. | Mr. Harsh Vinod Mittal | November 25, 2024 | Change in Designation | Change in Designation from Director to Whole Time Director | Restructuring of Board of Directors (Corporate Restructuring) |
| 3. | Ms. Sweta Yash Mittal | October 25, 2024 | Appointment | Appointed as an Additional Director (Executive Director) | Restructuring of Board of Directors (Corporate Restructuring) |
| 4. | Mr. Saket Jagdishchandra Agarwal | October 25, 2024 | Appointment | Appointed as an Additional Independent Director | Corporate Governance |
| 5. | Ms. Neha Agarwal | October 25, 2024 | Appointment | Appointed as an Additional- Independent Director | Corporate Governance |
| 6. | Ms. Neha Agarwal | May 22, 2025 | Cessation | Cessation from the Additional- Independent Director | Restructuring of Board of Directors (Corporate Restructuring) |
| 7. | Ms. Sweta Yash Mittal | May 22, 2025 | Change in designation | Change of designation from executive to non-executive director | Corporate Governance |
| 8. | Mr. Giteshkumar Bipinchandra Shah | May 22, 2025 | Appointment | Appointed as an Additional - Independent Director | Corporate Governance |
| 9. | Mr. Giteshkumar Bipinchandra Shah | September 10, 2025 | Cessation | Cessation from the Additional- Independent Director | Restructuring of Board of Directors (Corporate Restructuring) |
| 10. | Ms. Nikita Sinha | September 10, 2025 | Appointment | Appointed as an Additional - Independent Director | Restructuring of Board of Directors (Corporate Restructuring) |

## MANAGEMENT ORGANIZATION STRUCTURE

Set forth is the management organization structure of our Company:




## COMPLIANCE WITH CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME Platform of National Stock Exchange of India Limited (NSE Emerge). The requirements pertaining to the composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committees and Corporate Social Responsibility Committee as applicable on us, have been complied with.

Our Board has been constituted in compliance with the Companies Act, 2013 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 Five (5) directors of which Two (2) are Independent Directors, and we have One (1) woman director on the Board. The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013. Our Company has constituted the following committees:

- **Committees of Our Board**

Our Board has constituted following committees in accordance with the requirements of the Companies Act 2013:

a) Audit Committee;
b) Stakeholders' Relationship Committee; and
c) Nomination and Remuneration Committee;

Details of each of these committees are as follows:

## a) AUDIT COMMITTEE

Our company has formed an Audit Committee ("Audit Committee"), *vide* Board resolution dated January 24, 2025 and reconstituted *vide* Board resolution dated May 24, 2025 in accordance with the provisions of Section 177 of the Companies Act, 2013 and Rule 6 and 7 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, read with Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. As on the date of this Draft prospectus, the Audit Committee comprises of:

| Sr. No. | Name of the Director | Audit Committee |
|---|---|---|
| 1. | Mr. Saket Jagdishchandra Agarwal | Chairman & Non-Executive Independent Director |
| 2. | Ms. Nikita Sinha | Member & Non-Executive Independent Director |
| 3. | Mrs. Sweta Yash Mittal | Member & Non-Executive 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 one hundred and twenty 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.

**C. Role and Powers**: The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:

The Audit Committee shall have the following powers/responsibilities:

a) to investigate any activity within its terms of reference;
b) to seek information from any employee;
c) to obtain outside legal or other professional advice;
d) to secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and
e) to have full access to information contained in records of Company.

**The role of the Audit Committee not limited but shall include the following:**

1) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
2) Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
3) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
4) Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
5) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to: a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act; b. Changes, if any, in accounting policies and practices and reasons for the same; c. Major accounting entries involving estimates based on the exercise of judgment by management; d. Significant adjustments made in the financial statements arising out of audit findings; e. Compliance with listing and other legal requirements relating to

financial statements; f. Disclosure of any related party transactions; and g. Qualifications and modified opinions in the draft audit report.

6) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
7) Reviewing, with the management, the statement of uses/ application of funds raised through an offer (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. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
8) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
9) Scrutiny of inter-corporate loans and investments;
10) Valuation of undertakings or assets of the Company, wherever it is necessary;
11) Evaluation of internal financial controls and risk management systems; a. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
12) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
13) Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14) Discussing with internal auditors on any significant findings and follow up thereon;
15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as postaudit discussion to ascertain any area of concern;
17) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18) Reviewing the functioning of the whistle blower mechanism;
19) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
20) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
21) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
22) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law; and
23) Carrying out any other functions as is mentioned in the terms of reference of the audit committee or containing into SEBI (LODR) Regulations 2015.

**The Audit Committee shall mandatorily review the following information:**

1) management discussion and analysis of financial condition and results of operations;

2) statement of significant related party transactions (as defined by the audit committee), submitted by management;

3) management letters/letters of internal control weaknesses issued by the statutory auditors;

4) internal audit reports relating to internal control weaknesses; and

5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

6) statement of deviations:

(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations.

(b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

**b) NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on January 24, 2025 and was re-constituted at a meeting of the Board of Directors held on May 24, 2025 in accordance with the provisions of Section 178 of the Companies Act, 2013 and Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, read with Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. As on the date of this Draft prospectus the Nomination and Remuneration Committee comprises of:

| Sr. No. | Name of the Director | Nomination and Remuneration Committee |
|---|---|---|
| 1. | Mr. Saket Jagdishchandra Agarwal | Chairman & Non-Executive Independent Director |
| 2. | Ms. Nikita Sinha | Member & Non-Executive Independent Director |
| 3. | Mrs. Sweta Yash Mittal | 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, subject to at least one meeting in a year. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.

**C. Score and Terms of Reference:**

The terms of reference of the Nomination and Remuneration Committee as per Regulation 19 and Part D of Schedule II of SEBI Listing Regulations and Companies Act, 2013 shall be as under:
1) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2) for the appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may: 1. use the services of external agencies, if required; 2. consider candidates from a wide range of backgrounds, having due regard to diversity; and 3. consider the time commitments of the candidates.
3) formulation of criteria for evaluation of the performance of independent directors and the Board;
4) devising a policy on diversity of our Board;
5) identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;

6) determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7) recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
8) recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
9) recommending to the Board, all remuneration, in whatever form, payable to senior management;
10) performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
11) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
12) analysing, monitoring and reviewing various human resource and compensation matters;
13) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
14) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

1. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
2. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and

15) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

**c) STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholders' Relationship Committee has been formed by the Board of Directors, at the meeting held on January 24, 2025 and reconstituted in the Board Meeting held on May 24, 2025 in accordance with the provisions of Section 178(5) of the Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, read with Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. As on the date of this Draft prospectus the Stakeholders' Relationship Committee comprises of:

| Sr. No. | Name of the Director | Stakeholders Relationship Committee |
|---|---|---|
| 1. | Mr. Saket Jagdishchandra Agarwal | Chairman & Non-Executive Independent Director |
| 2. | Ms. Nikita Sinha | Member & Non-Executive Independent Director |
| 3. | Mrs. Sweta Yash Mittal | Member & Non-Executive 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 Stakeholder Relationship Committee shall meet at least once in a year, and shall report to the Board on a quarterly basis regarding the status of redressal of the complaints received from the shareholders of the Company. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.
**C. Scope and Term of Reference:** The terms of reference of the Stakeholders Relationship Committee as per Regulation 20 and Part D of Schedule II of SEBI Listing Regulations, 2015 and Companies Act, 2013 shall be as under:
1) Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;

2) Review of measures taken for effective exercise of voting rights by shareholders;
3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
5) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6) To handle the grievances of the stakeholders in connection with the allotment and listing of shares;
7) Ensure proper and timely attendance and redressal of investor queries and grievances;
8) Carrying out any other functions contained in the Companies Act, 2013 and/or other documents (if applicable), as and when amended from time to time; and
9) To perform such functions as may be delegated by the Board and to further delegate all or any of its power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s); and
10) Such terms of reference as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

## COMPLIANCES WITH SME LISTINGS REGULATION

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Companyimmediately upon the listing of Equity Shares of our Company on SME Platform of NSE i.e. NSE Emerge.

## OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

In addition to our Managing Director and Whole-time Director whose details have been provided under paragraph above titled *'Brief Profile of our Directors'*, set forth below are the details of our Key Managerial Personnel as on the date of filing of this Draft prospectus:

**1.**

| | |
|---|---|
| **Name** | Mr. Anchal Tulsyan |
| **Designation** | Chief Financial Officer |
| **Date of Appointment** | October 25, 2024 |
| **Age** | 37 Years |
| **service contracts including termination / retirement benefits** | N/A |
| **Term of Office** | As per Company Rules |
| **Expiration of Term** | As per Company Rules |
| **Qualification** | Bachelor of Commerce |
| **Previous Employment** | Anil Exports (India) partnership firm in the Finance and Accounts Department from November 2010 to December 2018 and from January 2019 to September 2024 in Citadel Textiles Private Limited. |
| **Overall Experience** | 14 years |
| **Remuneration** | Mr. Anchal Tulsyan was appointed as Chief Financial Officer on October 25, 2024, he is appointed for a remuneration as may be decided by the Board of the Directors of the company.<br>As on dated March 31, 2025 he has paid remuneration of Rs 3.30 Lakh. |

**2.**

| | |
|---|---|
| **Name** | Ms. Foram Deep Parikh |
| **Designation** | Company Secretary and Compliance Officer |
| **Date of Appointment** | July 01, 2022 |
| **Age** | 36 |
| **service contracts including termination / retirement benefits** | N/A |
| **Term of Office** | As per Company Rules |
| **Expiration of Term** | As per Company Rules |
| **Qualification** | Company Secretary |
| **Previous Employment** | Nil |
| **Overall Experience** | 2 Years in Vinod Texworld Limited |
| **Remuneration** | Ms. Foram Deep Parikh was appointed as Company Secretary on July 01, 2022, she is appointed for a remuneration as may be decided by the Board of the Directors of the company.<br>As on dated March 31, 2025 she has paid remuneration of Rs 2.58 Lakhs. |

**3.**

| | |
|---|---|
| **Name** | Mr. Manish Om Prakash Sharma |
| **Designation** | Purchase Manager |
| **Date of Appointment** | 1st April, 2017 |
| **Age** | 32 |
| **service contracts including termination / retirement benefits** | NA |
| **Term of Office** | As per Company Rules and Policy |
| **Expiration of Term** | As per Company Rules and Policy |
| **Qualification** | 12th Pass |
| **Previous Employment** | NIL |
| **Overall Experience** | 8 Years of Experience from April 2017 in Vinod Texworld Limited. |
| **Remuneration (Gross)** | 48,000/ Per Month |

**4.**

| | |
|---|---|
| **Name** | Mr. Mukesh Saini |
| **Designation** | General Manager |
| **Date of Appointment** | 1st October, 2018 |
| **Age** | 44 |
| **service contracts including termination / retirement benefits** | NA |
| **Term of Office** | As per Company Rules and Policy |
| **Expiration of Term** | As per Company Rules and Policy |
| **Qualification** | NIL |
| **Previous Employment** | NIL |
| **Overall Experience** | 7 Years of Experience from October 2018 in Vinod Texworld Limited as General Manager. |
| **Remuneration (Gross)** | 56,000/- Per Month |

Note: Details in respect to Managing Director and Whole-time director, have been provided under paragraph above titled *'Brief Profile of our Directors'*

## BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

**Other than Yash Vinod Mittal, Managing Director and Harsh Vinodbhai Mittal, Whole Time Director ,whose details are provided hereinabove, the details of our Key Managerial Personnel, as on the date of this Draft Prospectus are set forth below:**

**Mr. Anchal Tulsyan, Chief Financial Officer (CFO)**

Mr. Anchal Tulsyan, 37 years, is the Chief Financial Officer of our Company since October 25, 2024. He has 14 years of experience in Finance, Accounting, Auditing Taxation and Fundraising. In the past, he has associated Anil Exports (India) partnership firm in the Finance and Accounts Department from November 2010 to December 2018 and from January 2019 to September 2024 in the Finance and Accounts Department of Citadel Textiles Private Limited.

**Ms. Foram Deep Parikh, Company Secretary and Compliance Officer**

Ms. Foram Deep Parikh, 36 years, hold a professional degree from Institute of Company Secretaries of India. She has an experience of more than 2 years in Corporate Secretarial Laws and Governance in Vinod Texworld Limited as she was appointed as Company Secretary on July 01, 2022.

**Mr. Manish Om Prakash Sharma, Senior Management Personnel**

Mr. Manish Om Prakash Sharma is working as Head of Purchase Department of the Company since incorporation and He is in association and re-designated as a Senior Management Personnel with effect from 17th April, 2017. He has 8 Years of working experience in Strategic Sourcing with Manufacturing Industry, Good communication skills, generous and result oriented. Seeks a growth-oriented position in a dynamic & professionally managed organization, which provides opportunities for development & responsibilities to contribute towards success.

**Mr. Mukesh Saini, Senior Management Personnel**

Mr. Mukesh Saini is working as General Manager of the Company since 1st October, 2018. He is a results-driven and strategic General Manager with extensive experience in the textile industry. Proven expertise of 7 years' experience in overseeing operations, managing supply chains, and driving business growth while maintaining high standards of quality and efficiency. Adept at leading cross-functional teams, optimizing production processes, and implementing innovative solutions to meet market demands and achieve financial targets.

## DETAILS OF ANY ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS, PURSUANT TO WHICH ANY OF THE KEY MANAGERIAL PERSONNEL, WAS SELECTED AS KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with any major shareholders, customers, suppliers to our Company or others.

## CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO OUR KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT

There is no contingent or deferred compensation payable to our Key Management Personnel which does not form part of their remuneration.

## RELATIONSHIP OF KEY MANAGERIAL PERSONNEL WITH OUR DIRECTORS, PROMOTERS AND / OR OTHER KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

In addition to the disclosure made under the heading *"Relationship between our Directors"* and except as disclosed below, none of our Key Managerial Personnel and Senior Management are related to each other or to any of our directors:

| Name of KMP | Designation | Relation |
|---|---|---|
| Mr. Yash Vinod Mittal | Managing Director | Brother of Mr. Harsh Vinod Mittal, the Whole Time Director of the Company. |
| Mr. Harsh Vinod Mittal | Whole Time Director | Brother of Mr. Yash Vinod Mittal, the Managing Director of the Company. |

## SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Except Managing Director & Whole Time Director none of the Key Management Personnel and Senior Management hold shareholding in our Company

## BONUS OR PROFIT-SHARING PLAN FOR OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Our Company does not have any bonus and / or profit-sharing plan for the key managerial personnel and Senior Management.

## PAYMENT OR BENEFIT TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT OF OUR COMPANY

Except as disclosed in this Draft prospectus, no amount or benefit has been paid or given within two preceding years or is intended to be paid or given to any of the Key Managerial Personnel and Senior Management except the normal remuneration for services rendered by them.

## INTEREST OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

The Key Management Personnel and Senior Management of the Company, do not have any interest in the Company other than to the extent of the remuneration and their shareholding in the company or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

None of the key Managerial Personnel and Senior Management have been paid any consideration of any nature from the Company, other than their remuneration.

## CHANGE IN KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT IN THE LAST THREE YEARS

In addition to the changes specified under *"Changes in our Board during the Last Three Years*", set forth below, are the changes in our Key Managerial Personnel and Senior Management in the last three years immediately preceding the date of filing of this Draft prospectus:

| Sr. No. | Name of the Director | Date of Appointment / Change in designation | Appointment/ Cessation/ Change in Designation | Event | Reason for Change |
|---|---|---|---|---|---|
| 1. | Ms. Foram Deep Parikh | July 1, 2022 | Appointment | Appointment of Company Secretary. | Corporate Governance |

| | | | | | |
|---|---|---|---|---|---|
| 2. | Mr. Anchal Tulsyan | October 25, 2024 | Appointment | Appointment of Chief Financial Officer | Corporate Governance |
| 3. | Mr. Yash Vinod Mittal | October 25, 2024 | Change in Designation | Change in Designation from Director to Managing Director | Restructuring of Board of Directors (Corporate Restructuring) |
| 4. | Mr. Harsh Vinod Mittal | November 25, 2024 | Change in Designation | Change in Designation from Director to Whole Time Director | Restructuring of Board of Directors (Corporate Restructuring) |

## EMPLOYEES STOCK OPTION PLAN AND EMPLOYEE STOCK PURCHASE SCHEME

As on date of this Draft prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.

## LOANS TAKEN BY DIRECTORS / KEY MANAGERIAL PERSONNEL

Except as provided in restated financial statement in the chapter "*Financial Information"* beginning on page 267 of this Draft prospectus, there are no loans outstanding against the key managerial personnel and Senior Management as on the date of this Draft prospectus.

## OTHER BENEFITS TO THE OFFICERS OF THE ISSUER COMPANY

Except the payment of salaries and perquisites, no amount or benefit has been paid or given within the two preceding years or intended to be paid or given to any employee and there is no consideration for payment of giving of the benefit.

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## OUR PROMOTER AND PROMOTER GROUP

## OUR PROMOTERS

**Our Promoters:**
The promoters of our Company as on the date of this Draft Prospectus are: -

1. Harsh Vinod Mittal;
2. Yash Vinod Mittal; and
3. Sweta Yash Mittal.

The details of the shareholding of our Promoters, as on date of this Draft Prospectus has been provided below:

| Sr. No. | Particulars | Category | No. of Equity Shares of face value of ₹ 10 each | % of Shares to Pre – Issue Equity Share Capital |
|---|---|---|---|---|
| 1. | Yash Vinod Mittal | Individual Promoter | 43,91,795 | 37.86% |
| 2. | Harsh Vinod Mittal | Individual Promoter | 42,13,145 | 36.32% |
| 3. | Sweta Yash Mittal | Individual Promoter | 2,95,000 | 2.54% |
| **Total** | | | **88,99,940** | **76.72%** |

*For details of the build-up of our promoters" shareholding in our Company, see section titled "Capital Structure" beginning on page no. 101 of this Draft Prospectus.*

**Details of our Promoters are as follows**:

***Harsh Vinod Mittal***

Mr. Harsh Vinod Mittal, aged 36 years, is the promoter of our Company. He is acting as the Whole Time Director of our Company. He has gained the qualification of Post Graduate Diploma in Management - Business Entrepreneurship and brings his demonstrated exemplary expertise and strategic leadership in the textile industry. The Permanent Account Number of Mr. Harsh Vinod Mittal is ARTPM6199G and Passport Number is S5712701.

For complete profile of Mr. Harsh Vinod Mittal, along with details of his date of birth, address, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see "*Our Management*" on page 230 of this Draft Prospectus.

***Yash Vinod Mittal***

Mr. Yash Vinod Mittal, aged 40 years, is the promoter of our Company. He is acting as the Managing Director of our Company. He has done Higher Secondary (10+2) from Gujarat Secondary and Higher Secondary Education Board, with over 14 years of demonstrated exemplary expertise and strategic leadership in the textile industry. The Permanent Account Number of Mr. Yash Vinod Mittal is AJXPM0241K and Passport Number is T6331056.

For complete profile of Mr. Yash Vinod Mittal, along with details of his date of birth, address, educational qualifications, professional experience, positions/ posts held in the past and other directorship and special achievements, please see "*Our Management*" on page 230 of this Draft Prospectus.

| *Sweta Yash Mittal* | |
|---|---|
| | Mrs. Sweta Yash Mittal, aged 39 years, is the promoter of our Company. She is acting as the Non-Executive Director of our Company. She holds a Bachelor of Commerce. The Permanent Account Number of Ms. Sweta Yash Mittal is AOIPK8079H and Passport Number is U9158151.<br><br>For complete profile of Ms. Sweta Yash Mittal, along with details of his date of birth, address, educational qualifications, professional experience, positions/ posts held in the past and other directorship and special achievements, please see "*Our Management*" on page 230 of this Draft Prospectus. |

## OTHER VENTURES OF OUR PROMOTERS

Our Promoters are involved in other ventures and business activities in different capacities as listed below:

### 1. Mr. Yash Vinod Mittal

| S. No. | Name of the entity | Status | Nature of interest / position |
|---|---|---|---|
| 1. | Vinod Spinners Private Limited | Active | Director |
| 2. | Vinod Cotfab Private Limited | Active | Director |
| 3. | Vinod Texspin LLP | Active | Designated Partner |
| 4. | Yash V Mittal HUF | Active | Karta |
| 5. | M/s Anil Exports (India) ("Partnership Firm") | Active | Partner |

### 2. Mr. Harsh Vinod Mittal

| S. No. | Name of the entity | Status | Nature of interest / position |
|---|---|---|---|
| 1. | Mangalya Soft-Tech Limited | Active | Director |
| 2. | Siddhyug Textiles Private Limited | Active | Director |
| 3. | Vinod Spinners Private Limited | Active | Director |
| 4. | Vinod Cotfab Private Limited | Active | Director |
| 5. | Vinod Texspin LLP | Active | Designated Partner |
| 6. | Harsh V Mittal HUF | Active | Karta |

### 3. Ms. Sweta Yash Mittal

No other Interest/ Position

Except as stated above and except as disclosed in "– *Promoter Group*" below and in "*Our Management*" on pages 249 and 230 of this Draft Prospectus, our Promoters are not involved in any other ventures.

*For details pertaining to other ventures of our Promoters, refer chapter titled "Our Group Companies" beginning on page no. 255 of this Draft Prospectus.*

## CONFIRMATIONS/DECLARATIONS:

In relation to our Promoters, our Company confirms that the Permanent Account Number, Bank Account Numbers, Passport Numbers, Aadhaar Card Number and driving license number shall be submitted to NSE at the time of filing of this Draft Prospectus.

## UNDERTAKING/ CONFIRMATIONS

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

a) Prohibited or debarred 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

b) Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

c) No material regulatory or disciplinary action is taken by any stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.

d) 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, Group Company and Company promoted by the promoters during the past three years.

e) The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled "Outstanding Litigations and Material Developments" beginning on page 341 of this Draft Prospectus.

## OTHER CONFIRMATIONS:

A. Our Promoters are not Wilful Defaulters or a Fraudulent Borrowers.

B. Our Promoters are not Fugitive Economic Offenders.

C. Our Promoters are not, and have not been in the past, promoters or directors of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.

D. No violations of securities laws have been committed by our Promoters in the past or are currently pending against them.

## CHANGE IN THE CONTROL OF OUR COMPANY

None of our Promoters are the original promoters of our Company. In the financial year 2016-17 Mr. Harsh Vinod Mittal & Mr. Yash Vinod Mittal has taken over the company. As on the date of this Draft Prospectus, our Company has three Promoters. For more information, please refer chapter titled "Our History and other corporate matter" and "Capital Structure – Buildup of equity share holding of the promoters in our Company" on page 224 and 101 respectively of this Draft Prospectus.

## PROMOTER'S EXPERIENCE IN THE BUSINESS OF OUR COMPANY

Our Promoters have adequate experience in the line of business of our company. For details in relation to experience of promoters in the business of our Company, please refer to the chapter titled "Our Management" on page 230 of this Draft Prospectus.

## LITIGATION INVOLVING OUR PROMOTERS

For details of legal and regulatory proceedings involving our Promoters, please refer chapter titled "Outstanding Litigation and Material Development" beginning on page no. 341 of this Draft Prospectus.

## COMPANIES WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE PRECEEDING THREE YEARS

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Draft Prospectus

## INTERESTS OF PROMOTER

(a) Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; (ii) their shareholding in our Company; (iii) the dividends payable thereon; and (iv) any other distributions in respect of their shareholding in our Company.

Additionally, our Promoters may be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) in which our Promoters are partners or directors; or (iii) which are controlled by our Promoters. For further details of interest of our Promoters in our Company, see *"Financial Statements- Restated Financial Statements – Note AB – Statement of Related Party Transactions"* on page 305

(b) Further, Mr. Harsh Vinod Mittal, Mr. Yash Vinod Mittal and Mrs. Sweta Yash Mittal are also interested in our Company in the capacity of our Whole Time Direct Director, Managing Director & Non-Executive Director respectively, and may be deemed to be interested in the remuneration payable to them and the reimbursement of expenses incurred by them in the said capacity. For further details, see "Our Management" on page 230 For further details of interest of our Promoters in our Company, see "Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements –Note AB– Statement of Related Party Transactions" on page 305

(c) Except as disclosed in "Restated Financial Statements" and "Financial Indebtedness" on page 267 and 337, respectively in this Draft Prospectus, our Promoters have (i) extended personal guarantees and (ii) have not provided their personal properties, for securing the repayment of the bank loans obtained by our Company.

(d) Except for the interest held by our Promoters in the entities disclosed under "- Other ventures of our Promoter", our Promoters do not have any interest in any venture that is involved in activities similar to those conducted by our Company.

(e) No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested, in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as a director or Promoters or otherwise for services rendered by the Promoters, or by such firm or company, in connection with the promotion or formation of our Company.

## INTEREST IN PROPERTY, LAND, CONSTRUCTION OF BUILDING AND SUPPLY OF MACHINERY

None of our Promoters have any interest in any property acquired by our Company since its incorporation, up to the filing of this Draft Prospectus, or in any property proposed to be acquired by our Company. Additionally, they have no interest in any transactions involving our Company related to the acquisition of land, construction of buildings, or supply of machinery.

## PAYMENT OR BENEFITS TO PROMOTERS OR PROMOTER GROUP

Mr. Harsh Vinod Mittal, Mr. Yash Vinod Mittal and Ms. Sweta Yash Mittal are also interested in our Company in the capacity of our Whole Time Direct Director, Managing Director & Non-executive Director respectively and may be deemed to be interested to the extent of remuneration payable to them and the reimbursement of expenses incurred by them in the said capacity.

Except as disclosed above and as stated in "*Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements –Note AB– Statement of Related Party Transactions"* on page 305, there has been no paymnt 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 Draft Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter Group as on the date of this Draft Prospectus.

## MATERIAL GUARANTEES

Except as disclosed in the chapter titled "*Financial Indebtedness*" on page 337, as on the date of this Draft Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.

## INFORMATION OF OUR GROUP COMPANIES

For details related to our group companies please refer "Our Group Companies" on page no. 255 of this Draft Prospectus.

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## OUR PROMOTER GROUP

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

The following natural persons being the immediate relatives of our Promoters in terms of the SEBI (ICDR) Regulations 2018 form part of our Promoter Group:

*Natural persons who are part of the Promoter Group*

**1) Yash Vinod Mittal**

| Sr. No. | Relation | Promoter's Group |
|---|---|---|
| 1. | Father | Vinod Mangalchand Mittal |
| 2. | Mother | Radha Vinod Mittal |
| 3. | Spouse | Sweta Yash Mittal |
| 4. | Brother | Harsh Vinodbhai Mittal |
| 5. | Sister | NA |
| 6. | Son | Siddh Yash Mittal, Yug Yash Mittal |
| 7. | Daughter | NA |
| 8. | Spouse Father | Subhash Chandra Kanoi |
| 9. | Spouse Mother | Bela Subhash Kanoi |
| 10. | Spouse Sister | Shreya Kanoi |
| 11. | Spouse Brother | Shaan Subhash Kanoi |

**2) Harsh Vinod Mittal**

| Sr. No. | Relation | Promoter's Group |
|---|---|---|
| 1. | Father | Vinod Mangalchand Mittal |
| 2. | Mother | Radha Vinod Mittal |
| 3. | Spouse | Poonam Harsh Mittal |
| 4. | Brother | Yash Vinodbhai Mittal |
| 5. | Sister | NA |
| 6. | Son | NA |
| 7. | Daughter | Yaana Harsh Mittal |
| 8. | Spouse Father | Satyanarayan Kabra |
| 9. | Spouse Mother | Sarojdevi Satyanarayan Kabra |
| 10. | Spouse Brother | Kailash Satyanarayan Kabra |
| 11. | Spouse Sister | NA |

**3) Sweta Yash Mittal**

| Sr. No. | Relation | Promoter's Group |
|---|---|---|
| 1. | Father | Subhash Chandra Kanoi |
| 2. | Mother | Bela Subhash Kanoi |
| 3. | Spouse | Yash Vinodbhai Mittal |
| 4. | Sister | Shreya Kanoi |
| 5. | Brother | Shaan Subhash Kanoi |
| 6. | Son | Siddh Yash Mittal, Yug Yash Mittal |
| 7. | Daughter | NA |
| 8. | Spouse Father | Vinod Mangalchand Mittal |
| 9. | Spouse Mother | Radha Vinod Mittal |
| 10. | Spouse Brother | Harsh Vinodbhai Mittal |
| 11. | Spouse Sister | NA |

**COMPANIES, PARTNERSHIP AND PROPRIETORSHIP FIRMS FORMING PART OF OUR PROMOTER GROUP ARE AS FOLLOWS:**

| Particulars | Entity |
|---|---|
| Anybody corporate in which 20% or more of the share capital is held by the promoters or an immediate relative of the promoters or a firm or HUF in which the promoters or any one or more of his immediate relatives is a member. | 1. Vinod Denim Limited<br>2. Vinod Spinners Private Limited<br>3. Vinod Fabrics Private Limited<br>4. Vinod Cotfab Private Limited<br>5. Maya Texturisers Private Limited<br>6. Siddhyug Textiles Private Limited<br>7. Kabra Jewels Limited |
| Any company in which a company (mentioned above) holds 20% of the total holding | NA |
| Any HUF or firm in which the aggregate share of the promoters and his relatives is equal to or more than 20% of the total holding | 1. Harsh V. Mittal (HUF)<br>2. Yash V. Mittal (HUF)<br>3. Vinod Mittal (HUF)<br>4. Anil Exports (India) (Partnership Firm)<br>5. Satyanarayan Kabra (HUF)<br>6. Subhash Chandra Kanoi (HUF)<br>7. Shaan Subhash Kanoi (HUF)<br>8. Vinod Energy LLP<br>9. Vinod Texspin LLP<br>10. Kratisha Impex (proprietorship)<br>11. Kanoi Steel Corporation (partnership firm) |

***The remainder of this page has been left blank intentionally.***

## OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations for the purposes of identification of group companies, our Company has considered companies with which there were related party transactions, during the period for which the Restated Financial Statements has been included in this Draft Prospectus i.e. for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023 and such other companies as considered material, in accordance with the Materiality Policy. In terms of the Materiality Policy, a company shall be considered material and disclosed as a Group Company if it:

(i) all such companies with which our company had related party transactions during the periods covered in the Restated Financial Statements, as covered under the applicable accounting standards, and

(ii) such companies with which there were transactions in the most recent financial year, which, exceed 5% of the total restated revenue of Company ("material"), as per the Restated Financial Statements shall be considered as Group Companies in terms of the SEBI ICDR Regulations.

The Group Company of our Company is as follows:

1. Vinod Cotfab Private Limited;
2. Vinod Denim Limited; and
3. Vinod Fabrics Private Limited.

## DETAILS OF GROUP COMPANY

### 1. Vinod Cotfab Private Limited

**Corporate Information**

Vinod Cotfab Private Limited was incorporated under the Companies Act, 1956 on September 24, 2008 having CIN U17120GJ2008PTC072709. The Registered Office of the company is situated at Survey No. 185/2, Opp. Shanti Process Saijpur-Gopalpur, Piplaj- Pirana Road, Ahmedabad, Ahmedabad, Gujarat, India, 382405.

**Main Object**

To carry on in India or elsewhere the business of manufacturing, processing, producing, washing, dyeing, ginning, pressing, spinning, weaving, crimping, texturising, carding, bleaching, combing, doubling, finishing, calendering, sizing, colouring, printing, mercerizing, reeling, winding, throwing, embroidering, blending, sorting, garnering, stretching, drying, drawing, cutting, improving, buying, selling, reselling, importing, exporting, transporting, storing, fabricating, developing, marketing, or supplying, and to act as broker, trader, agent, C & F agent, distributor, representative, consultant, collaborator, adatia, stockiest, liasoner, job worker, export house or otherwise to deal in all types of textile goods dress materials, fabrics, cloths, yarns & dyeing, such as nets, matting, hosiery, plastic clothes, water proof fabrics, pavliners, amercial clothes, limitation leather and rubber cloths, tents, durries, newar, ropes, rugs, furnishing cloths, tapestries, curtain cloths, blankets, carpets, carpet backing, gloves, laces, terry fabrics, velvet, georgette, gabardine, pashminas, floor cloths, twid, patto, canvas, khaddar, denim, stone wash, suitings, shirting, sarees and other similar items made on powerloom, handloom or mill by manmade or natural materials like cotton, flax, hemp, linen, wool, nylon, viscose, ramie, polyester, silk, artsilk, rayon, jute, staple fibres, cashmilion, filaments, terecotton, monofilaments, multifilaments, acrylics, polynosic, polypropylene, polyimide,

polymethane, cellulose, dropping, spun or other fibrous substances or any combination thereof available at present and as may be invented in future.

**Board of Directors**

The Directors of Vinod Cotfab Private Limited as on the date of this Draft Prospectus are as follows:

| Name | DIN | Designation |
|---|---|---|
| Vinodkumar Mangalchand Mittal | 01532215 | Director |
| Yash Vinod Mittal | 02294797 | Director |
| Harsh Vinodbhai Mittal | 02333392 | Director |

**Shareholding Pattern**

The Shareholding Pattern of Vinod Cotfab Private Limited:

| S. No. | Shareholders name | No. of shares | % of total holding |
|---|---|---|---|
| 1. | Shri Vinod M. Mittal | 58074 | 13.03% |
| 2. | Shri Yash V. Mittal | 53749 | 12.31% |
| 3. | Shri Harsh V. Mittal | 56749 | 13.00% |
| 4. | Mrs. Sweta Yash Mittal | 16000 | 3.66% |
| 5. | Mrs. Radha V. Mittal | 16000 | 3.66% |
| 6. | Yash V. Mittal HUF | 13000 | 2.98% |
| 7. | Minor Siddh Yash Mittal | 8000 | 1.83% |
| 8. | Anil Exports (India) | 7700 | 1.76% |
| 9. | Mrs. Shilpa Gagan Mittal | 8000 | 1.83% |
| 10. | United Polyfab (P) Ltd. | 48000 | 10.99% |
| 11. | Buoyant Infrastructure Services (P) Ltd. | 50000 | 11.45% |
| 12. | Poonam Harsh Mittal | 16869 | 3.86% |
| 13. | Meeran Textile Private Limited | 30435 | 6.97% |
| 14. | Harsh V. Mittal HUF | 15000 | 3.44% |
| 15. | Flaxen Textile Private Limited | 19000 | 4.35% |
| 16. | Citadel Textile Private Limited | 20000 | 4.58% |
| **Total** | | **436576** | **100.00%** |
| **Total Preference Holding** | | | |
| 17. | Siddhant Commercial Private Limited (Previously known as Teesta Retail Pvt. Ltd) | 83300 | 100.00% |
| | **Total** | **83300** | **100.00%** |

**Financial Performance**

Certain details of the audited financials of Vinod Cotfab Private Limited are set forth below:

(in lakhs except EPS)

| Particulars | FY 2024-25 | FY 2023-24 | FY 2022-23 |
|---|---|---|---|
| Total Income | 27,132.29 | 45,334.45 | 60,245.63 |
| Profit after Tax | 428.90 | 432.74 | 412.78 |

| | | | |
|---|---|---|---|
| Equity Capital | 51.99 | 51.99 | 51.99 |
| Reserve & Surplus (excluding revaluation reserve) | 4,024.26 | 3,595.86 | 3,163.62 |
| Net Worth | 4,076.24 | 3,647.85 | 3,215.60 |
| NAV per share (₹) | 933.68 | 835.56 | 736.55 |
| Earnings per share (EPS) – Basic (₹) | 98.13 | 99.01 | 94.55 |
| Earnings per share (EPS) – Diluted (₹) | 82.50 | 83.24 | 79.40 |
| No. of Equity Shares of ₹10/- each | 4,36,576 | 4,36,576 | 4,36,576 |

**2. Vinod Denim Limited**

**Corporate Information**

Vinod Denim Limited was incorporated under the Companies Act, 1956 on November 17, 2009 having CIN U17120GJ2009PLC058598. The Registered Office of the company is situated at B/206, Mondeal Heights, Iscon Circle, Nr. Novatel hotel, Sarkhej-Gandhinagar Highway, Sate, Llite, Ahmedabad, Ahmedabad, Gujarat, India, 380015.

**Main Object**

*To carry on business as manufacturers, traders, exporters, importers, dealers and processors of cotton woolen silk, polyester, polynosic of any other manmade denim fabrics, women denim garments, mens denim garments, denim textiles garments, denim fabrics, non-denim fabrics, cotton fabrics, mens denim jeans, womens denim jeans, denim jackets, denim skirts, and denim shorts, fibre, yarn or filament, or any kind of yarn, fiat yarn, texturized yarn, and yarn of any other varieties and of any other fibrous substance fabrics, of any kind and to carry on the business of manufacturing, processing, and dealing in the same and twisting, texturizing, cramming, combing, spinning, doubling, winding, beaming, mercerizing bleaching, dyeing, carbonizing, singeing, and such other processing, of fibers, and yarns of filaments, and manufacturing, processing, and dealing in fabrics manufactured therefrom.*

**Board of Directors**

The Directors of Vinod Denim Limited as on the date of this Draft Prospectus are as follows:

| Name | DIN | Designation |
|---|---|---|
| Dhaval Anil Kumar Mittal | 02896341 | Director |
| Gagan Nirmalkumar Mittal | 00593377 | Director |
| Sureshkumar Mittal | 01106112 | Director |
| Harshil B Vadodariya | 07827003 | Director |
| Vinodkumar Mangalchand Mittal | 01532215 | Director |
| Shailey Rishabh Lohia | 06619827 | Director |

**Shareholding Pattern**

The Shareholding Pattern of Vinod Denim Limited as on the date March 31, 2025 is as follows:

| S. No. | Shareholders Name | No. of shares | % of total holding |
|---|---|---|---|
| 1. | Suresh Mittal | 125760 | 7.17% |
| 2. | Suresh Mittal HUF | 34195 | 1.95% |
| 3. | Nirmal Mittal | 117910 | 6.73% |
| 4. | Nirmal Mittal HUF | 77360 | 4.41% |
| 5. | Anil Mittal | 135860 | 7.75% |
| 6. | Anil Mittal HUF | 41890 | 2.39% |
| 7. | Vinod Mittal | 83900 | 4.79% |
| 8. | Vinod Mittal HUF | 92200 | 5.27% |
| 9. | Vinod Fabrics Pvt Ltd | 35000 | 2% |
| 10. | Piyush Mittal | 78400 | 4.47% |
| 11. | Gagan Mittal | 79900 | 4.55% |
| 12. | Yash Mittal | 78900 | 4.5% |
| 13. | Harsh Mittal | 79040 | 4.51% |
| 14. | Aditi A Mittal | 79350 | 4.52% |
| 15. | Parul S Mittal | 79360 | 4.52% |
| 16. | Mansi N Mittal | 79450 | 4.53% |
| 17. | Shilpa G Mittal | 79500 | 4.52% |
| 18. | Kamala A Mittal | 79700 | 4.54% |
| 19. | Radha V Mittal | 80950 | 4.61% |
| 20. | Urmilla N Mittal | 80950 | 4.61% |
| 21. | Kusum S Mittal | 78160 | 4.45% |
| 22. | Aarti P Mittal | 78160 | 4.45% |
| 23. | Mangalchand Mittal HUF (Karta Suresh M HUF) | 4850 | 0.28% |
| 24. | Dhaval A Mittal | 79680 | 4.53% |
| 25. | Parul Enterprise (P.Firm) – Suresh Mittal & Parul S M. | 120000 | 6.85% |
| **Total** | | **1980425** | **100.00** |

**Financial Performance**

Certain details of the audited financials of Vinod Denim Limited are set forth below:

(in lakhs except EPS)

| Particulars | FY 2023-24 | FY 2022-23 |
|---|---|---|
| Total Income | 78,933.28 | 63,848.95 |
| Profit After Tax | 638.06 | 797.64 |
| Equity Capital | 175.29 | 175.29 |
| Reserves & Surplus (excluding revaluation reserve) | 4,316.47 | 3,678.41 |
| Net Worth | 4,491.76 | 3,853.69 |
| NAV per share | 256.25 | 219.85 |
| Earnings per share (EPS) (Basic & Diluted) | 36.40 | 46.13 |
| No. of Equity Shares of Rs. 10/- each | 17,52,865 | 17,52,865 |

## 3. Vinod Fabrics Pvt Ltd

### Corporate Information

Vinod Fabrics Pvt Ltd was incorporated under the Companies Act, 1956 on November 29, 1983 having CIN U17119GJ1983PTC006579. The Registered Office of the company is situated at 108/1 Saijpur Gopalpur Pirana Road Pipledge, Ahmedabad, Gujarat, India, 382405.

### Main Object

1. To manufacture, produce, process, cure, buy, sell, import, export or otherwise deal in all kinds of cotton, woolen, rayon, silk, art silk, nylon, jute synthetic and staple fabrics of any kind or quality and whether made in India or in a foreign country and either as wholesale dealers or retailers and to enter into contracts for sale and purchase thereof either for ready of forward delivery.

2. To carry on business of ginning, sizing, combing, spinning, weaving, manufacturing, bleaching, dyeing, mercerising, calendaring, printing, polymerising or otherwise processing, preparing, working or dealing in cloth, yarn, thread, cotton, wool, silk, jute and materials made therefrom and synthetic fabrics and materials.

3. To carry on all or any of the business of manufacturing processing, or dealing in furnishing cloth, hosieries, carpets and in textiles of all kind.

### Board of Directors

The Directors of Vinod Fabrics Private Limited as on the date of this Draft are as follows:

| Name | DIN | Designation |
|---|---|---|
| Sureshkumar Mittal | 01106112 | Director |
| Anilkumar Mangalchand Mittal | 01526926 | Director |
| Nirmalkumar Mangalchand Mittal | 01528758 | Director |
| Vinodkumar Mangalchand Mittal | 01532215 | Director |

### Shareholding Pattern

The Shareholding Pattern of Vinod Fabrics Private Limited as on the date March 31, 2025 is as follows:

| S. No. | Shareholders Name | No. of shares | % of total holding |
|---|---|---|---|
| 1. | Suresh Kumar Mangalchand Mittal | 2106 | 2.32 |
| 2. | Nirmal Kumar Mangalchand Mittal | 4606 | 5.07 |
| 3. | Vinod Kumar Mangalchand Mittal | 5236 | 5.77 |
| 4. | Anil Kumar Mangalchand Mittal | 5037 | 5.55 |
| 5. | Smt. Kusum Devi Mangalchand Mittal | 3770 | 4.15 |
| 6. | Smt. Urmila Devi Nirmalkumar Mittal | 2900 | 3.19 |
| 7. | Smt. Radha Vinodkumar Mittal | 3500 | 3.86 |
| 8. | Smt. Kamala Anilkumar Mittal | 2870 | 3.16 |
| 9. | Piyush Sureshkumar Mittal | 4000 | 4.41 |

| | | | |
|---|---|---|---|
| 10. | Gagan Nirmalkumar Mittal | 4000 | 4.41 |
| 11. | Yash Vinodkumar Mittal | 4000 | 4.41 |
| 12. | Urvashi Nirmalkumar Mittal | 500 | 0.55 |
| 13. | Nirmal Kumar Mittal HUF | 6020 | 6.63 |
| 14. | Suresh Kumar Mittal HUF | 5690 | 6.27 |
| 15. | Vinod Kumar Mittal HUF | 6330 | 6.97 |
| 16. | Anil Kumar Mittal HUF | 5560 | 6.12 |
| 17. | Mangalchand Mittal HUF | 4110 | 4.53 |
| 18. | Mansi Nirmalkumar Mittal | 120 | 0.13 |
| 19. | Aditi Anilkumar Mittal | 80 | 0.09 |
| 20. | Parul Sureshkumar Mittal | 200 | 0.22 |
| 21. | Harsh V. Mittal | 4048 | 4.46 |
| 22. | Dhaval Anil Mittal | 4510 | 4.97 |
| 23. | Parul Enterprise (Partnership Firm) – Suresh Mittal and Parul Mittal | 11600 | 12.78 |
| **TOTAL** | | **90793** | **100.00** |

**Financial Performance**

Certain details of the audited financials of Vinod Fabrics Private Limited are set forth below:

(in lakhs except EPS)

| **Particulars** | **FY 2023-24** | **FY 2022-23** |
|---|---|---|
| Total Income | 3,848.17 | 4,424.31 |
| Profit after Tax | 112.65 | 89.55 |
| Equity Capital | 90.79 | 90.79 |
| Reserve & Surplus (excluding revaluation reserve) | 1,103.77 | 991.12 |
| Net Worth | 1,194.57 | 1,081.91 |
| NAV per share (₹) | 1,315.70 | 1,191.62 |
| Earnings per share (EPS) – Basic & Diluted (₹) | 124.08 | 98.63 |
| No. of Equity Shares of ₹10/- each | 90,793 | 90,793 |

## LITIGATIONS

For details on litigations and disputes pending against our Promoter Group and Group Companies please refer to the section titled ― Outstanding Litigations and Material Developments on page no. 341 of the Draft Prospectus.

## DEFUNCT GROUP COMPANIES

There is no defunct Group Company of our Company as on the date of this Draft Prospectus.

## COMMON PURSUITS

There are common business pursuits between our Company and our Group Company, Vinod Fabrics Pvt Ltd, Vinod Denim Limited, Vinod Cotfab Private Limited. While there may be instances of competition in certain business processes, we believe there is no conflict of interest between our Group Company and our Company. Our Company will implement necessary procedures and practices, as permitted by law and regulatory guidelines, to address any potential conflict situations if and when they arise. While we cannot assure that conflicts of interest will never occur

if these entities choose to expand or alter their business activities in the future, our Company remains committed to taking appropriate measures to manage and resolve any such situations in compliance with applicable laws and regulations.

## NATURE AND EXTENT OF INTEREST OF GROUP COMPANY

**In the promotion of our Company**

None of our Group Company has any interest in the promotion of our Company or any business interest or other interests in our Company, except to the extent identified chapter titled ― Financial Information Note AB Related Party Transaction on page no. 305 of this Draft Prospectus.

**In the properties acquired by our Company in the past 2 years before filing the Draft Prospectus with Stock Exchange**

Our Group Companies do not have any interest in the properties acquired by our Company in the past 2 years before filing this Draft Prospectus with Stock Exchange.

**In transactions for acquisition of land, construction of building and supply of machinery**

As on date of filing the Draft Prospectus, Company has not undertaken any transaction with Group Company with respect to acquisition of land, construction of building and supply of machinery.

## PAYMENT OR BENEFIT TO OUR GROUP ENTITIES

Except as stated in the "Related Party Transactions" under section "Restated Financial Statements" on page 305, there has been no payment of benefits to our Group Entity during the two years prior to the filing of this Draft Prospectus.

## RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY

Other than the transactions disclosed in the section "Related Party Transactions" on page 305, there are no other business transactions between our Company and Group Companies which are significant to the financial performance of our Company.

## HOLDING COMPANY OF OUR COMPANY

Our Company does not have any holding company as on the date of filing of this Draft Prospectus.

## UNDERTAKING / CONFIRMATION BY OUR GROUP COMPANY

**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 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 willful 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.

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## RELATED PARTY TRANSACTIONS

**Details of Party Wise Transactions**

Amount (RS. in Lakhs)

| Name of the Party | FY 2024-25 | % of Revenue from Operations | FY 2023-24 | % of Revenue from Operations | FY 2022-23 | % of Revenue from Operations |
|---|---|---|---|---|---|---|
| Harsh Vinodbhai Mittal | 815.3 | 2.43% | 124.1 | 0.46% | 168.75 | 0.84% |
| Yash Vinod Mittal | 724.53 | 2.16% | 168.71 | 0.62% | 259.96 | 1.30% |
| Sweta Yash Mittal | 165.91 | 0.49% | 57.12 | 0.21% | 43.61 | 0.22% |
| Foram Deep Parikh | 2.58 | 0.01% | 2.58 | 0.01% | 1.94 | 0.01% |
| Anchal Tulsyan | 3.3 | 0.01% | 0 | 0.00% | 0 | 0.00% |
| Vinod Cotfab Private Limited | 12831.61 | 38.26% | 3963.3 | 14.60% | 393.47 | 1.96% |
| Anil Exports (India) | 16.63 | 0.05% | 533.91 | 1.97% | 1463.55 | 7.29% |
| Vinod Texspin LLP | 0.6 | 0.00% | 0.6 | 0.00% | 0.6 | 0.00% |
| Vinod Denim Limited | 5469.71 | 16.31% | 3908.73 | 14.40% | 392.21 | 1.95% |
| Vinod Fabrics Private Limited | 7.05 | 0.02% | 0 | 0.00% | 0 | 0.00% |
| Vinod Mangalchand Mittal | 1.1 | 0.00% | 25.89 | 0.10% | 9.12 | 0.05% |
| Poonam Harsh Mittal | 34.98 | 0.10% | 38.59 | 0.14% | 30.12 | 0.15% |
| Radha Vinod Mittal | 37.07 | 0.11% | 45.14 | 0.17% | 27.75 | 0.14% |
| **TOTAL** | **20110.37** | **59.96%** | **8868.67** | **32.67%** | **2791.08** | **13.91%** |

**Details of Nature of Related Party Transactions**

Amount (RS. in Lakhs)

| Nature of Transaction | FY 2024-25 | % of Revenue from Operations | FY 2023-24 | % of Revenue from Operations | FY 2022-23 | % of Revenue from Operations |
|---|---|---|---|---|---|---|
| Remuneration | 29.5 | 0.09% | 24 | 0.09% | 24 | 0.12% |
| Salary | 13.58 | 0.04% | 2.58 | 0.01% | 1.94 | 0.01% |
| Purchase net of Returns | 12,835.40 | 38.27% | 4,001.59 | 14.74% | 522.60 | 2.60% |
| Rent Received | 2.3 | 0.01% | 3.18 | 0.01% | 3.18 | 0.02% |
| Sales net off Returns (Exclusive of GST) | 5,476.76 | 16.33% | 4,401.77 | 16.21% | 1,724.05 | 8.59% |
| Loans Taken | 868.04 | 2.59% | 139.49 | 0.51% | 260.4 | 1.30% |
| Loans Repaid | 868.8 | 2.59% | 291.98 | 1.08% | 240.68 | 1.20% |
| Interest paid on Loan | 15.99 | 0.05% | 4.08 | 0.02% | 14.23 | 0.07% |

| | | | | | | |
|---|---|---|---|---|---|---|
| **TOTAL** | **20110.37** | **59.96%** | **8868.67** | **32.67%** | **2791.08** | **13.91%** |

**Rationale of Related Party Transaction with respect to Sales and purchases.**

**Sales to Vinod Denim Limited:**

| **Particulars** | **31st March, 2025** | **31st March 2024** | **31st March, 2023** |
|---|---|---|---|
| **Sales (₹ in lakhs)** | 5,469.71 | 3,908.73 | 392.21 |
| **% from Total Revenue from operations** | 16.31% | 11.66% | 1.17% |

The Company sells finished fabric to Vinod Denim Limited, which does not have fabric manufacturing facilities similar to those of the Company. Vinod Denim Limited is located in close proximity to the Company, which results in reduced ancillary costs such as transportation and logistics. Owing to these operational efficiencies, Vinod Denim Limited procures fabric from the Company. All such transactions are conducted on an arm's length basis and in the ordinary course of business.

**Sales to Anil Exports (India):**

| **Particulars** | **31st March, 2025** | **31st March, 2024** | **31st March, 2023** |
|---|---|---|---|
| **Sales (₹ in lakhs)** | 0.00 | 493.04 | 1,331.84 |
| **% from Total Revenue from operations** | - | 1.47% | 3.97% |

During FY 2024–25, sales to Anil Exports (India) were negligible, at ₹0.00 lakh, compared with ₹493.04 lakh in FY 2023–24 and ₹1,331.84 lakh in FY 2022–23. The Company now exports directly to its overseas customers. Any earlier sales to Anil Exports were primarily to address temporary export order shortfalls faced by Anil Exports, and not part of the Company's regular sales strategy. With Anil Exports' order pipeline stabilizing, such ad-hoc support was not required in FY 2024–25.

**Purchases from Anil Exports (India):**

| **Particulars** | **31st March, 2025** | **31st March, 2024** | **31st March, 2023** |
|---|---|---|---|
| **Purchases (₹ in lakhs)** | 4.81 | 39.31 | 130.15 |
| **% from Total Purchases** | 0.02% | 0.15% | 0.76% |

Anil Exports (India) is in trading business and the company had carried out purchase transaction in normal course of the business. This is nominal in nature and all the transactions are made on arm's length basis and is in normal course of business.

**Purchases from Vinod Cotfab Private Limited:**

| **Particulars** | **31st March, 2025** | **31st March 2024** | **31st March 2023** |
|---|---|---|---|
| **Purchases (₹ in lakhs)** | 12,830.59 | 3,962.28 | 392.45 |
| **% from Total Purchases** | 43.08% | 15.61% | 2.29% |

Vinod Cotfab Private Limited is in the business of manufacturing Greige Fabric which acts as a raw material for the company. Due to benefits of reduced ancillary costs and material of exact required quality at arm's length price, the company purchases from Vinod Cotfab Private Limited.

For details on related party transactions of our company, please refer to Note AB beginning on page 305 of "restated financial information" under the section titled, 'Financial information' of this Draft Prospectus.

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## DIVIDEND POLICY

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have any formal dividend policy for 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 will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not paid/ declared any dividend in last three years from date of this Draft Prospectus. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

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## SECTION- VI FINANCIAL INFORMATION

## INDEPENDENT AUDITOR'S REPORT ON RESTATED FINANCIAL INFORMATION

**To,**
**The Board of Directors,**
**Vinod Texworld Limited**
**185/2, Saijpur, Gopalpur, Opp. Shanti Process,**
**Piplaj Pirana Road, Ahmedabad,**
**Gujarat, India, 382405**

Dear Sir,

1. We have examined the attached Restated Financial Statements of **Vinod Texworld Limited** (hereinafter referred to as "the Company"),comprising, the Restated Statement of Assets and Liabilities as at March 31, 2025, 2024 and 2023, the Restated Statements of Profit and Loss and the Restated Cash Flow Statement for the Period ended at March 31, 2025, 2024 and 2023, the Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 15th September, 2025 for the purpose of inclusion in the Draft Prospectus and Prospectus prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares ("SME IPO") 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").

2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Prospectus/Prospectus to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Ahmedabad in connection with the proposed SME IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Annexure IV of the Restated Financial Information. The Board of Directors responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Companies Act, (ICDR) Regulations and the Guidance Note.

3. We, S. N. Shah & Associates, Chartered Accountants hold the peer review certificate dated 07.11.2024 valid till 31.10.2027.

4. We have examined such Restated Financial Information taking into consideration:

a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 27th July,2025 in connection with the proposed IPO of the Company;

b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

5. These Restated Financial Information have been compiled by the management from the Audited Financial Statements of the Group for the period ended 31st March 2025, 31st March 2024 and 31st March 2023 which has been approved by the Board of Directors.

6. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

   a) The "Statement of Assets & Liabilities, As Restated" as set out in Annexure I to this report, of the Company as at March 31, 2025, March 31, 2024 and March 31, 2023, are prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate.

   b) The "Statement of Profit & Loss, As Restated" as set out in Annexure II to this report, of the Company for the period ended March 31, 2025, March 31, 2024 and March 31, 2023, are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate.

   c) The "Statement of Cash Flow, As Restated" as set out in Annexure III to this report, of the Company for the period March 31, 2025, March 31, 2024 and March 31, 2023, are prepared by the Company and approved by the Board of Directors. This Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate.

7. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the audit report submitted by the Previous Auditors for the respective year, we report that the Restated Financial Information have been made after incorporating:

   a) Adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the period ended March 31, 2025, March 31, 2024 and March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping /classifications followed as at and for the period ended March 31, 2025.

   b) Adjustments for prior period and other material amounts in the respective financial years to which they relate.

c) Adjustments for extraordinary items of audited financial statements in the respective financial years to which they relate.

d) There are no audit qualifications in the Audit Reports issued by the Statutory Auditors for the period ended on March 31, 2025, 2024 and 2023 which would require adjustments in this Restated Financial Statements of the Company.

e) These 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 Restated Summary Statements as set out in Annexure IV to this report.

f) There are no revaluation reserves, which needed to be disclosed separately in the Restated Financial Statements in the respective financial years.

8. We have also examined the following Notes to the Restated financial information of the Company set out in the Annexure V, prepared by the management and approved by the Board of Directors for the period ended on March 31, 2025, 2024, and 2023.

**Annexure V - Notes to the Restated Financial Information:**

a) Restated Statement of Share Capital, as appearing in Note A to this report;
b) Restated Statement of Reserves & Surplus, as appearing in Note B to this report;
c) Restated Statement of Long Term Borrowings as appearing in Note C to this report;
d) Restated Statement of Deferred Tax (Assets) / Liabilities as appearing in Note D to this report;
e) Restated Statement of Other Long Term Provisions as appearing in Note E to this Report;
f) Restated Statement of Short term borrowings as appearing in Note F to this report;
g) Restated Statement of Trade Payables as appearing in Note G to this report;
h) Restated Statement of Other Current Liabilities as appearing in Note H to this report;
i) Restated Statement of Short Term Provisions as appearing in Note I to this report;
j) Restated Statement of Property, Plant & Equipment and Capital work-in-progress as appearing in Note J to this report;
k) Restated Statement of Non-Current Investments as appearing in Note K to this report;
l) Restated Statement of Other Non-current Assets as appearing in Note L to this report;
m) Restated Statement of Inventories as appearing in Note M to this report;
n) Restated Statement of Trade Receivables as appearing in Note N to this report;
o) Restated Statement of Cash and Cash Equivalents as appearing in Note O to this report;
p) Restated Statement of Short Term Loans and Advances as restated as appearing in Note P to this report;
q) Restated Statement of Revenue from Operations and other income as appearing in Note Q to this report;
r) Restated Statement of Cost of Material Consumed as appearing in Note R to this report;
s) Restated Statement of Purchase of stock in trade as appearing in Note S to this report;
t) Restated Statement of Change in Inventories as appearing in Note T to this report;
u) Restated Statement of Employee Benefit Expenses as appearing in Note U to this report;
v) Restated Statement of Finance Cost as appearing in Note V to this report;
w) Restated Statement of Depreciation and amortisation expense as appearing in Note W to this report;
x) Restated Statement of Administrative, Selling and Other Expenses as appearing in Note X to this report;

y) Restated Statement of Tax Shelter as appearing in Note Y to this report;
z) Restated Statement of Deferred Tax Expenses as appearing in Note Z to this report;
aa) Restated Statement of Mandatory Accounting Ratios as appearing in Note AA to this report;
bb) Ratio Analysis as appearing in note AA (1) to this report.
cc) Restated Statement of Related Party Transactions as appearing in Note AB to this report;
dd) Capitalization Statement as appearing in Note AC to this report;
ee) Annexure forming part of restated financial statements as appearing in Note AD to this report;
ff) Additional Disclosures as appearing in Note AE to this report;

9. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11. In our opinion, the above financial information contained in Annexure I to V of this report read with the respective Significant Accounting Polices and Notes to Restated Financial Statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, SEBI ICDR Regulations and Guidance Note.

12. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**For S. N. Shah & Associates**
**Chartered Accountants**
**Firm Registration No.:109782W**

**SD/-**

**CA Priyam Shah**
**Partner**
**Membership No. 144892**
**Place: Ahmedabad**
**Date: 15th September, 2025**
**UDIN: 25144892BMHWRS1126**

**VINOD TEXWORLD LIMITED**
**(Formerly known as VINOD TEXWORLD PRIVATE LIMITED)**
**CIN: U17200GJ2012PLC071210**

**ANNEXURE - I**
**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

**(Rs. in Lacs)**

| Sr. No. | Particulars | Notes | As at March 31, | | |
|---|---|---|---|---|---|
| | | | 2025 | 2024 | 2023 |
| | | | | | |
| | **EQUITY AND LIABILITIES** | | | | |
| 1) | **Shareholders Funds** | | | | |
| | a. Share Capital | A | 1,160.12 | 1,160.12 | 1,147.62 |
| | b. Reserves & Surplus | B | 2,037.88 | 1,117.12 | 499.94 |
| | | | **3,198.00** | **2,277.24** | **1,647.56** |
| 2) | **Non Current Liabilities** | | | | |
| | a. Long Term Borrowings | C | 1,747.63 | 1,946.95 | 1,923.76 |
| | b. Deffered Tax Liabilities | D | 22.55 | 33.40 | 20.40 |
| | c. Long Term Provisions | E | 35.36 | 26.03 | 18.70 |
| | | | **1,805.54** | **2,006.38** | **1,962.86** |
| 3) | **Current Liabilities** | | | | |
| | a. Short Term Borrowings | F | 4,880.13 | 2,753.96 | 1,564.03 |
| | b. Trade Payables | G | | | |
| | - MSME | | 888.79 | 1,424.99 | 1,150.80 |
| | - Others | | 6,149.53 | 5,835.18 | 4,458.04 |
| | c. Other Current Liabilities | H | 390.69 | 896.07 | 825.96 |
| | d. Short Term Provisions | I | 408.63 | 227.41 | 98.47 |
| | | | **12,717.77** | **11,137.61** | **8,097.30** |
| | **T O T A L** | | **17,721.31** | **15,421.23** | **11,707.72** |
| | | | | | |
| | **ASSETS** | | | | |
| 1) | **Non Current Assets** | | | | |
| | a. Property, Plant & Equipment and Intangible Assets | | | | |
| | i. Property, Plant and Equipment | J | 4,233.40 | 4,190.12 | 3,349.87 |
| | ii. Capital Work-in-progress | | 5.77 | 62.38 | 321.56 |
| | Less: Accumulated Depreciation | | 1,837.20 | 1,668.03 | 1,374.19 |
| | ***Net Block*** | | **2,401.97** | **2,584.47** | **2,297.24** |
| | | | | | |
| | b. Non-current Investments | K | 3.55 | 2.82 | 2.82 |
| | c. Other Non Current Assets | L | 15.42 | 17.31 | 92.83 |
| | **Total (A)** | | **2,420.94** | **2,604.60** | **2,392.89** |
| 2) | **Current Assets** | | | | |
| | a. Inventories | M | 6,032.76 | 4,556.36 | 2,193.37 |
| | b. Trade Receivables | N | 8,736.77 | 7,648.96 | 6,533.00 |
| | c. Cash and Cash Equivalents | O | 21.04 | 13.94 | 217.28 |
| | d. Short Term Loans & Advances | P | 509.80 | 597.37 | 371.18 |
| | **Total (B)** | | **15,300.37** | **12,816.63** | **9,314.83** |
| **T O T A L** | | | **17,721.31** | **15,421.23** | **11,707.72** |

For, S. N Shah & Associates
Chartered Accountants
Firm Registration No.:109782W

-SD-

CA Priyam Shah
Partner
Membership No. 144892
Place: Ahmedabad
Date: 15th September, 2025
UDIN:25144892BMHWRS1126

For and on behalf of the Board
Vinod Texworld Limited

-SD-

Harsh Mittal
(DIN: 2333392)
Director

-SD-

Foram Deep Parikh
Company Secretary

-SD-

Yash Mittal
(DIN: 02294797)
Director

-SD-

Anchal Tulsyan
Chief Financial Officer

**VINOD TEXWORLD LIMITED**
**(Formerly known as VINOD TEXWORLD PRIVATE LIMITED)**
**CIN: U17200GJ2012PLC071210**

**ANNEXURE - II**
**RESTATED STATEMENT OF PROFIT AND LOSS**

**(Rs. in Lacs)**

| Sr. No. | Particulars | Notes | For the year ended March 31, | | |
|---|---|---|---|---|---|
| | | | 2025 | 2024 | 2023 |
| A | **INCOME** | | | | |
| | Revenue from Operations | Q | 33,536.93 | 27,148.80 | 20,066.90 |
| | Other Income | | 19.11 | 16.59 | 6.33 |
| | **Total Income (A)** | | **33,556.04** | **27,165.39** | **20,073.23** |
| | | | | | |
| B | **EXPENDITURE** | | | | |
| | Cost of Material Consumed | R | 28,904.56 | 24,471.36 | 16,945.39 |
| | Purchase of Stock-in-trade | S | 183.95 | 127.51 | 118.10 |
| | Change in Inventories | T | (764.20) | (1,580.80) | (486.77) |
| | Employee benefit expenses | U | 395.45 | 318.72 | 258.26 |
| | Finance costs | V | 526.62 | 262.44 | 130.59 |
| | Depreciation and amortisation expense | W | 387.58 | 293.84 | 268.09 |
| | Other Expenses | X | 2,684.78 | 2,564.01 | 2,746.84 |
| | | | | | |
| | **Total Expenses (B)** | | **32,318.74** | **26,457.09** | **19,980.50** |
| C | **Profit before exceptional, extraordinary items and tax** | | **1,237.30** | **708.31** | **92.73** |
| | Exceptional items | | - | - | - |
| D | **Profit before extraordinary items and tax** | | **1,237.30** | **708.31** | **92.73** |
| | Extraordinary Expenses | | - | - | - |
| E | **Profit before tax** | | **1,237.30** | **708.31** | **92.73** |
| | *Tax expense :* | | | | |
| | (i) Current tax | Y | 327.39 | 165.62 | 14.08 |
| | (iI) Deferred tax | Z | (10.85) | 13.00 | 11.00 |
| F | **Total Tax Expense** | | **316.54** | **178.62** | **25.09** |
| G | **Profit after tax (E-F)** | | **920.76** | **529.68** | **67.65** |
| | **Earning per equity share(face value of Rs. 10/- each): Basic and Diluted (Rs.)** | | **7.94** | **4.62** | **0.61** |

**For, S. N Shah & Associates**
**Chartered Accountants**
**Firm Registration No.:109782W**

**-SD-**

**CA Priyam Shah**
**Partner**
**Membership No. 144892**
**Place: Ahmedabad**
**Date: 15th September, 2025**
**UDIN:25144892BMHWRS1126**

**For and on behalf of the Board**
**Vinod Texworld Limited**

**-SD-**

**Harsh Mittal**
**(DIN: 2333392)**
**Director**

**-SD-**

**Foram Deep Parikh**
**Company Secretary**

**-SD-**

**Yash Mittal**
**(DIN: 02294797)**
**Director**

**-SD-**

**Anchal Tulsyan**
**Chief Financial Officer**

**VINOD TEXWORLD LIMITED**
**(Formerly known as VINOD TEXWORLD PRIVATE LIMITED)**
**CIN: U17200GJ2012PLC071210**

**ANNEXURE III**
**RESTATED STATEMENT OF CASH FLOWS**

**(Rs. in Lacs)**

| Particulars | | As at 31st March | | |
|---|---|---|---|---|
| | | 2025 | 2024 | 2023 |
| **Cash flow from operating activities:** | | | | |
| Net Profit before tax as per Profit And Loss A/c | | **1,237.30** | **708.31** | **92.73** |
| **Adjusted for:** | | | | |
| **Addition** | | | | |
| Depreciation & Amortisation | | 387.58 | 293.84 | 268.09 |
| Interest & Finance Cost | | 526.62 | 262.44 | 130.59 |
| Rent income | | (2.30) | (3.18) | (3.18) |
| Profit/Loss on Sale of Assets | | 4.69 | 7.89 | 15.34 |
| | | | | |
| **Operating Profit Before Working Capital Changes** | | **2,153.88** | **1,269.30** | **503.58** |
| Adjusted for (Increase)/ Decrease: | | | | |
| Long Term Provision | | 9.32 | 7.33 | 2.08 |
| Short Term Provision | | 47.30 | 10.25 | (0.92) |
| Trade Receivables | | (1,087.81) | (1,115.96) | (1,979.54) |
| Trade Payables | | (221.84) | 1,651.33 | 1,265.68 |
| Other Current Liabilities | | (505.37) | 70.11 | 130.19 |
| Inventories | | (1,476.40) | (2,362.99) | (519.44) |
| Short term loan and Advances | | 87.57 | (226.19) | 107.55 |
| Other Non Current Assets | | 1.89 | 75.52 | (56.53) |
| **Cash Generated From Operations** | | **(991.46)** | **(621.30)** | **(547.36)** |
| Direct Tax Paid | | (193.47) | (46.94) | (38.88) |
| **Net Cash Flow from/(used in) Operating Activities: (A)** | | **(1,184.93)** | **(668.25)** | **(586.24)** |
| | | | | |
| **Cash Flow From Investing Activities:** | | | | |
| Purchase of Fixed Assets | | (236.89) | (591.23) | (621.90) |
| Proceeds from Sale of Fixed Assets | | 27.13 | 2.27 | 25.52 |
| Rent Income | | 2.30 | 3.18 | 3.18 |
| (Purchase)/Sale of Investments | | (0.73) | - | (0.42) |
| **Net Cash Flow from/(used in) Investing Activities: (B)** | | **(208.19)** | **(585.77)** | **(593.62)** |
| | | | | |

| | | | | |
|---|---|---|---|---|
| **Cash Flow from Financing Activities:** | | | | |
| Proceeds From Share Capital & Share Premium | | - | 100.00 | 200.00 |
| Proceeds / (Repayment) from Long Term Borrowing (Net) | | (199.32) | 23.19 | 99.48 |
| Change in Short term Borrowings | | 2,126.17 | 1,189.93 | 1,211.23 |
| Interest & Finance Cost | | (526.62) | (262.44) | (130.59) |
| **Net Cash Flow from/(used in) Financing Activities ( C)** | | **1,400.23** | **1,050.68** | **1,380.12** |
| | | | | |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C) | | 7.12 | (203.35) | 200.25 |
| Cash & Cash Equivalents As At Beginning of the Year | | 13.93 | 217.28 | 17.03 |
| **Cash & Cash Equivalents As At End of the Year** | | **21.05** | **13.93** | **217.28** |

1. Statement of cash flow has been prepared under the indirect methord as set out in AS-3 on staement of cashflows specified under Sec-133 of Companies Act,2013 read with Companies (Accounts) Rules, 2014.

2. Reconciliation of Cash & Cash Equivalants as per the statement of cash flow

| | | | | |
|---|---|---|---|---|
| Balances with Banks | | | | |
| Current Account | | 0.11 | 0.12 | 17.24 |
| Cash on hand | | 5.16 | 2.56 | 1.04 |
| FD with Banks | | 15.77 | 11.27 | 199.00 |
| **Cash and Cash Equivalents at the End of the Period** | | **21.04** | **13.94** | **217.28** |

**For, S. N Shah & Associates**
**Chartered Accountants**
**Firm Registration No.:109782W**

**-SD-**

**CA Priyam Shah**
**Partner**
**Membership No. 144892**
**Place: Ahmedabad**
**Date: 15th September, 2025**
**UDIN:25144892BMHWRS1126**

**For and on behalf of the Board**
**Vinod Texworld Limited**

**-SD-**

**Harsh Mittal**
**(DIN: 2333392)**
**Director**

**-SD-**

**Foram Deep Parikh**
**Company Secretary**

**-SD-**

**Yash Mittal**
**(DIN: 02294797)**
**Director**

**-SD-**

**Anchal Tulsyan**
**Chief Financial Officer**

**ANNEXURE – IV**

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO RESTATED FINANCIAL INFORMATION:**

**A. SIGNIFICANT ACCOUNTING POLICIES:**

**1. Corporate information:**

Vinod Texworld Limited was under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated 19th July, 2012 issued by the Registrar of Companies, Ahmedabad, Gujarat, the Company was converted from private limited to public limited vide fresh certificate of incorporation 18th December, 2024 issued by the Registrar of Companies, Ahmedabad, Gujarat. The Company is involved in the business of processing of textile Fabrics.

**2. Basis of preparation of Financial Statements:**

The restated Financial information of the Company comprises the Restated Statement of Assets and Liabilities as at March 31, 2025, March 31, 2024, and March 31, 2023, the Restated Statement of Profits and Loss and cash flows for the period ended on March 31, 2025, March 31, 2024, March 31, 2023 and the statement of significantly accounting policies and explanatory notes (herein collectively referred to as ('Restated Financial Information').

These Restated Financial Information have been compiled by the management from the audited financial statements of the Company for the year ended on March 31, 2025, 2024, and 2023, approved by the Board of Directors of the Company. Restated Statements have been prepared to comply in all material respects with the provisions of Section 26 of Part I of Chapter III of the Companies Act, 2013, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI and Guidance note on Reports in Companies Prospectus (Revised) issued by ICAI. The Restated Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the relevant stock exchange in connection with its proposed Initial Public Offering of equity shares.

These Restated Financial Information are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act.

**3. Accounting Conventions:**

The Financial Statements of the Company are prepared under the historical cost convention on accrual basis of accounting and in accordance with the mandatory accounting standards issued by the Institute of Chartered Accountants of India and referred to in section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and generally accepted accounting principles in India. The accounting policies not referred to otherwise have been consistently applied by the Company during the year.

**4. Use of estimates:**

The preparation of financial statements in accordance with the GAAP requires management to make estimates and assumptions that may affect the reported amount of assets and liabilities, classification of assets and liabilities into non-current and current and disclosures relating to contingent liabilities as at the date of financial statements and the reported amounts of income and expenses during the reporting period. Although the financial statements have been prepared based on the management's best knowledge of current events and procedures/actions, the actual results may differ on the final outcome of the matter/transaction to which the estimates relates.

**5. Property, Plant and Equipment's:**

Tangible Assets are stated at cost of acquisition/construction (less Accumulated Depreciation, if any). The cost of Property, Plant, and Equipment comprises of their purchase price, including freight, duties, taxes or levies and directly attributable cost of bringing the assets to their working conditions for their intended use. Subsequently expenditure related to an item of Property, Plant, and Equipment 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 of existing Property, Plant, and Equipment, including day to day repair and maintenance expenses and cost of parts replaced are charged to the statement of Profit and Loss accounts for the period during which such expenses are incurred.

Capital work-in-progresses stated at cost less impairment losses if any, cost comprises of expenditures incurred in respect of capital projects under development and includes any attributable/ allocable cost and other incidental expenses.

**6. Depreciation:**

Depreciation of Property, Plant and Equipment's is provided on original cost of the asset on Written Down Value Method and in the manner prescribed in Schedule II of the Companies Act, 2013.Accordingly the unamortized carrying value is being depreciated over remaining useful life by Written Down Value.

**7. Inventories:**

Raw materials are valued at Cost.
Finished goods are valued at Cost or Net Realizable Value, whichever is lower.
Work-in-progress is valued at Raw material cost plus proportionate conversion cost.
Packing material is valued at purchase cost plus any cost incurred for bringing the inventory at present location and condition
Other consumables (including coal and stores and spare parts) are valued at purchase cost plus any cost incurred for bringing the inventory at present location and condition
Cost is determined as per FIFO method of accounting.

**8. Revenue Recognition:**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Turnover includes sale of goods net of all the taxes.

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

*Sale of Goods* : Revenue from the sale of goods is recognized when the goods are delivered and the titles have passed, at which time all the following conditions are satisfied:

· The company has transferred to the buyer the significant risks and rewards of the ownership of the goods;

· The company retains neither continuing managerial involvement to degree usually associated with ownership nor effective control over the goods sold;

· The amount of revenue can be measured reliably;

· It is probable that the economic benefits associated with the transaction will flow to the company; and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

*Interest Income:*
Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate
*Government Grant:*

Government Grant means assistance by government in cash or kind for past or future compliance of certain conditions but does not include grants which cannot be reasonably measured or transactions with government which cannot be distinguished from normal trading transactions of an enterprise. Grant received as a interest subsidy being a revenue grant is deducted from the interest expenses in Profit & Loss Statement. These grants are recognized only where a certainty exists for the fulfilment of conditions and ultimate.

**9. Foreign Currency Transactions:**

The transactions in foreign currency have been recorded using the rate of exchange prevailing on the date of transactions. The difference arising on the settlement/restatement of the foreign currency denominated Current Assets/Current Liabilities into Indian rupees has been recognized as expenses/income (net) of the year and carried to the statement of profit and loss.

**10. Borrowing Costs:**

Borrowing cost attributable to acquisition of qualifying assets for the period such asset is put to its commercial use, is capitalized as part of the cost of such assets. A qualifying asset is one that takes substantial period of time to get ready for intended use. All other borrowing costs are charged to profit and loss account.

**11. Employee Benefits:**

There have been no changes in accounting policy of the company for the period disclosed in the restated standalone financial statement except for accounting for long term employee benefits (Gratuity). The company has changed the accounting policy for Gratuity from cash basis to be based on Actuarial Valuation report. Opening Gratuity Provision (as at 01/04/2022) is adjusted in reserves & Surplus account to the extent of Rs.16.97 Lacs. Actuarial Valuation report is issued by Trueval Consulting.

**(Rs. in Lacs)**

| Particulars | 2024-25 | 2023-24 | 2022-23 |
|---|---|---|---|
| **(Increase)/Decrease in Profit to the extent of** | - | - | 2.51 |

a) Short Term Employee Benefits

Short-term employee benefits are recognized as expense in the Statement of Profit & Loss of the year in which the related service is rendered at the undiscounted amount as and when it accrues.

b) Defined Contribution Plan:

The company is covered under employee's provident fund and miscellaneous provision Act, 1952 which are defined contribution schemes, liability in respect thereof is determined on the basis of the basis of contribution required to be made under the statues/Rules. Company's contribution to provident fund is charged to Profit & loss Account.

c) Defined Benefit Plan:

Vinod Texworld Limited Provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. In accordance with the payment of gratuity Act, 1972 the gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee ' s Salary and the tenure of employment. Liabilities with regard to the gratuity plan are determined by Management Certification as of the balance sheet date, Based upon which, the company contributes all the ascertained liabilities to fund. Trustees administer contributions made to the trust and contributions are invested in specific investment as permitted by Law.

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits during the restated financials period. The disclosure as envisaged under the Accounting Standard is provided hereunder:

(Rs. in Lacs)

| Particulars | 2024-25 | 2023-24 | 2022-23 |
|---|---|---|---|
| **Provision for Gratuity (Current & Non-Current)** | 37.5 | 27.52 | 19.49 |

(Rs. in Lacs)

| Details of Gratuity Expenses | 2024-25 | 2023-24 | 2022-23 |
|---|---|---|---|
| **Reconciliation of net defined benefit liability** | | | |
| Net opening provision in books of accounts | 27.52 | 19.49 | 16.97 |
| Employee Benefit Expense Current Year | 9.97 | 8.03 | 2.52 |
| Contributions to plan assets | 0 | 0 | 0 |
| **Closing net defined benefit liability** | **37.49** | **27.52** | **19.49** |
| **Principle actuarial assumptions** | | | |
| Discount Rate | 6.75% | 7.10% | 7.40% |
| Salary Escalation Rate | 7.00% | 7.00% | 7.00% |
| Mortality | Indian Assured Lives Mortality 2012-14 Ult. | Indian Assured Lives Mortality 2012-14 Ult. | Indian Assured Lives Mortality 2012-14 Ult. |
| Expected Return on Plan Assets | Not Available | Not Available | Not Available |

**12. Taxes on Income:**

Taxes on income comprises of current tax and deferred tax. Taxes on income have been determined based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income taxes are determined for future consequences attributable to timing differences between financial determination of income and income chargeable to tax as per the provisions of Income Tax Act, 1961. Deferred tax liability has been worked out using the tax rate and tax laws that were in force as on the date of balance sheet and has not been discounted to its present value after giving effects of carried forward balances of unabsorbed depreciation, unabsorbed business losses as per the Income Tax Act, 1961 and other timing differences as at the Balance Sheet date.

**13. Impairment of Assets:**

As at each balance sheet date, the carrying values of assets are reviewed for impairment if any indication of impairment exists.

**14. Provisions, Contingent Liabilities and Contingent Assets:**

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of the Company's resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation. A disclosure of contingent liabilities is made when there is a possible obligation that may, but probably will not, require an outflow of resources. As a measure of prudence, the contingent assets are not recognized.

**15. Cash and Cash Equivalents-For the Purpose of Cash Flow Statements:**

For the purpose of Cash Flow Statements, cash and cash equivalents include Cash on Hand and Balances with Banks in the Current Account as well as Fixed Deposits account.

**16. Operating Cycle:**

Based on the activities of the company and normal time between incurring of liabilities and their settlement in cash or cash equivalents and acquisition/right to assets and their realization in cash or cash equivalents, the company has considered its operating cycle as 12 months for the purpose of classification of its liabilities and assets as current and non-current.

**17. Earnings Per Share:**

The earnings per share as per AS-20 "Earning Per Share" has been computed on the basis of net profit after tax divided by the weighted average number of shares outstanding during the year.

**B. NOTES TO ACCOUNTS ON RESTATED FINANCIAL STATEMENTS:**

**1 Reconciliation of Restated Profits:**

**The summary of the material adjustments made to audited financial statements of the respective years and their impact on the restated statement of profit and loss have been given as under:**

**(Rs. in Lacs)**

| Particulars | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|---|---|---|---|
| | | | |
| **I. Net profit/(Loss) after Tax as per Audited Profit & Loss Account** | **935.84** | **571.30** | **167.08** |
| | | | |
| **II. Adjustments for:** | | | |
| Sales related to prior years | (0.06) | 0.25 | (6.49) |
| Interest Income | (1.00) | 4.15 | - |
| Interest on Income Tax Refund related to previous year | - | - | (2.72) |
| Kasar / balance written off related to prior years | (0.17) | 0.16 | (0.42) |
| Rent Income | - | - | (0.25) |
| Term Loan Interest Subsidy of Prior Period | (61.19) | - | - |
| Power Tariff Claim of Prior Period | (52.54) | - | - |
| Cost of Raw Material Consumed | 103.91 | (140.21) | (167.48) |
| Freight, Cartage, Loading & Unloading Expenses | - | - | 0.04 |
| Factory Expenses | - | - | - |
| Power & Electricity | - | 24.51 | 19.76 |
| Jobwork Expense | - | - | 0.01 |
| Misc.Office Expense | - | 0.05 | (0.05) |
| Repairs & Main. to Plant & Machinery & Others | (0.11) | 0.05 | (0.05) |
| Stores & Spares | (0.40) | (0.01) | - |
| Gratuity Expense | - | - | (2.51) |
| Interest Expenses on Bank Borrowings (Subsidy) | - | 22.30 | 28.15 |
| Interest on late payment of statutory dues | - | - | 3.22 |
| Other Interest Expenses | (4.83) | - | - |
| Admin Charges | 0.01 | (0.03) | 0.00 |
| Legal Fees and Professional fees | 0.40 | (0.64) | (0.59) |
| Membership Fee & Subscription | - | - | 0.05 |
| Preliminary Expenses | 1.50 | 1.18 | 0.43 |
| Printing & Stationary & Postage Expense | 0.75 | (0.75) | - |
| Prior Period Expense | 0.75 | 19.49 | 0.33 |
| Rent, Rates & Taxes | 1.67 | - | - |
| Brokerage and Commission | 0.79 | (0.79) | - |
| Travelling Expense | - | 1.49 | (1.49) |
| Sales Promotion Expense | - | 0.80 | (0.80) |
| Tax Provision | 1.61 | 27.84 | 32.88 |
| Earlier Year Tax Adjustment | 0.01 | - | - |
| Deferred tax Income/(Expense) | (6.17) | (1.45) | (1.44) |
| | | | |
| **III. Net Profit/ (Loss) After Tax as Restated** | **920.76** | **529.68** | **67.66** |

**Notes:**

1. The company had policy not to consider section 43B payments as per Income tax Act, 1961 as being not material for computing the deferred taxes. The deferred tax liabilities/(assets) were hitherto rounded to the nearest thousand rupees. The adjustments to the deferred tax liabilities/(assets) represent effect of change in the depreciation as per Restated Financial Statements, change in unabsorbed losses, consideration of section 43B payments for computing deferred tax and non-rounding of deferred tax liabilities/(assets) to the nearest thousand rupees.

**2. Provision for Taxation**-We have reworked Income Tax Liability for all the periods considering effects of the above restatements and the same has been provided in the Restated Financial Statements.

(See Annexure – Statement of Tax Shelters for reference of Income Tax Liability)

**3. Adjustment for Deferred Tax**-We have reworked Income Tax Liability for all the periods considering effects of the prior period expenses and the same has been provided in the Restated Financial Statements**.**

4. Provision for Gratuity has been worked out for all the periods on the basis of Actuarial Certification and effects of the same has been provided in the Restated Financial Statements.

**Reconciliation of Restated Equity and Reserves:**

**(Rs. in Lacs)**

| Particulars | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|---|---|---|---|
| | | | |
| Reserve & Surplus as per audited Balance Sheet | **2,038.95** | **1,103.11** | **444.31** |
| | | | |
| **Adjustments for:** | | | |
| Opening adjustment as per restated reserves | 14.01 | 55.63 | 155.07 |
| Sales related to prior years | (0.06) | 0.25 | (6.49) |
| Interest Income | (1.00) | 4.15 | - |
| Interest on Income Tax Refund related to previous year | - | - | (2.72) |
| Kasar / balance written off related to prior years | (0.17) | 0.16 | (0.42) |
| Rent Income | - | - | (0.25) |
| Term Loan Interest Subsidy of Prior Period | (61.19) | - | - |
| Power Tariff Claim of Prior Period | (52.54) | - | - |
| Cost of Raw Material Consumed | 103.91 | (140.21) | (167.48) |
| Freight, Cartage, Loading & Unloading Expenses | - | - | 0.04 |
| Factory Expenses | - | - | - |
| Power & Electricity | - | 24.51 | 19.76 |
| Jobwork Expense | - | - | 0.01 |
| Misc.Office Expense | - | 0.05 | (0.05) |
| Repairs & Main. to Plant & Machinery & Others | (0.11) | 0.05 | (0.05) |
| Stores & Spares | (0.40) | (0.01) | - |
| Gratuity Expense | - | - | (2.51) |
| Interest Expenses on Bank Borrowings (Subsidy) | - | 22.30 | 28.15 |
| Interest on late payment of statutory dues | - | - | 3.22 |
| Other Interest Expenses | (4.83) | - | - |
| Admin Charges | 0.01 | (0.03) | 0.00 |
| Legal Fees and Professional fees | 0.40 | (0.64) | (0.59) |
| Membership Fee & Subscription | - | - | 0.05 |
| Preliminary Expenses | 1.50 | 1.18 | 0.43 |
| Printing & Stationary & Postage Expense | 0.75 | (0.75) | - |
| Prior Period Expense | 0.75 | 19.49 | 0.33 |
| Rent, Rates & Taxes | 1.67 | - | - |
| Brokerage and Commission | 0.79 | (0.79) | - |
| Travelling Expense | - | 1.49 | (1.49) |
| Sales Promotion Expense | - | 0.80 | (0.80) |
| Tax Provision | 1.61 | 27.84 | 32.88 |
| Earlier Year Tax Adjustment | 0.01 | - | - |
| Deferred tax Income/(Expense) | (6.17) | (1.45) | (1.44) |
| | | | |
| **Reserve & Surplus as per Restated Balance Sheet** | **2,037.88** | **1,117.12** | **499.96** |

**2 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 regroupings as per the audited financials of the Company for the period ended 31 March 2025, prepared in accordance with Revised schedule III to the Companies Act, 2013, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

**3 Managerial Remuneration:**

**(Rs. in Lacs)**

| Particulars | For the Year ended March 31, 2025 | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 |
|---|---|---|---|
| Harsh Mittal | 12.00 | 12.00 | 12.00 |
| Yash Mittal | 12.00 | 12.00 | 12.00 |
| Shweta Mittal | 5.50 | - | - |
| **T O T A L** | **29.50** | **24.00** | **24.00** |

**4 Auditors Remuneration as reported by the auditor include:**

**(Rs. in Lacs)**

| Particulars | For the Year ended March 31, 2025 | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 |
|---|---|---|---|
| For Statutory Audit | 2.09 | 1.76 | 0.66 |
| Consultancy Charges | 0.5 | 0.5 | - |
| **T O T A L** | **2.59** | **2.26** | **0.66** |

**5 Disclosure related to CSR expenditure on Corporate Social Responsibility Activities being company covered under section 135 of Companies Act, 2013**

**(Rs. in Lacs)**

| Particulars | For the Year ended March 31, 2025 | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 |
|---|---|---|---|
| Amount Required to be Spent during the year | 7.68 | - | - |
| Amount of Expenditure Incurred | 8.21 | - | - |
| Shortfall at the end of the year | - | - | - |
| Nature of CSR activities | For Gaushala Activities | - | - |

**6** The company has communicated suppliers to provide confirmations as to their status as Micro, Small or Medium Enterprise registered under the applicable category as per the provisions of the Micro, Small and Medium Enterprises (Development) Act, 2006 (MSMED Act, 2006). The company has classified suppliers into Micro, Small and Medium Enterprises as per the confirmations received by the company upto the date of the financial statements.

**7 OTHERS**

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Note AC of the enclosed restated financial statements.

Figures have been rearranged and regrouped wherever practicable and considered necessary.

The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.

The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good.
**Dividends -**The Company has not declared dividends during the periods reported.

**Realizations –** In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.

**Contractual liabilities –** All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

**Impact of Audit Qualifications/Observations in Statutory Auditor's Report on Financial Statements**

There have been no audit qualifications/observations in Statutory Auditor's Report for F.Y.2024-25, 2023-24 and 2022-2023 which requires adjustments in restated financial statements.

**Amounts in the financial statements –** Amounts in the financial statements are rounded off to nearest Indian Rupees in lakhs. Figures in brackets indicate negative values.

| | | |
|---|---|---|
| **For, S. N Shah & Associates** | **For and on behalf of the Board** | |
| **Chartered Accountants** | **Vinod Texworld Limited** | |
| **Firm Registration No.:109782W** | | |
| | **-SD-** | **-SD-** |
| **-SD-** | | |
| | **Harsh Mittal** | **Yash Mittal** |
| | **(DIN: 2333392)** | **(DIN: 02294797)** |
| **CA Priyam Shah** | **Director** | **Director** |
| **Partner** | | |
| **Membership No. 144892** | | |
| **Place: Ahmedabad** | **-SD-** | **-SD-** |
| **Date: 15th September, 2025** | | |
| **UDIN:25144892BMHWRS1126** | **Foram Deep Parikh** | **Anchal Tulsyan** |
| | **Company Secretary** | **Chief Financial Officer** |

**ANNEXURE V - NOTES TO THE RESTATED FINANCIAL INFORMATION**

**Rs. In Lacs except for Shares**

**NOTE A - DETAILS OF SHARE CAPITAL AS RESTATED**

| Particulars | As at March 31, | | |
|---|---|---|---|
| | **2025** | **2024** | **2023** |
| **EQUITY SHARE CAPITAL :** | | | |
| **AUTHORISED:** | | | |
| 1,20,00,000 Equity Shares of Rs.10/- each | 1,200.00 | 1,200.00 | 1,200.00 |
| | **1,200.00** | **1,200.00** | **1,200.00** |
| | | | |
| **ISSUED, SUBSCRIBED AND PAID UP** | | | |
| 1,16,01,200 Equity Shares of Rs. 10/= each fully paid up (2025 & 2024) | 1,160.12 | 1,160.12 | 1,147.62 |
| 1,14,76,200 Equity Shares of Rs. 10/= each fully paid up (2023) | | | |
| | **1,160.12** | **1,160.12** | **1,147.62** |

1. Terms/rights attached to equity shares:

i. Each holder of equity shares is entitled to one vote per share.

ii. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
3. Company does not have any Revaluation Reserve.
4. No shares have been bought back during the last 5 years immediately preceding March 31, 2025.
5. There are no calls unpaid by the Directors or officers of the company.

**Reconciliation of number of shares outstanding at the end of the year:**

| Particulars | As at March 31,2025 | As at March 31,2024 | As at March 31,2023 |
|---|---|---|---|
| Equity Shares at the beginning of the year | 1,16,01,200 | 1,14,76,200 | 1,10,00,000 |
| Add: New Shares Issued during the year* | - | 1,25,000 | 4,76,200 |
| | | | |
| **TOTAL** | **1,16,01,200** | **1,16,01,200** | **1,14,76,200** |

**Note:**

*** The Company has issued 1,25,000 equity shares on 31/03/2024 to existing shareholders vide board resolution dated 31/03/2024 at face value of Rs.10/- plus share premium of Rs.70/-.**

**The Company has issued 4,76,200 equity shares on 28/02/2023 to existing shareholders vide board resolution dated 20/02/2023 at face value of Rs.10/- plus share premium of Rs.32/-**

**Details of Equity Shares held by Promoters:**

**Shares held by Promoters at the end of the year March 31, 2025**

| Name of Promoter | Class of Shares | No. of Shares | % of total shares | % Change during the year |
|---|---|---|---|---|
| YASH MITTAL | Equity | 43,91,795 | 37.86% | 0.00% |
| HARSH MITTAL | Equity | 42,13,145 | 36.32% | 0.00% |

**Shares held by Promoters at the end of the year March 31, 2024**

| Name of Promoter | Class of Shares | No. of Shares | % of total shares | % Change during the year |
|---|---|---|---|---|
| YASH MITTAL | Equity | 43,91,795 | 37.86% | 41.51% |
| HARSH MITTAL | Equity | 42,13,145 | 36.32% | 44.46% |

**Shares held by Promoters at the end of the year March 31, 2023**

| Name of Promoter | Class of Shares | No. of Shares | % of total shares | % Change during the year |
|---|---|---|---|---|
| YASH MITTAL | Equity | 30,70,000 | 26.75% | 0.09% |
| HARSH MITTAL | Equity | 28,85,100 | 25.14% | 0.74% |

**Shares held by Promoters at the end of the year March 31, 2022**

| Name of Promoter | Class of Shares | No. of Shares | % of total shares | % Change during the year |
|---|---|---|---|---|
| YASH MITTAL | Equity | 29,40,000 | 26.73% | |
| HARSH MITTAL | Equity | 27,45,100 | 24.96% | |

**Details of Shareholders holding more than 5% of the aggregate shares of the company:**

| Name of Shareholders | As at 31st March 2025 | | |
|---|---|---|---|
| | No of Share | % of Holding | % change |
| YASH MITTAL | 43,91,795 | 37.86% | 0.00% |
| HARSH MITTAL | 42,13,145 | 36.32% | 0.00% |
| RADHA MITTAL | 9,00,000 | 7.76% | 0.00% |
| VINOD MITTAL | 5,80,060 | 5.00% | 0.00% |

| Name of Shareholders | As at 31st March 2024 | | |
|---|---|---|---|
| | No of Share | % of Holding | % change |
| YASH MITTAL | 43,91,795 | 37.86% | 41.51% |
| HARSH MITTAL | 42,13,145 | 36.32% | 44.46% |
| RADHA MITTAL | 9,00,000 | 7.76% | -1.08% |
| VINOD MITTAL | 5,80,060 | 5.00% | -81.52% |

| Name of Shareholders | As at 31st March 2023 | | |
|---|---|---|---|
| | No of Share | % of Holding | % change |
| YASH MITTAL | 30,70,000 | 26.75% | 0.09% |
| HARSH MITTAL | 28,85,100 | 25.14% | 0.74% |
| RADHA MITTAL | 9,00,000 | 7.84% | 7.83% |
| VINOD MITTAL | 31,04,900 | 27.06% | -4.15% |

| Name of Shareholders | As at 31st March 2022 | | |
|---|---|---|---|
| | No of Share | % of Holding | % change |
| YASH MITTAL | 29,40,000 | 26.73% | |
| HARSH MITTAL | 27,45,100 | 24.96% | |
| RADHA MITTAL | 8,00,000 | 7.27% | |
| VINOD MITTAL | 31,04,900 | 28.23% | |

**NOTE B - DETAILS OF RESERVES AND SURPLUS AS RESTATED**

**(Rs. in Lacs)**

| Particulars | As at March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| ***Securities Premium Reserve*** | | | |
| Opening Balance | 239.88 | 152.38 | - |
| Add: Proceed Received during the year | - | 87.50 | 152.38 |
| **Closing Balance** | **239.88** | **239.88** | **152.38** |
| | | | |
| ***Profit & Loss a/c*** | | | |
| Opening Balance | 877.23 | 347.55 | 279.90 |
| Add: Profit for the year | 920.76 | 529.68 | 67.66 |
| (Less): Earlier Year Sundry Balances written off | - | - | - |
| (Less): Trade/Cash/Claim Discount (expense)/income prior to FY 2021-22 | - | - | - |
| (Less): (Expenses)/incomes prior to FY 2021-22 | - | - | - |
| Add/(Less): DTA upto F.Y. 2020-21 | - | - | - |
| **Closing Balance** | **1,798.00** | **877.23** | **347.55** |
| | | | |
| **TOTAL** | **2,037.88** | **1,117.12** | **499.94** |

**NOTE C - DETAILS OF LONG TERM BORROWINGS AS RESTATED**

**(Rs. in Lacs)**

| **Particulars** | **As at March 31,** | | |
|---|---|---|---|
| | **2025** | **2024** | **2023** |
| **Secured Loans** | | | |
| ***-Term Loans*** | | | |
| **-From Banks** | | | |
| Secured Loans | 959.27 | 1,044.29 | 983.86 |
| | | | |
| **-From NBFC** | - | - | 7.92 |
| | | | |
| **From Other Parties** | | | |
| Unsecured Loans | 788.36 | 902.66 | 931.98 |
| | | | |
| **TOTAL** | **1,747.63** | **1,946.95** | **1,923.76** |

**Securities:**

| | |
|---|---|
| SBI WC Limits, CCECL and (GECL) | Hypothecation of company's entire current assets including stocks of raw materials, stocks in process, finished goods, stores and spares, book - debts and other current assets. Documents to title to goods and charge on the entire current assets. |
| SBI Term Loan | Hypothecation of entire plant & machinery purchased out of bank finance and other unencumbered plant and machinery both present |
| SBI Term Loan (Solar Plant) | Hypothecation of entire plant & machinery pertaining to the solar Rooftop project purchased out of bank finance. |
| Daimler Financial Services India Pvt. Ltd. | Vehicle loans are secured against hypothecation of vehicles. |
| HDFC Loan -BMW | Vehicle loans are secured against hypothecation of vehicles. |

**Collateral Securities:**

| |
|---|
| Unit No. A-40 admeasuring about 571 Sq. ft. Super Built up area (53.05 Sq. mts. Super Built up Area) on Ground Floor in the scheme known as "Sumel Business Park-IV" of The Sumel Busi- ness Park-IV Co. Op. Service Soc. Ltd. on land bearing City Survey No. 2453, 2740 allotted in lieu of Survey no. 172/1 Paiki and 173 Paiki, Sub Plot No. 1 of Final Plot No. 62, Town Planning Scheme No. 16 situated, lying and being at Village ShaherKotda, Taluka- Maninagar of Registration District Ahmedabad, Sub-District Ahmedabad |
| Unit No. A-41 admeasuring about 571 sq. ft. Super Built up Area (53.05 sq. mtrs. Super Built up Area) on Ground Floor in the scheme known as "Sumel Business Park-IV" of The Sumel Busi- ness Park-IV Co-Op. Service Soc. Ltd. on land bearing City Survey No. 2453, 2740 allotted in lieu of Survey No. 172/1 paiki and 173 paiki, Sub-Plot No.1 of Final Plot No. 62, Town Planning Scheme No. 16 situated, lying and being at Village Shaher Kotda, Taluka- Maninagar of Registration District Ahmedabad, Sub-District Ahmedabad |
| Flat No. L-103 on 1st Floor of Tower-L, Phase-I admeasuring about 1210 sq. ft. Le. 112.53 sq. mtrs. (Super Build-up area) and 728 sq. ft. i.e. 67.70 sq. mtrs carpet area along with undivided share in the land in the scheme known as "Aakanksha" on the freehold Non-Agricultural Use land bearing Block No.97, 108, F.P. No. 202+211 +212+213 situate, lying and being at Mouje Jagatpur, Taluka Ghatlodia of District Ahmedabad |
| Plot No.: 220, Survey No. I House No.: 319, 320, Street I Area: 393 Sq. Meters Name: Karannagar, Landmark: Chhatral Kadi Road, Village I Town /City: Karannagar, Mandal Taluka: Kadi, District: Mehsana, State : Gujarat, Pin Code: 382715 |
| Total Area: 393 Sq. Meters, Flat No. I Plot No.: 221, Survey No. I House No.: 319, 3.20, Street I Area Name: Karannagar, Landmark: Chhatral Kadi Road, Village / Town I City: Karannagar, Manda! / Taluka: Kadi, District: Mehsana, State : Gujarat, Pin Code: 382715 |
| Factory Land & Building situated at Survey No. 185/2 admeasur- ing about 9915 Sq.mtrs. of Town Planning Scheme No.125 of Final Plot No. 208/2 admeasuring about 5949 sq. mtrs. Plot area with 3285.72 sq. mtrs. Construction thereon situates lying and being at Mouje Saijpur-Gopalpur, Taluka Vatwa of District Ahmedabad of Sub-District Ahmedabad-5 (Narol) |

**Guarantee for SBI Loan:**

| |
|---|
| Mr. Vinod Mittal |
| Mr. Harsh Mittal |
| Mr. Yash Mittal |
| Guarantee of M/s Anil Exports (India) |

**Terms of Repayment for Long-term Borrowings and Short-term Borrowings:**

| Name of Loans | Repayment Terms |
|---|---|
| SBI Term Loan (GECL) | After a moratorium period of 12 months, the term loan will be repaid in 36 monthly instalments of Rs. 1,41,667/- @ 9.25% p.a. |
| SBI Term Loan (6511) | After a moratorium period of 18 months (from the date of 1st disbursement), the term loan will be repaid in 90 monthly structured installments@ 2.50% + MCLR |
| SBI Term Loan (Solar Plant) | After a moratorium period of 6 months (from the date of 1st disbursement), the term loan will be repaid in 66 monthly installments of Rs. 50,000/- @ 0.30% + MCLR |
| SBI Term Loan Add. GECL 6141 | After a moratorium period of 24 months, the term loan will be repaid in 36 monthly installments of Rs. 4,58,333/- @ EBLR+75bps |
| SBI Term Loan (5895) | After a moratorium period of 18 months (from the date of 1st disbursement), the term loan will be repaid in 90 monthly structured installments @ 1.75% + EBLR |
| SBI Term Loan (7963) | Repayable in 69 monthly installments after moratorium period of 9 months for the date of 1st disbursement of Rs. 5,00,000/- started from December, 2024 @ 2.60% + EBLR |
| Daimler Financial Services India Pvt. Ltd. | 45.00 Lakhs repayable in 60 monthly installment of Rs. 90,857/- started from 20th December, 2019 @ 7.80% p.a. |
| HDFC Loan -BMW | 30.00 Lakhs repayable in 48 monthly installment of Rs. 73,098/- started from 5th December, 2022 @ 7.932% p.a. |
| Cash Credit | Rate of interest on Working capital is 9.50% p.a. |

**NOTE D - DETAILS OF DEFERRED TAX ASSET/ (LIABILITY) AS RESTATED**

**(Rs. in Lacs)**

| Particulars | As at March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| **Deferred Tax Liability/(Asset)** | | | |
| Opening Balance | 33.40 | 20.40 | 9.40 |
| Addition | (10.85) | 13.00 | 11.00 |
| Less:- Deffered Tax Assets | | | |
| Closing Balance | 22.55 | 33.40 | 20.40 |
| **Deferred Tax (Asset)/Liability (net) after adjustments** | **22.55** | **33.40** | **20.40** |

**NOTE E - DETAILS OF LONG TERM PROVISIONS AS RESTATED**

**(Rs. in Lacs)**

| Particulars | As at March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| Provision for Gratuity | 35.36 | 26.03 | 18.70 |
| | | | |
| **TOTAL** | **35.36** | **26.03** | **18.70** |

**NOTE F - DETAILS OF SHORT TERM BORROWING AS RESTATED**

**(Rs. in Lacs)**

| Particulars | As at March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| **Secured** | | | |
| **(a)From Banks (Cash Credit**)** | 4,323.40 | 2,497.93 | 1,348.49 |
| | | | |
| **Current Maturities of Long Term Liabilities** | | | |
| **(a) Term loans** | | | |
| **From banks*** | | | |
| Secured | 307.50 | 248.11 | 203.22 |
| Unsecured | - | - | - |
| | | | |
| **From NBFC*** | - | 7.92 | 12.33 |
| | | | |
| **Unsecured** | | | |
| Payment Due Against Reverse Factoring Services-with bank | 249.23 | - | - |
| **TOTAL** | **4,880.13** | **2,753.96** | **1,564.03** |

** Cash Credit from banks are repayable on demand.

*Securities-Refer Note C

*Terms of repayment of term loans- Refer Note C

**NOTE G - DETAILS OF TRADE PAYABLES AS RESTATED**

**(Rs. in Lacs)**

| Particulars | As at March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| Sundry Creditors for Raw Material | 7,038.33 | 7,260.17 | 5,608.84 |
| **TOTAL** | **7,038.33** | **7,260.17** | **5,608.84** |

**Trade Payable Ageing schedule** **(Rs. in Lacs)**

| Particulars | As at March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| | | | |
| Undisputed dues | | | |
| **a) Micro, small and medium Enterprise** | - | - | - |
| Less than 1 Year | 888.79 | 1,424.99 | 1,150.80 |
| 1 To 2 Year | - | - | - |
| 2 to 3 Year | - | - | - |
| More than 3 Year | - | - | - |
| **b) Others** | - | - | - |
| Less than 1 Year | 6,149.53 | 5,835.18 | 4,458.04 |
| 1 to 2 year | - | - | - |
| 2 to 3 year | - | - | - |
| More than 3 year | - | - | - |
| Disputed dues | - | - | - |
| **a) Micro, small and medium Enterprise** | - | - | - |
| **b) Others** | - | - | - |
| Less than 1 Year | - | - | - |
| 1 To 2 Year | - | - | - |
| 2 to 3 Year | - | - | - |
| More than 3 Year | - | - | - |
| | - | - | - |
| **TOTAL** | **7,038.33** | **7,260.17** | **5,608.84** |

**NOTE: DUES TO MICRO AND SMALL ENTERPRISES**

The Company has dues outstanding as at the reporting date to certain suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act, 2006 are as follows

**(Rs. in Lacs)**

| Particulars | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| The principal amount remaining unpaid to any supplier at the end of the year. | 888.79 | 1,424.99 | 1,150.80 |
| Interest due as claimed remaining unpaid to any supplier at the end of the year. | - | - | - |
| The amount of interest paid by the company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the suppliers beyond the appointed day during the year. | - | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006. | - | - | - |
| The amount of interest accrued and remaining unpaid at the end of accounting year. | - | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006. | - | - | - |

**NOTE H - DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED**

**(Rs. in Lacs)**

| Particulars | As at March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| (a) Deposits | 15.00 | 15.00 | 15.00 |
| (b) Other payables | | | |
| (i) Statutory remittances ( Withholding Taxes, viz.VAT,CST,TDS,GST etc.) | 12.18 | 15.45 | 14.41 |
| (ii) Advance from Debtors | 4.20 | 13.31 | - |
| (iii) Creditors for salary | 30.17 | 26.50 | 20.12 |
| (iv) Creditors for Expenses | 281.11 | 352.78 | 300.94 |
| (v) Creditors for Capital Goods | 8.74 | 41.72 | 17.08 |
| (vi) Creditors for Fire Woods | 39.29 | 431.31 | 458.41 |
| | | | |
| **TOTAL** | **390.69** | **896.07** | **825.96** |

**NOTE I - DETAILS OF SHORT TERM PROVISIONS AS RESTATED**

**(Rs. in Lacs)**

| Particulars | As at March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| Provision for Employee Benefits | 3.56 | 4.12 | 2.93 |
| Provision for Income Tax | 301.28 | 167.36 | 48.68 |
| Provision for Gratuity Payable | 2.14 | 1.49 | 0.78 |
| Provision for Expenses | 101.65 | 54.44 | 46.08 |
| **TOTAL** | **408.63** | **227.41** | **98.47** |

**NOTE K - DETAILS OF NON-CURRENT INVESTMENTS AS RESTATED**

**(Rs. in Lacs)**

| Particulars | As at March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| Silver | 3.55 | 2.82 | 2.82 |
| | | | |
| **TOTAL** | **3.55** | **2.82** | **2.82** |

**NOTE L - DETAILS OF OTHER NON CURRENT ASSETS AS RESTATED**

**(Rs. in Lacs)**

| Particulars | As at March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| Security Deposits | 3.20 | 2.30 | 0.30 |
| Rent Deposits | 2.25 | 1.10 | - |
| Advance to Capital Goods | 9.97 | 13.91 | 92.53 |
| **TOTAL** | **15.42** | **17.31** | **92.83** |

**NOTE M - DETAILS OF INVENTORIES AS RESTATED**

**(Rs. in Lacs)**

| Particulars | As at March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| Raw mateial | 1,977.55 | 1,286.07 | 499.66 |
| WIP | 2,365.23 | 1,799.44 | 954.18 |
| Finished Goods | 1,664.28 | 1,465.87 | 730.34 |
| Packing Material | 6.62 | 2.96 | 5.70 |
| Coal Stock | 9.67 | 2.01 | 3.49 |
| Stores and spares | 9.40 | - | - |
| **TOTAL** | **6,032.76** | **4,556** | **2,193.37** |

**NOTE N - DETAILS OF TRADE RECEIVABLES AS RESTATED**

**(Rs. in Lacs)**

| Particulars | As at March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| **Unsecured, Considered Good, unless otherwise stated** | | | |
| - Over Six Months | 119.71 | 346.53 | 383.55 |
| - Others | 8,617.06 | 7,302.43 | 6,149.46 |
| From Directors/ Promoter/ Promoter Group/ Relatives of Directors and Group Companies | - | - | - |
| Others | - | - | - |
| | | | |
| *- Other Debts* | | | |
| From Directors/ Promoter/ Promoter Group/ Relatives of Directors and Group Companies | | | |
| Others | - | - | - |
| | | | |
| Less : Provision for Doubtful Debts | | | |
| | | | |
| **TOTAL** | **8,736.77** | **7,648.96** | **6,533.00** |

**Trade Receivable Ageing Schedule** **(Rs. in Lacs)**

| Particulars | As at March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| **Unsecured, Considered Good** | | | |
| *< 6 month* | 8,617.06 | 7,302.43 | 6,149.46 |
| 6-12 Month | 91.06 | 265.57 | 383.37 |
| 1-2 year | 24.32 | 80.96 | 0.17 |
| 2-3 Year | 4.33 | - | - |
| *> 3 year* | - | - | - |
| | - | - | - |
| **Unsecured, Considered Doubtful** | - | - | - |
| *< 6 month* | - | - | - |
| 6-12 Month | - | - | - |
| 1-2 year | - | - | - |
| 2-3 Year | - | - | - |
| *> 3 year* | - | - | - |
| | - | - | - |
| **TOTAL** | **8,736.77** | **7,648.96** | **6,533.00** |

**NOTE O - DETAILS OF CASH & CASH EQUIVALENTS AS RESTATED**

**(Rs. in Lacs)**

| Particulars | As at March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| Bank & FD Against Bank Gurantee | 15.88 | 11.39 | 216.24 |
| Cash on Hand | 5.16 | 2.56 | 1.04 |
| **TOTAL** | **21.04** | **13.94** | **217.28** |

**NOTE P - DETAILS OF SHORT TERM LOANS AND ADVANCES AS RESTATED**

**(Rs. in Lacs)**

| Particulars | As at March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| Loans and Advances to Employees | - | - | - |
| **Balance with Revenue Authorities** | | | |
| GST Receivable | 127.54 | 313.13 | 248.09 |
| TCS Receivable | 0.29 | 0.45 | 0.75 |
| TDS Receivable | 19.41 | 23.57 | 42.30 |
| Advance Tax | 285.00 | 125.00 | - |
| Income Tax Refund Receivable | - | - | - |
| DGFT RODTEP Receivable | - | - | 3.66 |
| **Other Loans and Advances** | | | |
| Prepaid Expenses | 29.99 | 17.38 | 7.20 |
| Subsidy Receivable | 42.86 | 113.84 | 67.03 |
| Others | 4.70 | 4.00 | 2.14 |
| **TOTAL** | **509.80** | **597.37** | **371.18** |

VINOD TEXWORLD LIMITED
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CIN: U17200GJ2012PLC071210

**NOTE J - DETAILS OF PROPERTY, PLANT & EQUIPMENT AS RESTATED**

**(Rs. in Lacs)**

| FIXED ASSETS | GROSS BLOCK | | | | | DEPRECIATION | | | | | NET BLOCK | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | AS AT 01.04.2022 | ADDITIONS | DEDUCTIONS | Other Adjustment | AS AT 31.03.2023 | UPTO 01.04.2022 | FOR THE YEAR | DEDUCTIONS / ADJUSTMENTS | Other Adjustment | UPTO 31.03.2023 | AS AT 31.03.2023 | AS AT 31.03.2022 |
| **Tangible Assets** | | | | | | | | | | | | |
| MACHINERIES | 1,478.66 | 26.62 | (40.86) | (36.93) | 1,427.49 | 666.79 | 110.94 | | | 777.74 | 649.76 | 811.87 |
| Air Conditioner | 11.04 | 0.42 | - | - | 11.46 | 6.61 | 2.71 | | | 9.33 | 2.13 | 4.43 |
| Atul Shakti (Tempo) | 3.68 | - | - | - | 3.68 | 1.54 | - | | | 1.54 | 2.14 | 2.14 |
| Bolero Vehicle Purchase | 4.36 | - | - | - | 4.36 | 3.54 | 0.26 | | | 3.80 | 0.57 | 0.83 |
| BOILER | 78.13 | 2.50 | - | - | 80.63 | 52.30 | 3.56 | | | 55.87 | 24.77 | 25.83 |
| BORE WELL | 32.83 | 2.09 | - | - | 34.92 | 11.53 | 7.96 | | | 19.49 | 15.42 | 21.30 |
| Building | 397.12 | 1.39 | - | - | 398.51 | 61.91 | 31.78 | | | 93.69 | 304.82 | 335.22 |
| CAMERA SYSTEMS | 7.63 | 0.20 | - | - | 7.83 | 6.31 | 0.54 | | | 6.85 | 0.98 | 1.32 |
| Caustic Recovery Plant | 130.33 | 1.65 | - | (10.00) | 121.98 | 23.80 | 13.50 | | | 37.30 | 84.68 | 106.53 |
| Computer System & Software | 6.39 | 1.68 | - | - | 8.07 | 5.30 | 0.99 | | | 6.29 | 1.78 | 1.09 |
| Drainage Connection | 7.00 | - | - | - | 7.00 | 3.83 | 0.30 | | | 4.13 | 2.87 | 3.17 |
| ELECTRIC MOTOR OPERATED CONTROL V/ | 0.32 | - | - | - | 0.32 | 0.23 | 0.01 | | | 0.24 | 0.08 | 0.09 |
| Electric Motors | 1.47 | 0.63 | - | - | 2.10 | 0.90 | 0.09 | | | 0.99 | 1.11 | 0.58 |
| Electrification Installation | 138.20 | - | - | - | 138.20 | 76.68 | 15.94 | | | 92.62 | 45.58 | 61.52 |
| Fire Extinguisher | 1.05 | - | - | - | 1.05 | 0.96 | 0.03 | | | 0.98 | 0.07 | 0.09 |
| Furniture & Fixture | 31.87 | - | - | - | 31.87 | 8.03 | 6.18 | | | 14.20 | 17.66 | 23.84 |
| Lab.Instruments | 1.92 | - | - | - | 1.92 | 1.48 | 0.09 | | | 1.57 | 0.35 | 0.44 |
| New Bolero | 9.44 | - | - | - | 9.44 | 3.43 | 1.88 | | | 5.30 | 4.14 | 6.01 |
| Kia Seltos | 18.64 | - | - | - | 18.64 | 5.99 | 3.95 | | | 9.94 | 8.70 | 12.65 |
| PLASTIC CONTAINER | 1.80 | - | - | - | 1.80 | 1.32 | 0.06 | | | 1.38 | 0.42 | 0.48 |
| RCC Road | 15.57 | - | - | - | 15.57 | 8.34 | 0.69 | | | 9.03 | 6.54 | 7.23 |
| R.O.Water Plant | 8.39 | - | - | - | 8.39 | 5.93 | 0.33 | | | 6.26 | 2.13 | 2.46 |
| Submersible Pump | 6.17 | - | - | - | 6.17 | 3.85 | 0.32 | | | 4.17 | 2.00 | 2.32 |
| Tank Lorry | 8.81 | - | - | - | 8.81 | 6.95 | 0.34 | | | 7.29 | 1.52 | 1.86 |
| WATER COOLER | 2.35 | 0.59 | - | - | 2.94 | 1.22 | 0.35 | | | 1.57 | 1.37 | 1.13 |
| Weighing Scales | 0.58 | - | - | - | 0.58 | 0.33 | 0.05 | | | 0.37 | 0.21 | 0.25 |
| Trolly | 38.49 | 3.12 | - | - | 41.61 | 16.07 | 11.43 | | | 27.49 | 14.12 | 22.43 |
| Ceiling Fan | 0.25 | - | - | - | 0.25 | 0.24 | - | | | 0.24 | 0.01 | 0.01 |
| External Hard Disk-250 | 0.02 | - | - | - | 0.02 | 0.02 | - | | | 0.02 | 0.00 | 0.00 |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Metalite | 0.05 | - | - | - | 0.05 | 0.05 | - | | | 0.05 | 0.00 | 0.00 |
| Telephone | 4.73 | 1.70 | - | - | 6.43 | 2.41 | 1.39 | | | 3.80 | 2.63 | 2.33 |
| Printer Machine | 3.55 | - | - | - | 3.55 | 3.21 | 0.08 | | | 3.30 | 0.26 | 0.34 |
| Factory Building Washroom | 8.06 | 1.76 | - | - | 9.82 | 0.50 | 0.77 | | | 1.27 | 8.54 | 7.56 |
| Line Charges | 47.88 | 2.52 | - | - | 50.40 | 21.42 | 3.72 | | | 25.15 | 25.26 | 26.45 |
| Stiching Machine | 0.05 | 0.85 | - | - | 0.91 | 0.04 | 0.16 | | | 0.20 | 0.71 | 0.01 |
| Factory Godown | 27.91 | 0.61 | - | - | 28.52 | 4.17 | 2.29 | | | 6.46 | 22.07 | 23.74 |
| Office building new | 62.79 | - | - | - | 62.79 | 18.60 | 4.22 | | | 22.82 | 39.98 | 44.20 |
| Lift | 17.74 | - | - | - | 17.74 | 8.75 | 2.35 | | | 11.11 | 6.63 | 8.99 |
| LED TV | 2.23 | - | - | - | 2.23 | 0.60 | 0.73 | | | 1.32 | 0.91 | 1.64 |
| Refridgerator | 0.13 | - | - | - | 0.13 | 0.08 | 0.01 | | | 0.10 | 0.03 | 0.04 |
| Batching and Plaiting Machine | 10.72 | 5.51 | - | - | 16.23 | 2.39 | 2.38 | | | 4.77 | 11.46 | 8.33 |
| Peach Finishing Lizza Machine | 30.59 | 3.20 | - | - | 33.79 | 12.16 | 2.78 | | | 14.94 | 18.85 | 18.43 |
| Pneumatic Big Batching Machine | 2.51 | - | - | - | 2.51 | 0.95 | 0.22 | | | 1.16 | 1.35 | 1.56 |
| Pneumatic Cloth Guider | 3.34 | - | - | - | 3.34 | 1.29 | 0.29 | | | 1.57 | 1.76 | 2.05 |
| BMW X1 | - | 40.25 | - | - | 40.25 | - | 5.51 | | | 5.51 | 34.74 | - |
| Single Folding Machine | 1.71 | - | - | - | 1.71 | 0.67 | 0.15 | | | 0.81 | 0.90 | 1.04 |
| Effuent Treatment Plant | - | 250.00 | - | - | 250.00 | - | 16.55 | | | 16.55 | 233.45 | - |
| Vertical Drying Range Machine | 17.79 | - | - | - | 17.79 | 7.04 | 1.53 | | | 8.58 | 9.22 | 10.75 |
| Factory land | 341.88 | - | - | - | 341.88 | - | - | | | - | 341.88 | 341.88 |
| Motor Car | 64.19 | - | - | - | 64.19 | 36.35 | 8.70 | | | 45.04 | 19.15 | 27.84 |
| | **3,090.39** | **347.27** | **(40.86)** | **(46.93)** | **3,349.87** | **1,106.10** | **268.09** | **-** | **-** | **1,374.19** | **1,975.68** | **1,984.29** |
| **Capital Work In Progress** | | | | | | | | | | | | |
| Electrification Installation WIP | - | 18.82 | - | - | 18.82 | - | - | - | - | - | 18.82 | - |
| Pipeline & Accessories | - | 3.82 | - | - | 3.82 | - | - | - | - | - | 3.82 | - |
| Pre-Operative Expense | - | 50.53 | - | - | 50.53 | - | - | - | - | - | 50.53 | - |
| Boiler WIP | - | 18.74 | - | - | 18.74 | - | - | - | - | - | 18.74 | - |
| Jigger M/c-WIP | - | 39.62 | - | - | 39.62 | - | - | - | - | - | 39.62 | - |
| New Borewell WIP | - | 2.61 | - | - | 2.61 | - | - | - | - | - | 2.61 | - |
| Rotary Screen Printing Machine WIP | - | 159.50 | - | - | 159.50 | - | - | - | - | - | 159.50 | - |
| Stenter M/c- WIP | - | 17.81 | - | - | 17.81 | - | - | - | - | - | 17.81 | - |
| Zero Machine WIP | - | 10.10 | - | - | 10.10 | - | - | - | - | - | 10.10 | - |
| | | | | | | | | | | | | |
| **Total** | **-** | **321.56** | **-** | **-** | **321.56** | **-** | **-** | **-** | **-** | **-** | **321.56** | **-** |
| **Total** | **3,090.39** | **668.83** | **(40.86)** | **(46.93)** | **3,671.43** | **1,106.10** | **268.09** | **-** | **-** | **1,374.19** | **2,297.24** | **1,984.29** |
| **Previous Year** | **1,877.38** | **1,216.52** | **(1.00)** | **-** | **3,092.90** | **948.91** | **159.70** | **-** | **-** | **1,108.61** | **1,984.29** | **928.47** |

VINOD TEXWORLD LIMITED
(Formerly known as VINOD TEXWORLD PRIVATE LIMITED)
CIN: U17200GJ2012PLC071210

(Rs. in Lacs)

| FIXED ASSETS | GROSS BLOCK | | | | | DEPRECIATION | | | | | NET BLOCK | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | AS AT 01.04.2023 | ADDITIONS | DEDUCTION | Other Adjustment | AS AT 31.03.2024 | UPTO 01.04.2023 | FOR THE YEAR | DEDUCTIONS / ADJUSTMENTS | Other Adjustment | UPTO 31.03.2024 | AS AT 31.03.2024 | AS AT 31.03.2023 |
| **PLANTS & MACHINERIES** | | | | | | | | | | | | |
| MACHINERIES | 1,415.76 | 419.54 | (28.93) | - | 1,806.37 | 772.05 | 124.62 | - | - | 896.67 | 909.70 | 646.22 |
| Caustic Recovery Plant | 121.98 | - | - | - | 121.98 | 37.30 | 10.31 | - | - | 47.61 | 74.37 | 84.68 |
| Electric Motors | 2.10 | 0.37 | - | - | 2.47 | 0.99 | 0.17 | - | - | 1.16 | 1.31 | 1.11 |
| ELECTRIC MOTOR OPERATED CONTROL VA | 0.32 | - | - | - | 0.32 | 0.24 | 0.01 | - | - | 0.25 | 0.07 | 0.08 |
| Trolly | 41.61 | 1.25 | - | - | 42.86 | 27.49 | 6.70 | - | - | 34.19 | 8.67 | 14.12 |
| Line Charges | 50.40 | 3.92 | - | - | 54.32 | 25.15 | 3.61 | - | - | 28.75 | 25.57 | 25.26 |
| Stiching Machine | 0.91 | 0.18 | - | - | 1.08 | 0.20 | 0.29 | - | - | 0.49 | 0.60 | 0.71 |
| Lift | 17.74 | - | - | - | 17.74 | 11.11 | 1.74 | - | - | 12.84 | 4.90 | 6.63 |
| Inspection-Batching and Plaiting Machine | 16.23 | - | - | - | 16.23 | 4.77 | 1.40 | - | - | 6.17 | 10.06 | 11.46 |
| Peach Finishing Lizza Machine | 33.79 | - | - | - | 33.79 | 14.94 | 2.30 | - | - | 17.24 | 16.55 | 18.85 |
| Pneumatic Big Batching Machine | 2.51 | - | - | - | 2.51 | 1.16 | 0.16 | - | - | 1.33 | 1.18 | 1.35 |
| Pneumatic Cloth Guider | 3.34 | - | - | - | 3.34 | 1.57 | 0.21 | - | - | 1.79 | 1.55 | 1.76 |
| Single Folding Machine | 1.71 | - | - | - | 1.71 | 0.81 | 0.11 | - | - | 0.92 | 0.79 | 0.90 |
| Drying Range Machine | 17.79 | - | - | - | 17.79 | 8.58 | 1.31 | - | - | 9.89 | 7.90 | 9.22 |
| BOILER | 80.63 | 345.92 | - | - | 426.55 | 55.87 | 20.69 | - | - | 76.55 | 350.00 | 24.77 |
| Submersible Pump | 6.17 | - | - | - | 6.17 | 4.17 | 0.27 | - | - | 4.44 | 1.73 | 2.00 |
| Tank Lorry | 8.81 | - | - | - | 8.81 | 7.29 | 0.28 | - | - | 7.57 | 1.25 | 1.52 |
| Compressure | - | 6.50 | - | - | 6.50 | - | 0.40 | - | - | 0.40 | 6.10 | - |
| Jigger Phase-IV | - | 33.05 | - | - | 33.05 | - | 1.58 | - | - | 1.58 | 31.47 | - |
| Pipeline & Accessories Phase -IV | - | 1.87 | - | - | 1.87 | - | 0.09 | - | - | 0.09 | 1.78 | - |
| VEHICLES | - | - | - | - | - | - | - | - | - | - | - | - |
| Atul Shakti (Tempo) | 3.68 | - | - | - | 3.68 | 1.54 | 1.13 | - | - | 2.67 | 1.01 | 2.14 |
| Bolero Vehicle Purchase | 4.36 | - | - | - | 4.36 | 3.80 | 0.18 | - | - | 3.97 | 0.39 | 0.57 |
| Motor Car | 64.19 | - | - | - | 64.19 | 45.04 | 5.98 | - | - | 51.02 | 13.17 | 19.15 |
| New Bolero | 9.44 | - | - | - | 9.44 | 5.30 | 1.29 | - | - | 6.60 | 2.84 | 4.14 |
| Kia Seltos | 18.64 | - | - | - | 18.64 | 9.94 | 2.72 | - | - | 12.66 | 5.98 | 8.70 |
| BMW X1 | 40.25 | - | - | - | 40.25 | 5.51 | 10.85 | - | - | 16.36 | 23.89 | 34.74 |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **BUILDING** | | | | | | | | | | | - | - |
| Building | 398.51 | - | - | - | 398.51 | 93.69 | 28.80 | - | - | 122.48 | 276.03 | 304.82 |
| BORE WELL | 34.92 | - | - | - | 34.92 | 19.49 | 4.69 | - | - | 24.18 | 10.73 | 15.42 |
| Drainage Connection | 7.00 | - | - | - | 7.00 | 4.13 | 0.27 | - | - | 4.41 | 2.59 | 2.87 |
| RCC Road | 15.57 | - | - | - | 15.57 | 9.03 | 0.62 | - | - | 9.65 | 5.92 | 6.54 |
| Factory Building Washroom | 9.82 | - | - | - | 9.82 | 1.27 | 0.81 | - | - | 2.08 | 7.73 | 8.54 |
| Factory Godown | 28.52 | 1.06 | - | - | 29.58 | 6.46 | 2.14 | - | - | 8.60 | 20.98 | 22.07 |
| Office building new | 62.79 | - | - | - | 62.79 | 22.82 | 3.82 | - | - | 26.63 | 36.16 | 39.98 |
| New Borewell Phase -3 | - | 3.16 | - | - | 3.16 | - | 1.22 | - | - | 1.22 | 1.94 | - |
| Water Tank | 5.36 | - | - | - | 5.36 | 2.85 | 1.13 | - | - | 3.98 | 1.38 | 2.51 |
| | | | | | | | | | | | - | - |
| **OFFICE EQUIPMENTS** | | | | | | | | | | | - | - |
| Camera system | 7.83 | 0.15 | - | - | 7.98 | 6.85 | 0.34 | - | - | 7.19 | 0.79 | 0.98 |
| Air Conditioner | 11.46 | 1.14 | - | - | 12.60 | 9.33 | 0.63 | - | - | 9.96 | 2.64 | 2.13 |
| Fire Extinguisher | 1.05 | - | - | - | 1.05 | 0.98 | 0.01 | - | - | 1.00 | 0.05 | 0.07 |
| Lab.Instruments | 1.92 | - | - | - | 1.92 | 1.57 | 0.07 | - | - | 1.63 | 0.28 | 0.35 |
| PLASTIC CONTAINER | 1.80 | 0.47 | - | - | 2.27 | 1.38 | 0.06 | - | - | 1.44 | 0.82 | 0.42 |
| Metalite | 0.05 | - | - | - | 0.05 | 0.05 | - | - | - | 0.05 | 0.00 | 0.00 |
| R.O. water plant | 8.39 | - | - | - | 8.39 | 6.26 | 0.28 | - | - | 6.54 | 1.85 | 2.13 |
| WATER COOLER | 2.94 | 0.54 | - | - | 3.48 | 1.57 | 0.55 | - | - | 2.12 | 1.36 | 1.37 |
| Weighing Scales | 0.58 | - | - | - | 0.58 | 0.37 | 0.04 | - | - | 0.41 | 0.17 | 0.21 |
| Ceiling Fan | 0.25 | - | - | - | 0.25 | 0.24 | - | - | - | 0.24 | 0.01 | 0.01 |
| Telephone | 6.43 | 1.29 | - | - | 7.72 | 3.80 | 1.35 | - | - | 5.15 | 2.57 | 2.63 |
| Printer Machine | 3.55 | 0.28 | - | - | 3.83 | 3.30 | 0.08 | - | - | 3.38 | 0.45 | 0.26 |
| LED TV | 2.23 | - | - | - | 2.23 | 1.32 | 0.40 | - | - | 1.73 | 0.51 | 0.91 |
| Refridgerator | 0.13 | - | - | - | 0.13 | 0.10 | 0.01 | - | - | 0.10 | 0.02 | 0.03 |
| Computer System & Software | 8.07 | 0.09 | - | - | 8.16 | 6.29 | 0.83 | - | - | 7.12 | 1.04 | 1.78 |
| External Hard Disk-250 | 0.02 | - | - | - | 0.02 | 0.02 | - | - | - | 0.02 | 0.00 | 0.00 |
| misc. office Equipment | 6.38 | 1.78 | - | - | 8.16 | 2.84 | 2.26 | - | - | 5.10 | 3.06 | 3.54 |
| Face system | - | 0.11 | - | - | 0.11 | - | 0.02 | - | - | 0.02 | 0.09 | - |
| Electrification Installation | 138.20 | 25.43 | - | - | 163.63 | 92.62 | 15.68 | - | - | 108.30 | 55.33 | 45.58 |
| Furniture & Fixture | 31.87 | 5.82 | - | - | 37.68 | 14.20 | 5.79 | - | - | 20.00 | 17.69 | 17.66 |
| Effuent Treatment Plant | 250.00 | 15.29 | - | - | 265.29 | 16.55 | 23.55 | - | - | 40.10 | 225.19 | 233.45 |
| Factory land | 341.88 | - | - | - | 341.88 | - | - | - | - | - | 341.88 | 341.88 |
| | **3,349.87** | **869.18** | **(28.93)** | **-** | **4,190.12** | **1,374.19** | **293.84** | **-** | **-** | **1,668.03** | **2,522.09** | **1,978.19** |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Capital Work In Progress** | | | | | | | | | | | | |
| Electrification Installation WIP | 18.82 | 22.95 | (28.53) | - | 13.23 | - | - | - | - | - | 13.23 | 18.82 |
| Pipeline & Accessories | 3.82 | 16.20 | (6.47) | - | 13.54 | - | - | - | - | - | 13.54 | 3.82 |
| Pre-Operative Expense | 50.53 | 29.96 | (74.32) | - | 6.17 | - | - | - | - | - | 6.17 | 50.53 |
| Boiler WIP | 18.74 | 316.18 | (334.92) | - | 0.00 | - | - | - | - | - | 0.00 | 18.74 |
| Drying Range Machine WIP | - | 24.56 | - | | 24.56 | | | | | | 24.56 | - |
| Jigger M/c-WIP | 39.62 | 37.92 | (72.67) | - | 4.87 | - | - | - | - | - | 4.87 | 39.62 |
| New Borewell WIP | 2.61 | - | (2.61) | - | - | - | - | - | - | - | - | 2.61 |
| Power Turbine with Generator WIP | - | 42.83 | (42.83) | | - | | | | | | - | - |
| Rotary Screen Printing Machine WIP | 159.50 | - | (159.50) | - | - | - | - | - | - | - | - | 159.50 |
| Stenter M/c- WIP | 17.81 | 113.25 | (131.07) | - | - | - | - | - | - | - | - | 17.81 |
| Zero Machine WIP | 10.10 | 0.51 | (10.61) | - | (0.00) | - | - | - | - | - | (0.00) | 10.10 |
| **Total** | **321.56** | **604.37** | **(863.54)** | **-** | **62.38** | **-** | **-** | **-** | **-** | **-** | **62.38** | **321.56** |
| **Total** | **3,671.43** | **1,473.55** | **(892.47)** | **-** | **4,252.50** | **1,374.19** | **293.84** | **-** | **-** | **1,668.03** | **2,584.48** | **2,299.75** |
| **Previous Year** | **3,090.39** | **668.83** | **(40.86)** | **(46.93)** | **3,671.43** | **1,106.10** | **268.09** | **-** | **-** | **1,374.19** | **2,297.24** | **1,984.29** |

**(Rs. in Lacs)**

| Fixed Assets | Gross Block | | | | | Accumulated Depreciation | | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Balance as at 1 April 2024 | Additions | (Disposals) | Capital Subsidy | Balance as at 31 March 2025 | Balance as at 1 April 2024 | Depreciation charge for the year | Adjustment due to revaluations | On disposals | Balance as at 31 March 2025 | Balance as at 31st March 2025 | Balance as at 31st March 2024 |
| **PLANTS & MACHINERIES** | | | | | | | | | | | | |
| MACHINERIES | 1,806.37 | 11.60 | 99.18 | - | 1,718.78 | 896.67 | 151.04 | | 81.85 | 965.85 | 752.93 | 909.70 |
| Caustic Recovery Plant | 121.98 | 5.85 | - | - | 127.83 | 47.61 | 14.45 | | - | 62.06 | 65.77 | 74.37 |
| Electric Motors | 2.47 | - | - | - | 2.47 | 1.16 | 0.18 | | - | 1.34 | 1.13 | 1.31 |
| ELECTRIC MOTOR OPERATED CONTROL V/ | 0.32 | - | - | - | 0.32 | 0.25 | 0.01 | | - | 0.26 | 0.06 | 0.07 |
| Trolly | 42.86 | 3.05 | - | - | 45.91 | 34.19 | 4.36 | | - | 38.55 | 7.35 | 8.67 |
| Line Charges | 54.32 | 1.70 | - | - | 56.02 | 28.75 | 2.51 | | - | 31.26 | 24.76 | 25.57 |
| Stiching Machine | 1.08 | - | - | - | 1.08 | 0.49 | 0.20 | | - | 0.69 | 0.40 | 0.60 |
| Lift | 17.74 | - | - | - | 17.74 | 12.84 | 1.27 | | - | 14.11 | 3.63 | 4.90 |
| Inspection-Batching and Plaiting Machine | 16.23 | 13.10 | - | - | 29.33 | 6.17 | 2.86 | | - | 9.03 | 20.30 | 10.06 |
| Peach Finishing Lizza Machine | 33.79 | 5.08 | - | - | 38.87 | 17.24 | 6.32 | | - | 23.56 | 15.31 | 16.55 |
| Pneumatic Big Batching Machine | 2.51 | - | - | - | 2.51 | 1.33 | 0.16 | | - | 1.49 | 1.02 | 1.18 |
| Pneumatic Cloth Guider | 3.34 | - | - | - | 3.34 | 1.79 | 0.22 | | - | 2.00 | 1.33 | 1.55 |
| Single Folding Machine | 1.71 | - | - | - | 1.71 | 0.92 | 0.11 | | - | 1.03 | 0.68 | 0.79 |
| Drying Range Machine | 17.79 | - | - | - | 17.79 | 9.89 | 1.12 | | - | 11.01 | 6.79 | 7.90 |
| BOILER | 426.55 | 8.71 | 151.04 | - | 284.22 | 76.55 | 62.42 | | 136.56 | 2.41 | 281.81 | 350.00 |
| Submersible Pump | 6.17 | - | - | - | 6.17 | 4.44 | 0.24 | | - | 4.68 | 1.49 | 1.73 |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Tank Lorry | 8.81 | - | - | - | 8.81 | 7.57 | 0.23 | - | 7.79 | 1.02 | 1.25 |
| Compressure | 6.50 | 0.95 | - | - | 7.45 | 0.40 | 1.23 | - | 1.63 | 5.82 | 6.10 |
| Jigger Phase-IV | 33.05 | 119.13 | - | - | 152.18 | 1.58 | 18.40 | - | 19.98 | 132.19 | 31.47 |
| Pipeline & Accessories Phase -IV | 1.87 | 37.70 | - | - | 39.57 | 0.09 | 6.12 | - | 6.20 | 33.36 | 1.78 |
| Drying Range Machine Phase-IV | - | 50.64 | - | - | 50.64 | - | - | - | 0 | 50.64 | - |
| Electrification Installation Phase-IV | - | 16.34 | - | - | 16.34 | - | 3.76 | - | 3.76 | 12.58 | - |
| **VEHICLES** | | | | | | | | | | | |
| Atul Shakti (Tempo) | 3.68 | - | - | - | 3.68 | 2.67 | 0.32 | - | 2.98 | 0.70 | 1.01 |
| Bolero Vehicle Purchase | 4.36 | - | - | - | 4.36 | 3.97 | 0.12 | - | 4.10 | 0.27 | 0.39 |
| Motor Car | 64.19 | - | - | - | 64.19 | 51.02 | 4.11 | - | 55.13 | 9.06 | 13.17 |
| New Bolero | 9.44 | - | - | - | 9.44 | 6.60 | 0.89 | - | 7.48 | 1.96 | 2.84 |
| Kia Seltos | 18.64 | - | - | - | 18.64 | 12.66 | 1.87 | - | 14.52 | 4.12 | 5.98 |
| BMW X1 | 40.25 | - | - | - | 40.25 | 16.36 | 7.46 | - | 23.82 | 16.43 | 23.89 |
| **BUILDING** | | | | | | | | | | | |
| Building | 398.51 | - | - | - | 398.51 | 122.48 | 26.06 | - | 148.54 | 249.97 | 276.03 |
| BORE WELL | 34.92 | 2.77 | - | - | 37.69 | 24.18 | 2.97 | - | 27.16 | 10.53 | 10.73 |
| Drainage Connection | 7.00 | - | - | - | 7.00 | 4.41 | 0.25 | - | 4.65 | 2.35 | 2.59 |
| RCC Road | 15.57 | - | - | - | 15.57 | 9.65 | 0.56 | - | 10.21 | 5.35 | 5.92 |
| Factory Building Washroom | 9.82 | - | - | - | 9.82 | 2.08 | 0.73 | - | 2.82 | 7.00 | 7.73 |
| Factory Godown | 29.58 | 0.28 | - | - | 29.86 | 8.60 | 2.02 | - | 10.62 | 19.25 | 20.98 |
| Office building new | 62.79 | 1.50 | - | - | 64.29 | 26.63 | 3.55 | - | 30.19 | 34.10 | 36.16 |
| New Borewell Phase -3 | 3.16 | - | - | - | 3.16 | 1.22 | 0.87 | - | 2.09 | 1.06 | 1.94 |
| Water Tank | 5.36 | - | - | - | 5.36 | 3.98 | 0.62 | - | 4.60 | 0.76 | 1.38 |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **OFFICE EQUIPMENTS** | | | | | | | | | | | | |
| Camera system | 7.98 | - | - | - | 7.98 | 7.19 | 0.21 | | - | 7.40 | 0.58 | 0.79 |
| Air Conditioner | 12.60 | 2.79 | - | - | 15.39 | 9.96 | 2.11 | | - | 12.06 | 3.33 | 2.64 |
| Fire Extinguisher | 1.05 | - | - | - | 1.05 | 1.00 | 0.00 | | - | 1.00 | 0.05 | 0.05 |
| Lab.Instruments | 1.92 | - | - | - | 1.92 | 1.63 | 0.05 | | - | 1.69 | 0.23 | 0.28 |
| PLASTIC CONTAINER | 2.27 | 0.44 | - | - | 2.71 | 1.44 | 0.16 | | - | 1.61 | 1.10 | 0.82 |
| Metalite | 0.05 | - | - | - | 0.05 | 0.05 | - | | - | 0.05 | 0.00 | 0.00 |
| R.O. water plant | 8.39 | - | - | - | 8.39 | 6.54 | 0.26 | | - | 6.80 | 1.59 | 1.85 |
| WATER COOLER | 3.48 | - | - | - | 3.48 | 2.12 | 0.40 | | - | 2.52 | 0.96 | 1.36 |
| Weighing Scales | 0.58 | - | - | - | 0.58 | 0.41 | 0.03 | | - | 0.44 | 0.14 | 0.17 |
| Ceiling Fan | 0.25 | - | - | - | 0.25 | 0.24 | - | | - | 0.24 | 0.01 | 0.01 |
| Telephone | 7.72 | - | - | - | 7.72 | 5.15 | 1.17 | | - | 6.32 | 1.40 | 2.57 |
| Printer Machine | 3.83 | - | - | - | 3.83 | 3.38 | 0.13 | | - | 3.51 | 0.32 | 0.45 |
| LED TV | 2.23 | 1.18 | - | - | 3.42 | 1.73 | 0.63 | | - | 2.36 | 1.06 | 0.51 |
| Refridgerator | 0.13 | 0.26 | - | - | 0.39 | 0.10 | 0.07 | | - | 0.17 | 0.21 | 0.02 |
| Computer System & Software | 8.16 | 0.20 | - | - | 8.37 | 7.12 | 0.40 | | - | 7.52 | 0.85 | 1.04 |
| External Hard Disk-250 | 0.02 | - | - | - | 0.02 | 0.02 | - | | - | 0.02 | 0.00 | 0.00 |
| misc. office Equipment | 8.16 | 5.70 | - | - | 13.85 | 5.10 | 3.50 | | - | 8.60 | 5.25 | 3.06 |
| Face system | 0.11 | - | - | - | 0.11 | 0.02 | 0.04 | | - | 0.06 | 0.05 | 0.09 |
| Mobile | - | 0.10 | - | - | 0.10 | - | 0.01 | | - | 0.01 | 0.08 | - |
| Electrification Installation | 163.63 | - | - | - | 163.63 | 108.30 | 13.41 | | - | 121.71 | 41.93 | 55.33 |
| Furniture & Fixture | 37.68 | 4.45 | - | - | 42.13 | 20.00 | 5.43 | | - | 25.43 | 16.71 | 17.69 |
| Effuent Treatment Plant | 265.29 | - | - | - | 265.29 | 40.10 | 21.39 | | - | 61.49 | 203.80 | 225.19 |
| Factory land | 341.88 | - | - | - | 341.88 | - | - | | - | - | 341.88 | 341.88 |
| | **4,190.12** | **293.50** | **250.22** | **-** | **4,233.40** | **1,668.03** | **379.00** | **-** | **218.41** | **1,828.62** | **2,404.78** | **2,522.09** |
| **Capital Work In Progress** | | | | | | | | | | | | |
| Electrification Installation WIP | 13.23 | - | (13.23) | - | 0.00 | - | - | - | - | - | 0.00 | 13.23 |
| Pipeline & Accessories | 13.54 | 6.07 | (19.61) | - | - | - | - | - | - | - | - | 13.54 |
| Pre-Operative Expense | 6.17 | 5.10 | (11.27) | - | (0.00) | - | - | - | - | - | (0.00) | 6.17 |
| Chimney WIP | 0.00 | 2.39 | - | - | 2.40 | - | - | - | - | - | 2.40 | 0.00 |
| Drying Range Machine WIP | 24.56 | 24.75 | (49.32) | - | - | - | - | - | - | - | - | 24.56 |
| Ground Mounted Solar WIP | - | 3.38 | - | - | 3.38 | | | | | | 3.38 | - |
| Jigger M/c-WIP | 4.87 | 38.02 | (42.89) | - | - | - | - | - | - | - | - | 4.87 |
| Machine Foundation | - | 0.12 | (0.12) | - | (0.00) | - | - | - | - | - | (0.00) | - |
| Power Turbine with Generator WIP | - | - | - | - | - | - | - | - | - | - | - | - |
| Rotary Screen Printing Machine WIP | - | - | - | | - | | | | | | - | - |
| Stenter M/c- WIP | - | | | | - | | | | | | - | - |
| Zero Machine WIP | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total** | **62.38** | **79.83** | **(136.44)** | **-** | **5.77** | **-** | **-** | **-** | **-** | **-** | **5.77** | **62.38** |
| **Total** | **4,252.50** | **373.34** | **113.78** | **-** | **4,239.17** | **1,668.03** | **379.00** | **-** | **218.41** | **1,828.62** | **2,410.55** | **2,584.48** |
| **Previous Year** | **3,090.39** | **668.83** | **(40.86)** | **(46.93)** | **3,671.43** | **1,106.10** | **268.09** | **-** | **-** | **1,374.19** | **2,297.24** | **1,984.29** |

**Capital Work-in-progress Ageing**

| Particulars | As at March 31, 2025 | | | | |
|---|---|---|---|---|---|
| | Amount in CWIP for a period of | | | | |
| | Less-than 1 Year | 1-2 Years | 2-3 Years | More-than 3 Years | Total |
| Chimaney | 2.39 | - | - | - | - |
| Ground Mounted Solar | 3.38 | - | - | - | - |
| **Total** | **5.77** | **-** | **-** | **-** | **-** |

| Particulars | As at March 31, 2024 | | | | |
|---|---|---|---|---|---|
| | Amount in CWIP for a period of | | | | |
| | Less-than 1 Year | 1-2 Years | 2-3 Years | More-than 3 Years | Total |
| Electrification Installation | 13.23 | - | - | - | - |
| Pipeline & Accessories | 13.54 | - | - | - | - |
| Drying Range Machine | 30.74 | - | - | - | - |
| Jigger Machine | 4.87 | - | - | - | - |
| **Total** | **62.38** | **-** | **-** | **-** | **-** |

| Particulars | As at March 31, 2023 | | | | |
|---|---|---|---|---|---|
| | Amount in CWIP for a period of | | | | |
| | Less-than 1 Year | 1-2 Years | 2-3 Years | More-than 3 Years | Total |
| Electrification Installation | 18.82 | - | - | - | - |
| Pipeline & Accessories | 3.82 | - | - | - | - |
| Boiler | 18.74 | - | - | - | - |
| Borewell | 2.61 | - | - | - | - |
| Roatry Screen Ptinting Machine | 210.03 | - | - | - | - |
| Stener Machine | 17.81 | - | - | - | - |
| Zero Machine | 10.10 | - | - | - | - |
| Jigger Machine | 39.62 | - | - | - | - |
| **Total** | **321.56** | **-** | **-** | **-** | **-** |

**VINOD TEXWORLD LIMITED**
**(Formerly known as VINOD TEXWORLD PRIVATE LIMITED)**
**CIN: U17200GJ2012PLC071210**

**NOTE Q - DETAILS OF REVENUE FROM OPERATIONS AND OTHER INCOME AS RESTATED**

**(Rs. in Lacs)**

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| **Sales of Products (Net of returns)** | | | |
| Local | 33,178.10 | 26,128.33 | 18,136.79 |
| Exports | 331.28 | 484.94 | 170.03 |
| Job Work Sales | 23.41 | 510.30 | 1,717.35 |
| Wash Liquor Sales | 4.14 | 14.68 | 34.75 |
| Sale of Scrap and other items | - | 10.54 | 7.97 |
| **Total Sales** | **33,536.93** | **27,148.80** | **20,066.90** |
| | | | |
| **Total Net Sales** | **33,536.93** | **27,148.80** | **20,066.90** |
| | | | |
| **OTHER INCOME** | | | |
| Interest Income | 10.07 | 9.86 | 1.15 |
| Kasar / balance written off | 3.73 | 1.28 | 2.00 |
| Rent Income | 2.30 | 3.18 | 3.18 |
| Profit on Sale of Machinery | 3.02 | 2.27 | - |
| **Total of Other Income** | **19.11** | **16.59** | **6.33** |

**NOTE R - DETAILS OF COST OF MATERIAL CONSUMED AS RESTATED**

**(Rs. in Lacs)**

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| Opening Stock | 1,286.07 | 499.66 | 462.48 |
| Add : Purchases | 29,649.13 | 25,268.40 | 16,997.60 |
| Less : Closing Stocks | 1,977.55 | 1,286.07 | 499.66 |
| Less: Purchase Returns | 53.09 | 10.64 | 15.03 |
| | **28,904.56** | **24,471.36** | **16,945.39** |

**NOTE S - DETAILS OF PURCHASE OF STOCK IN TRADE AS RESTATED**

**(Rs. in Lacs)**

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| | | | |
| Purchase of Stock-in-trade | 183.95 | 127.51 | 118.10 |
| | | | |
| **Net Increase / (Decrease)** | **183.95** | **127.51** | **118.10** |

**NOTE T - DETAILS OF CHANGES IN INVENTORY AS RESTATED**

**(Rs. in Lacs)**

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| ***Closing Stock*** | | | - |
| WIP | 2,365.23 | 1,799.44 | 954.18 |
| FINISHED GOODS | 1,664.28 | 1,465.87 | 730.34 |
| | **4,029.51** | **3,265.31** | **1,684.52** |
| | | | |
| ***Opening Stock*** | | | |
| WIP | 1,799.44 | 954.18 | 798.85 |
| FINISHED GOODS | 1,465.87 | 730.34 | 398.90 |
| | **3,265.31** | **1,684.52** | **1,197.75** |
| | | | |
| **Net Increase / (Decrease)** | **764.20** | **1,580.80** | **486.77** |

**NOTE U - DETAILS OF EMPLOYEE BENEFIT EXPENSES AS RESTATED**

**(Rs. in Lacs)**

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| Salary & Wages | 331.45 | 264.95 | 214.64 |
| Contribution to Provident & Pension/Other Funds | 3.42 | 3.51 | 3.47 |
| Bonus Expenses | 16.20 | 7.60 | 5.39 |
| Staff Welfare Expenses | 10.37 | 10.59 | 8.22 |
| Gratuity Expense | 9.97 | 8.04 | 2.51 |
| Director's Salary | 24.00 | 24.00 | 24.00 |
| Professional tax | 0.03 | 0.03 | 0.02 |
| **Total** | **395.45** | **318.72** | **258.26** |

**NOTE V - DETAILS OF FINANCE COST AS RESTATED**

**(Rs. in Lacs)**

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| **FINANCE COST :** | | | |
| Bank Charges & Loan Processing Fees | 33.39 | 18.90 | 4.84 |
| Interest Expenses on Bank Borrowings | 412.52 | 222.87 | 105.23 |
| Interest on late payment of statutory dues | 0.02 | 0.11 | -3.22 |
| Other Interest Expenses | 74.85 | 20.57 | 23.75 |
| Interest on Reverse Factoring Cost | 5.84 | - | - |
| **Total** | **526.62** | **262.44** | **130.59** |

**NOTE W - DETAILS OF DEPRECIATION & AMORTIZATION EXPENSE AS RESTATED**

**(Rs. in Lacs)**

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| **DEPRECIATION & AMORTIZATION EXPENSES** | | | |
| Depreciation | 387.58 | 293.84 | 268.09 |
| | **387.58** | **293.84** | **268.09** |

**NOTE X - DETAILS OF ADMINISTRATIVE SELLING & OTHER EXPENSES AS RESTATED**

**(Rs. in Lacs)**

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| **Manufacturing Expense:** | | | |
| **Power and Fuel** | | | |
| Opening Stock | 2.01 | 3.49 | 9.51 |
| Add: Purchase of Coal & Fuel | 958.69 | 1,012.87 | 1,396.34 |
| Less: Closing Stock | 9.67 | 2.01 | 3.49 |
| **Consumption of Power and fuel** | **951.03** | **1,014.35** | **1,402.36** |
| Freight, Cartage, Loading & Unloading Expenses | 97.16 | 81.07 | 54.37 |
| Drawing & Design Expenses | 12.64 | 13.90 | 6.05 |
| Effluent Treatment Charges | - | - | 49.31 |
| Factory Expenses | 23.91 | 23.29 | 15.02 |
| Folding, Checking & Packing Expenses | 185.58 | 145.16 | 159.78 |
| Laboratory Charges & Testing Expense | 1.07 | 0.42 | 0.81 |
| Jobwork Expense | 490.81 | 421.55 | 363.49 |
| Miscellaneous office Expense | 5.67 | 4.19 | 1.98 |
| Pollution Control Expenses | 73.45 | 64.56 | 6.26 |
| Power & Electricity | 313.43 | 308.39 | 257.99 |
| Repairs & Main. to Plant & Machinery & Others | 79.12 | 78.15 | 51.04 |
| Stores & Spares | 98.38 | 104.35 | 84.35 |
| Water Expense | - | 0.04 | 0.84 |
| **Administrative and Selling Expense:** | | | |
| Admin Charges | 1.23 | 1.07 | 0.94 |
| Audit Fees | 2.09 | 1.76 | 0.66 |
| Conveyance Expenses | 8.43 | 7.13 | 3.85 |
| Courior Expense | 12.70 | 10.19 | 0.04 |
| CSR Expenses | 8.21 | - | - |
| Donation Expense | 0.10 | 0.15 | 0.10 |
| GST Expense | 0.27 | 0.35 | 1.78 |
| Insurance Expenses | 15.49 | 8.02 | 6.58 |
| Legal Fees and Professional fees | 10.57 | 13.41 | 19.58 |
| Loss on Sale of Machinery | 7.71 | 10.16 | 15.34 |
| Membership Fee & Subscription | 1.64 | 0.49 | 1.68 |
| Pooja Expense | 3.87 | 1.08 | 1.74 |
| Preliminary Expenses | - | - | 0.75 |
| Printing & Stationary & Postage Expense | 11.97 | 12.12 | 2.85 |
| Rent, Rates & Taxes | 14.24 | 8.61 | 5.10 |
| Repairs & Maintenance | 27.34 | 20.03 | 19.68 |
| Security Charges | 15.77 | 15.18 | 14.27 |
| Telephone & Telecommunication Expenses | 0.64 | 0.21 | 0.38 |
| Brokerage and Commission | 188.12 | 163.24 | 168.55 |
| Freight Outward | 0.04 | 0.02 | 0.02 |
| Travelling Expense | 5.69 | 16.88 | 15.68 |
| Sales Promotion Expense | 16.42 | 14.54 | 13.60 |
| **Total of Other Expenses as Restated** | **2,684.78** | **2,564.01** | **2,746.84** |

**Note X(a) AUDITOR'S REMUNERATION**

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| Statutory Audit Fees | 2.09 | 1.76 | 0.66 |
| Consultancy Charges | 0.50 | 0.50 | - |
| **Total** | **2.59** | **2.26** | **0.66** |

| Earning Per Share (E.P.S.) | For the year ended March 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| Profit/ (Loss) after Tax as per accounts | 920.76 | 529.68 | 67.65 |
| Weighted Average No. of Equity Shares | 116.01 | 114.77 | 110.42 |
| Nominal Value of Share | 10 | 10 | 10 |
| Basic and Diluted E.P.S. | **7.94** | **4.62** | **0.61** |

**VINOD TEXWORLD LIMITED**
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**NOTE Y - STATEMENT OF TAX SHELTER AS RESTATED**

**(Rs. in Lacs)**

| **Particulars** | **2025** | **2024** | **2023** |
|---|---|---|---|
| | | | |
| **Income from House Property** | | | |
| Rent Income | 2.30 | 3.18 | 3.18 |
| Less : 30% Standard Deduction | (0.69) | (0.95) | (0.95) |
| **Total Income from House Property** | **1.61** | **2.23** | **2.23** |
| | | | |
| Restated Profit before tax as per books (A) | 1,237.30 | 708.31 | 92.73 |
| **Tax Rates** | | | |
| Income Tax Rate (%) | 25.17% | 25.17% | 25.17% |
| **Adjustments :** | | | |
| **Income considered separately (B)** | | | |
| Rent Income | (2.30) | (3.18) | (3.18) |
| | | | |
| **Total Income considered separately (B)** | **(2.30)** | **(3.18)** | **(3.18)** |
| **Timing Differences (C)** | | | |
| **Permanent Timing Difference** | | | |
| Effects of Other Allowance/Disallowance | (0.15) | (0.92) | (0.32) |
| Deduction - Donation(CSR) | 8.31 | 0.00 | 0.00 |
| (Profit)/Loss on sale of Fixed Asset (Net off) | 4.69 | 7.89 | 15.34 |
| **Temporary Timing Differences** | | | |
| Book Depreciation | 387.58 | 293.84 | 268.09 |
| Unpaid Gratuity | 9.97 | 8.04 | 2.51 |
| Income Tax Depreciation Allowance | (351.58) | (358.15) | (321.45) |
| Disallowance u/s 43B | 5.40 | - | - |
| **Total Timing Differences (C)** | **64.22** | **(49.30)** | **(35.83)** |
| **Net Adjustments D = (B+C)** | **61.92** | **(52.48)** | **(39.01)** |
| **Tax expense / (saving) thereon** | **15.58** | **(13.21)** | **(9.82)** |
| **Taxable Income/(Loss) (A+D)** | **1,300.83** | **658.05** | **55.95** |
| **Income Tax on above** | **327.39** | **165.62** | **14.08** |
| | | | |
| ***Tax Expense*** | | | |
| a. Current Tax Rounded | 327.39 | 165.62 | 14.08 |
| | | | |
| **TOTAL** | **327.39** | **165.62** | **14.08** |

**VINOD TEXWORLD LIMITED**
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**NOTE Z: STATEMENT OF DEFERRED TAX EXPENSES**

**(Rs. in Lacs)**

| Particulars | 2025 | 2024 | 2023 |
|---|---|---|---|
| WDV as per book | 2,054.33 | 2,180.22 | 1,633.81 |
| WDV as per IT | (1,955.45) | (2,040.65) | (1,550.67) |
| | | | |
| Preliminery Expenses | 0.68 | 1.18 | 0.43 |
| Gratuity | (9.97) | (8.04) | (2.51) |
| **Time Difference** | 89.59 | 132.70 | 81.06 |
| | | | |
| Total | **89.59** | **132.70** | **81.06** |
| As per B/s (DTA)/DTL | **22.55** | **33.40** | **20.40** |
| | | | |
| | | | |
| Opening Balance | 33.40 | 20.40 | 9.40 |
| Transfer to P & L A/c | (10.85) | 13.00 | 11.00 |
| Transfer to P & L A/c Rounded | (10.85) | 13.00 | 11.00 |

**VINOD TEXWORLD LIMITED**
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**NOTE AA - MANDATORY ACCOUNTING RATIOS AS RESTATED**

**(Rs. in Lacs)**

| Ratios | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|---|---|---|---|
| | | | |
| Restated PAT as per P& L Account | 927.17 | 529.68 | 67.65 |
| Weighted Average Number of Equity Shares at the end of the Year | 116.01 | 114.77 | 110.42 |
| Net Worth as per restated | 3,198.00 | 2,277.24 | 1,647.56 |
| Current Assets | 15,300.37 | 12,816.63 | 9,314.83 |
| Current Liabilities | 12,717.77 | 11,137.61 | 8,097.30 |
| Earnings Per Share (Basic & Diluted) | 7.99 | 4.62 | 0.61 |
| EBITDA | 2,099.00 | 1,229.09 | 480.24 |
| **Return on Net Worth (%)** | 28.99% | 23.26% | 4.11% |
| **Net Asset Value Per Share (Rs)** | 27.57 | 19.84 | 14.92 |
| **Current Ratio** | 1.20 | 1.15 | 1.15 |
| Nominal Value per Equity share (Rs.) | 10.00 | 10.00 | 10.00 |

**Note:**

**-The Company has issued 1,25,000 equity shares on 31/03/2024 to existing shareholders vide board resolution dated 31/03/2024 at face value of Rs.10/- plus share premium of Rs.70/-.**

**-The Company has issued 4,76,200 equity shares on 28/02/2023 to existing shareholders vide board resolution dated 20/02/2023 at face value of Rs.10/- plus share premium of Rs.32/-**

**NOTE AA (1) - RATIO ANALYSIS**

| Ratios | Numerator | Denominator | As At 31st March 2025 | As At 31st March 2024 | As At 31st March 2023 | Variance | Variance | Explanation for any change in ratio by more than 25% as compared to preceeding year | Explanation for any change in ratio by more than 25% as compared to preceeding year |
|---|---|---|---|---|---|---|---|---|---|
| | | | A | B | C | A-B | B-C | A-B | B-C |
| Current Ratio | Current Assets | Current Liabilities | 1.20 | 1.15 | 1.15 | 5% | 0% | Not Applicable | Not Applicable |
| Debt-Equity Ratio | Total Debt | Shareholder's Equity | 2.07 | 2.06 | 2.12 | 0% | -2% | Not Applicable | Not Applicable |
| Debt Service Coverage Ratio | Earnings available for Debt Service | Debt Service | 3.30 | 2.87 | 1.34 | 15% | 113% | Not Applicable | Due to company has made a higher profit in the current financial year as compared to preceding financial year. |
| Return on Equity Ratio | NPAT less Pref Dividend | Avg Shareholder's Equity | 33.87% | 26.99% | 4.47% | 25% | 504% | Not Applicable | Due to company has made a higher profit in the current financial year as compared to preceding financial year. |
| Inventory Turnover Ratio | COGS | Avg Inventory | 5.35 | 6.82 | 8.58 | -22% | -20% | Not Applicable | Not Applicable |
| Trade Receivables turnover ratio | Net Credit Sales | Avg Trade Receivables | 4.09 | 3.83 | 3.62 | 7% | 6% | Not Applicable | Not Applicable |
| Trade Payables turnover ratio | Net Credit Purchases | Avg Trade Payables | 4.14 | 3.93 | 3.41 | 5% | 15% | Not Applicable | Not Applicable |
| Net Capital turnover ratio | Net Sales | Avg Working Capital | 15.74 | 18.75 | 16.55 | -16% | 13% | Not Applicable | Not Applicable |
| Net Profit Ratio | NPAT | Net Sales | 2.76% | 1.95% | 0.34% | 42% | 479% | Due to company has made a higher profit in the current financial year as compared to preceding financial year. | Due to company has made a higher profit in the current financial year as compared to preceding financial year. |
| Return on Capital Employed | EBIT | Capital Employed | 35.16% | 22.53% | 6.12% | 56% | 268% | Due to company has made a higher profit in the current financial year as compared to preceding financial year. | Due to company has made a higher profit in the current financial year as compared to preceding financial year. |
| Gross Profit Ratio | Gross Profit | Sales | 7.48% | 5.81% | 4.00% | 29% | 45% | Due to increase in the gross profit during the current financial year. | Due to increase in the gross profit during the current financial year. |

(a) Current Ratio = Current Assets / Current Liabilities
(b) Debt- equity ratio = Total debt / Shareholders' equity
(c) Debt service coverage ratio = EBITDA/(Principal + Interest)
(d) Return on equity ratio= Net profit after taxes / Avg Shareholder's Equity
(e) Inventory turnover ratio=Cost of goods sold or sales/Average inventory
(f) Trade receivables turnover ratio= Revenue from Operations /Average trade receivables
(g) Trade payables turnover ratio=Direct Expenses/Average trade payables
(h) Net Capital turnover ratio=Net sales/Average working capital
(i) Net profit ratio=Net profit after taxes/Total Revenue
(j) Return on capital employed=Earning before interest and taxes/Capital employed
(k) Gross Profit Ratio= Gross Profit/ Net Sales.

**NOTE AB: LIST OF RELATED PARTIES & RELATED PARTY TRANSACTIONS**

**A. List of Related Parties**

**Associate Concerns/ Entities in which managerial personnel/relative of key managerial personnel have significant influence:**

i. Anil Exports (India)
ii. Vinod Texspin LLP
iii. Vinod Cotfab Private Limited
iv. Vinod Denim Limited
v. Vinod Fabrics Private Limited
vi. Chandi Mahal

**Key Management Personnel**
i. Yash Vinod Mittal
ii. Harsh Vinodbhai Mittal
iii. Sweta Yash Mittal (Appointed as additional director from 25-10-2024)
iv. Foram Deep Parikh (Company Secretary)
v. Anchal Tulsyan (Chief Finacial Officer from 25-10-2024)
vi. Saket Jagdishchandra Agarwal (Appointed as additional director from 25-10-2024)

**Relative of Key Management Personnel**
i. Radha Vinod Mittal
ii. Sweta Yash Mittal (Marketing Manager Upto 24-10-2024)
iii. Poonam Harsh Mittal
iv.Vinod Mangalchand Mittal
v.Siddh Mittal
vi.Yug Mittal
vii.Yaana Mittal
viii.Subhash Chandra Kanoi
ix. Bela Kanoi
x. Shaan Kanoi
xi. Shreya Kanoi

| B. Related Parties Transactions | | | | | |
|---|---|---|---|---|---|
| Particulars | | | | | (Rs. in Lacs) |
| **Nature of Transaction** | **Related Parties** | **Relation** | **2024-25** | **2023-24** | **2022-23** |
| **Remuneration (including bonus)** | Harsh Vinodbhai Mittal | Key Managerial Personal | 12.00 | 12.00 | 12.00 |
| | Yash Vinod Mittal | Key Managerial Personal | 12.00 | 12.00 | 12.00 |
| | Sweta Yash Mittal | Key Managerial Personal | 5.50 | - | - |
| | | | | | |
| **Salary** | Sweta Yash Mittal | Relative of Key Management personnel | 7.70 | - | - |
| | Foram Deep Parikh | Company Secretary | 2.58 | 2.58 | 1.94 |
| | Anchal Tulsyan | Chief Finacial Officer | 3.30 | - | - |
| | | | | | |
| **Purchase net of Returns** | Vinod Cotfab Private Limited | Entity in which Appointed director interested | 12,830.59 | 3,962.28 | 392.45 |
| **(Exclusive of GST)** | Anil Exports (India) | Entity in which Appointed director interested | 4.81 | 39.31 | 130.15 |
| | | | | | |
| **Rent Received** | Vinod Cotfab Private Limited | Entity in which Appointed director interested | 1.02 | 1.02 | 1.02 |
| | Vinod Texspin LLP | Entity in which Appointed director interested | 0.6 | 0.6 | 0.6 |
| | Anil Exports (India) | Entity in which Appointed director interested | 0.68 | 1.56 | 1.56 |
| | | | | | |

| | | | | | |
|---|---|---|---|---|---|
| **Sales net off Returns (Exclusive of GST)** | Vinod Denim Limited | Entity in which Appointed director interested | 5,469.71 | 3,908.73 | 392.21 |
| **(Inclusive of Jobwork)** | Anil Exports (India) | Entity in which Appointed director interested | - | 493.04 | 1,331.84 |
| | Vinod Fabrics Private Limited | Entity in which Appointed director interested | 7.05 | - | - |
| | | | | | |
| **Loans Taken** | Harsh Vinodbhai Mittal | Key Managerial Personal | 395.26 | 29.49 | 87.36 |
| | Yash Vinod Mittal | Key Managerial Personal | 345.71 | 50.15 | 100.55 |
| | Sweta Yash Mittal | Key Managerial Personal | 80.94 | 21.55 | 26.2 |
| | Vinod Mangalchand Mittal | Relative of Key Management personnel | - | 10.00 | 8.00 |
| | Poonam Harsh Mittal | Relative of Key Management personnel | 19.89 | 13 | 22.4 |
| | Radha Vinod Mittal | Relative of Key Management personnel | 20.67 | 15.3 | 15.89 |
| | Anil Exports (India) | Entity in which Appointed director interested | 5.57 | - | - |
| | | | | | |
| | Harsh Vinodbhai Mittal | Key Managerial Personal | 405.68 | 81.74 | 65.00 |
| | Yash Vinod Mittal | Key Managerial Personal | 358.63 | 105.2 | 139.2 |
| | Sweta Yash Mittal | Key Managerial Personal | 69.13 | 35.33 | 16.8 |

| | | | | | |
|---|---|---|---|---|---|
| **Loans Repaid** | Vinod Mangalchand Mittal | Relative of Key Management personnel | 0.83 | 15.3 | 1.02 |
| | Poonam Harsh Mittal | Relative of Key Management personnel | 13.46 | 25 | 7.23 |
| | Radha Vinod Mittal | Relative of Key Management personnel | 15.5 | 29.41 | 11.43 |
| | Anil Exports (India) | Entity in which Appointed director interested | 5.57 | - | - |
| | | | | | |
| **Interest paid on Loan** | Harsh Vinodbhai Mittal | Key Managerial Personal | 2.36 | 0.87 | 4.39 |
| | Yash Vinod Mittal | Key Managerial Personal | 8.19 | 1.36 | 8.21 |
| | Sweta Yash Mittal | Key Managerial Personal | 2.64 | 0.24 | 0.61 |
| | Vinod Mangalchand Mittal | Relative of Key Management personnel | 0.27 | 0.59 | 0.1 |
| | Poonam Harsh Mittal | Relative of Key Management personnel | 1.63 | 0.59 | 0.49 |
| | Radha Vinod Mittal | Relative of Key Management personnel | 0.9 | 0.43 | 0.43 |
| | | | | | |
| | Harsh Vinodbhai Mittal | Key Managerial Personal | 10.85 | 19.15 | 70.61 |
| | Yash Vinod Mittal | Key Managerial Personal | 7.35 | 12.9 | 66.72 |
| | Sweta Yash Mittal | Key Managerial Personal | 14.41 | 0.22 | 13.78 |

| | | | | | |
|---|---|---|---|---|---|
| **Outstanding balance of Loan at the year end** | Vinod Mangalchand Mittal | Relative of Key Management personnel | 2.83 | 3.42 | 8.19 |
| | Poonam Harsh Mittal | Relative of Key Management personnel | 16.67 | 8.78 | 20.24 |
| | Radha Vinod Mittal | Relative of Key Management personnel | 6.39 | 0.40 | 14.12 |
| | | | | | |
| **Outstanding balance of Remuneration/Salary at the year end** | Harsh Vinodbhai Mittal | Key Managerial Personal | 0.69 | 0.69 | 0.69 |
| | Yash Vinod Mittal | Key Managerial Personal | 0.88 | 0.88 | 0.90 |
| | Sweta Yash Mittal | Key Managerial Personal | 1.48 | - | - |
| | Foram Deep Parikh | Company Secretary | 0.21 | 0.21 | 0.21 |
| | Anchal Tulsyan | Chief Finacial Officer | 0.35 | - | - |
| | | | | | |
| **Outstanding balance of Sundry Balances at the year end** | Vinod Cotfab Private Limited (Cr. Balance) | Entity in which Appointed director interested | 3,961.28 | 714.87 | 211.87 |
| | Anil Exports (India) | Entity in which Appointed director interested | - | 12.94 Cr. | 17.59 Dr. |
| | Vinod Denim Limited (Dr. Balance) | Entity in which Appointed director interested | 493.23 | 506.63 | 211.48 |

**NOTE - AC : Capitalisation Statement as at 31st March, 2025**

**(Rs. in Lacs)**

| **Particulars** | **Pre Issue** | **Post Issue** |
|---|---|---|
| **Borrowings** | | |
| Short term debt (A) | 4,880.13 | * |
| Long Term Debt (B) | 1,747.63 | * |
| **Total debts (C)** | **6,627.76** | * |
| **Shareholders' funds** | | |
| Equity share capital | 1,160.12 | * |
| Reserve and surplus - as restated | 2,037.88 | * |
| **Total shareholders' funds** | **3,198.00** | * |
| | | |
| **Long term debt / shareholders funds** | 0.55 | * |
| **Total debt / shareholders funds** | 2.07 | * |

(*) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

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**NOTE AD : ANNEXURE FORMING PART OF RESTATED FINANCIAL STATEMENTS**

**DETAILS OF OTHER INCOME AS RESTATED**

**(Rs. in Lacs)**

| Particulars | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|---|---|---|---|
| Other income | 19.11 | 16.59 | 6.33 |
| | | | |
| Net Profit Before Tax as Restated | 1,237.30 | 708.31 | 92.73 |
| | | | |
| **Percentage** | **1.54%** | **2.34%** | **6.82%** |

**Source of Income**

**(Rs. in Lacs)**

| Particulars | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|---|---|---|---|
| Interest Income | 10.07 | 9.86 | 1.15 |
| Kasar / balance written off | 3.73 | 1.28 | 2.00 |
| Rent Income | 2.30 | 3.18 | 3.18 |
| Profit on Sale of Machinery | 3.02 | 2.27 | - |
| **Total Other income** | **19.11** | **16.59** | **6.33** |

**DETAILS OF CONTINGENT LIABILITIES AND COMMITMENTS AS RESTATED**

**(Rs. in Lacs)**

| Contingent Liabilities and Commitments | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|---|---|---|---|
| GST demand | 22.86 | 0.20 | 0.20 |
| Bank Guarantee includes Performance Guarantee and advance Receipt Bank Guarantee | 77.64 | 40.37 | 47.96 |
| Corporate Guarantee to Private Limited Company | 7,627.00 | 7,789.00 | - |

**RESTATED VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS BY THE COMPANY:**
**During the financial year in respect of:**

**(Rs. in Lacs)**

| Particulars | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|---|---|---|---|
| Raw Material | - | - | - |

**EXPENDITURE IN FOREIGN CURRENCY DURING THE FINANCIAL YEAR AS RESTATED:**

**(Rs. in Lacs)**

| Particulars | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|---|---|---|---|
| Royalty | - | - | - |
| Know-How | - | - | - |
| Professional and Consultancy Fees | - | - | - |

**EARNINGS IN FOREIGN EXCHANGE AS RESTATED:**

**(Rs. in Lacs)**

| Particulars | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|---|---|---|---|
| Export of goods calculated on F.O.B. basis | 331.28 | 484.94 | 170.03 |
| Royalty, Know-How, professional and Consultancy Fees | | | |
| Interest and Dividend | | | |

**DISCLOSURE UNDER AS-15 AS RESTATED**

**A. DEFINED CONTRIBUTION PLAN**

**(Rs. in Lacs)**

| Particulars | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|---|---|---|---|
| Employers' Contribution to Provident Fund and ESIC | 3.42 | 3.51 | 3.47 |

**B. DEFINED BENEFIT OBLIGATION**

The gratuity benefit payable to the employees of the Company is as per the provisions of the Payment of Gratuity Act, 1972, as amended. Under the gratuity plan, every employee who has completed at least 5 years of service gets gratuity on separation or at the time of superannuation calculated for equivalent to 15 days salary for each completed year of service calculated on last drawn basic salary. The Company does not have a funded plan for gratuity liability.

| I. ASSUMPTIONS: | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|---|---|---|---|
| Discount Rate | 6.75% | 7.10% | 7.40% |
| Salary Escalation | 7.00% | 7.00% | 7.00% |
| Mortality Table | Indian Assured Lives Mortality (2012-14) Ult. | Indian Assured Lives Mortality (2012-14) Ult. | Indian Assured Lives Mortality (2012-14) Ult. |
| Retirement Age | 60 Years | 60 Years | 60 Years |

**(Rs. in Lacs)**

| II. CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATION: | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|---|---|---|---|
| Present Value of Benefit Obligation as at the beginning of the year/period | 27.52 | 19.49 | 16.98 |
| Current Service Cost | 10.13 | 8.08 | 6.25 |
| Interest Cost | 1.86 | 1.38 | 1.26 |
| (Benefit paid) | - | - | - |
| Actuarial (gains)/losses | (2.02) | (1.43) | (4.99) |
| **Present value of benefit obligation as at the end of the year/period** | **37.50** | **27.52** | **19.49** |

(Rs. in Lacs)

| III. BIFURCATION OF PRESENT VALUE OF BENEFIT OBLIGATION | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|---|---|---|---|
| Current - Amount due within one year | 2.14 | 1.49 | 0.78 |
| Non-Current - Amount due after one year | 35.36 | 26.03 | 18.70 |
| **Total** | **37.50** | **27.52** | **19.48** |

(Rs. in Lacs)

| IV. ACTUARIAL GAINS/LOSSES: | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|---|---|---|---|
| Actuarial (gains)/losses on obligation for the year/period | (2.02) | (1.43) | (4.99) |
| Actuarial (gains)/losses on asset for the year/period | - | - | - |
| **Actuarial (gains)/losses recognized in income & expenses Statement** | **(2.02)** | **(1.43)** | **(4.99)** |

(Rs. in Lacs)

| V. EXPENSES RECOGNISED | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|---|---|---|---|
| Current service cost | 10.13 | 8.08 | 6.25 |
| Interest cost | 1.86 | 1.38 | 1.26 |
| Actuarial (gains)/losses | (2.02) | (1.43) | (4.99) |
| **Expense charged to the Statement of Profit and Loss** | **9.97** | **8.04** | **2.51** |

(Rs. in Lacs)

| VI. BALANCE SHEET RECONCILIATION: | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|---|---|---|---|
| Opening net liability | 27.52 | 19.49 | 16.98 |
| Expense as above | 9.97 | 8.04 | 2.51 |
| (Benefit paid) | - | - | - |
| Contributions | - | - | - |
| **Net liability/(asset) recognized in the balance sheet** | **37.50** | **27.52** | **19.49** |

VII. The estimates of rate of salary increase considered in the actuarial valuation takes into account inflation, seniority, promotion and all other relevant factors including supply and demand in the employment market.

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**ANNEXURE FOR TERMS OF BORROWINGS AS RESTATED** **(Rs. in Lacs)**

| Name of Lender | Nature of Security | Repayment Terms | Sanction | Rate of Interest | Tenure (Months) | No. of Installments | Installments | Outstanding as on 31st March, 2025 | Outstanding as on 31st March, 2024 | Outstanding as on 31st March, 2023 |
|---|---|---|---|---|---|---|---|---|---|---|
| SBI Bank | Hypothecation of company's entire current assets including stocks of raw materials, stocks in process, finished goods, stores and spares , book - debts and other current assets. Documents | Monthly | 51.00 | 9.25% | 48 | 36 | 1.42 | - | 2.86 | 20.00 |
| SBI Bank | | Monthly | 550.00 | 2.50% + MCLR | 108 | 90 | 6.39 | 255.79 | 333.27 | 410.60 |
| SBI Bank | | Monthly | 750.00 | 1.75% + EBLR | 108 | 90 | 8.36 | 614.83 | 716.31 | 534.13 |
| SBI Bank | | Monthly | 300.00 | 2.60% + EBLR | 69 | 60 | 5.00 | 282.23 | 55.58 | - |
| SBI Bank | | Monthly | 33.00 | 0.30% + MCLR | 72 | 66 | 0.50 | 10.08 | 16.15 | 22.21 |
| SBI Bank | | Monthly | 165.00 | EBLR+75bps | 60 | 36 | 4.58 | 90.30 | 147.32 | 166.30 |
| Au Small Finance Bank Ltd | Vehicle loans are secured against hypothecation of vehicles. | Monthly | 8.00 | 9.40% p.a. | 36 | 36 | 0.26 | - | - | 2.46 |
| Daimler Financial Services India Pvt. Ltd. | Vehicle loans are secured against hypothecation of vehicles. | Monthly | 45.00 | 7.80% p.a. | 60 | 60 | 0.91 | - | 7.92 | 17.78 |
| HDFC Bank | Vehicle loans are secured against hypothecation of vehicles. | Monthly | 30.00 | 0.661% p.m. | 48 | 48 | 0.73 | 13.53 | 20.90 | 27.72 |
| HDFC Bank | Vehicle loans are secured against hypothecation of vehicles. | Monthly | 17.05 | 7.65% p.a. | 36 | 36 | 0.53 | - | - | 6.12 |

**VINOD TEXWORLD LIMITED**
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**NOTE AE: ADDITIONAL DISCLOSURES**

1. In accordance with the requirement of Schedule III, Normal Operating Cycle of the Company's business is determined and duly approved by the Board of Directors.

2. Assets and Liabilities of the above business have been classified into Current and Non-Current using the above Normal Operating Cycle and applying other criteria prescribed in Schedule III.

3. The Company have no immovable property whose title deeds are not held in the name of the company.

4. The Company has not revalued its Property, Plant and Equipment during the reporting years.

5. There are no Loans and Advances in the nature of loans that are granted to promoters, directors, KMP's and the related parties either severally or jointly with any other person, that are repayable on demand.

6. There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

7. The Company does not have any intangible assets under development.

8. The company has Capital Work in Progress for the period under review as under.

**(Rs. in Lacs)**

| Sr. No. | Particulars | As at March 31, 2025 | | | | |
|---|---|---|---|---|---|---|
| | | Amount in CWIP for a period of | | | | |
| | | Less-than 1 Year | 1-2 Years | 2-3 Years | More-than 3 Years | Total |
| 1 | Chimaney | 2.39 | - | - | - | - |
| 2 | Ground Mounted Solar | 3.38 | - | - | - | - |
| | **Total** | **5.77** | **-** | **-** | **-** | **-** |

**(Rs. in Lacs)**

| Sr. No. | Particulars | As at March 31, 2024 | | | | |
|---|---|---|---|---|---|---|
| | | Amount in CWIP for a period of | | | | |
| | | Less-than 1 Year | 1-2 Years | 2-3 Years | More-than 3 Years | Total |
| 1 | Electrification Installation | 13.23 | - | - | - | - |
| 2 | Pipeline & Accessories | 13.54 | - | - | - | - |
| 3 | Drying Range Machine | 30.74 | - | - | - | - |
| 4 | Jigger Machine | 4.87 | - | - | - | - |
| | **Total** | **62.38** | **-** | **-** | **-** | **-** |

(Rs. in Lacs)

| Sr. No. | Particulars | As at March 31, 2023 | | | | |
|---|---|---|---|---|---|---|
| | | Amount in CWIP for a period of | | | | |
| | | Less-than 1 Year | 1-2 Years | 2-3 Years | More-than 3 Years | Total |
| 1 | Electrification Installation | 18.82 | - | - | - | - |
| 2 | Pipeline & Accessories | 3.82 | - | - | - | - |
| 3 | Boiler | 18.74 | - | - | - | - |
| 4 | Borewell | 2.61 | - | - | - | - |
| 5 | Roatry Screen Ptinting Machine | 210.03 | - | - | - | - |
| 6 | Stener Machine | 17.81 | - | - | - | - |
| 7 | Zero Machine | 10.1 | - | - | - | - |
| 8 | Jigger Machine | 39.62 | - | - | - | - |
| | **Total** | **321.55** | **-** | **-** | **-** | **-** |

9. The Company is not declared as willful defaulter by any bank or financial institution or other lender.

10. The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013.

11. The Company has no subsidiaries with one layer prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

12. No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

13. The Company have not traded or invested in Crypto currency during the period under review.

14. The Company does not have any transaction or undisclosed income which are reported by tax authorities under any assessment year under tax Assessment (such as, search or survey or any other relevant provisions) under the income tax Act- 1961 and rules made thereunder.

15. Utilisation of Borrowed funds and share premium:

A. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources 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.

B. 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.

## OTHER FINANCIAL INFORMATION

The accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

***Amount (Rs. In Lakhs)***

| **Particulars** | **As at and for the year ended March 31, 2025** | **As at and for the year ended March 31, 2024** | **As at and for the year ended March 31, 2023** |
|---|---|---|---|
| Earnings per share (basic) (in Rs.)[1] | 7.94 | 4.62 | 0.61 |
| Earnings per share (Diluted) (in Rs.) [2] | 7.94 | 4.62 | 0.61 |
| Return on Net worth (%)[3] | 28.79% | 23.26% | 4.11% |
| Net Asset Value per Equity Share (in Rs.)[4] | 27.57 | 19.84 | 14.92 |
| Net Asset Value per Equity Share (post bonus adjustment) (in Rs.)[5] | 27.57 | 19.84 | 14.92 |
| EBITDA (in Lakhs)[6] | 2,099.00 | 1,229.09 | 480.24 |

**Notes:-**

[1]Basic EPS (₹) = Basic earnings per share are calculated by dividing the net restated profit for the year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year.

[2]Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the net restated profit for the year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all dilutive potential Equity Shares during the year.

[3]Return on net worth is calculated as restated profit for the year divided by total shareholder's fund.

[4]Net asset value per equity share is calculated as total shareholder's fund divided by number of equity shares.

[5]Net asset value per equity share is calculated as total shareholder's fund divided by weighted average number of equity shares post bonus. (Bonus was not issued during any year).

[6]EBITDA is calculated as profit for the year minus other income plus finance costs (Interest Expenses), depreciation and amortization, total income tax expense.

*For more detailed information refer chapter titled "Financial Information" starting on page 267 of this Draft Prospectus.*

***The remainder of this page has been left blank intentionally.***

## MANAGEMENTS DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion of our financial condition and results of operations together with our Financial Statements as Restated which is included in this Draft Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Financial Statements as Restated, for the years ended March 31, 2025, 2024 and 2023 including the related notes and reports, included in this Draft Prospectus is prepared in accordance with requirements of the Companies Act, 2013 and restated in accordance with the SEBI (ICDR) Regulations, 2018, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited statutory financial statements. Accordingly, the degree to which our Financial Statements as Restated 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 our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page 35 of this Draft Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "Forward-Looking Statements" on page 22 of this Draft Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information.

Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Vinod Texworld Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for Financial Years 2025, 2024 & 2023 included in this Draft Prospectus beginning on page 267 of this Draft Prospectus.

### BUSINESS OVERVIEW

Our Company was originally incorporated as "Shree Shiv Shakti Cot-Fab Private Limited" as a private limited company, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated July 19, 2012 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli having Corporate Identification Number U17200GJ2012PTC071210. Subsequently in the Financial Year 2016-17, Vinod Mangalchand Mittal, Harsh Vinod Mittal and Yash Vinod Mittal acquired 100% shareholding in the Shree Shiv Shakti Cot-Fab Private Limited. Subsequently, Our Company changed its name from "Shree Shiv Shakti Cot-Fab Private Limited" to "Vinod Fabtex Private Limited" vide Certificate of Incorporation pursuant to change of name March 08, 2018 issued by Registrar of Companies, Ahmedabad, pursuant to special resolution passed in the Extra Ordinary General Meeting of the company held on March 03, 2018. Subsequently, Our Company changed its name from "Vinod Fabtex Private Limited" to "Vinod Texworld Private Limited" vide Certificate of Incorporation pursuant to change of name May 25, 2018 issued by Registrar of Companies, Ahmedabad, pursuant to special resolution passed in the Extra Ordinary General Meeting of the company held on May 23, 2018. Subsequently, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra Ordinary General Meeting of the company held on November 05, 2024 and consequently the name of our Company was changed to "Vinod Texworld Limited" pursuant to

fresh certificate of incorporation dated December 18, 2024 issued to our Company by the Registrar of Companies, Central Processing Centre having Corporate Identification Number U17200GJ2012PLC071210.

We make fabrics for fast fashion by combining modern technology, creative design, and traditional skills. We manage the entire process—from Greige Fabric to Dyed fabric and Printed fabric ensuring quality and the ability to quickly adapt to evolving market demands. Our key focus areas include fostering innovation, adopting a customer-centric approach, and driving research and development along with technological advancements. We are also committed to facilitating the transition towards renewable energy while prioritizing sustainability and green energy practices across our operations.

The company's focus is on Innovation, Customer Orientation, R & D, Technology Up Gradation, Continuous Improvement and Moving towards Green Energy. Our Company manufacture and sells its products like Dyed Fabric and Printed Fabric.

With a domestic network, the Company serves various locations across India, including states such as Gujrat, Punjab, Haryana, Delhi, Rajasthan, Uttar Pradesh, and West Bengal, among others.

We continuously strive to improve our processes, integrate new technologies and advance our sustainability efforts. As part of our commitment to the environment, we are transitioning toward Green Energy to reduce our carbon footprint and increase energy efficiency across our operations.

We supply our Dyed Fabric and Printed Fabric based on precise specifications of our customers across India and also in the overseas market. During the Fiscal 2025, we exported our products to Nepal. Set out in the table below is a break-up of our revenue from domestic sales and export sales for the Fiscal 2025, Fiscal 2024 and Fiscal 2023.

*For further details of our company please refer to section titled "Our History and Certain Other Corporate Matters" and "Our Business"* beginning on page no. 224 and 177 respectively of this Draft Prospectus.

## KEY PERFORMANCE INDICATORS OF OUR COMPANY

*In evaluating our business, we consider and use certain key performance indicators that are presented below as supplemental measures to review and assess our operating performance. The presentation of these key performance indicators is not intended to be considered in isolation or as a substitute for the Restated Financial Information included in this Draft Prospectus. We present these key performance indicators because they are used by our management to evaluate our operating performance. Further, these key performance indicators may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Therefore, these matrices should not be considered in isolation or construed as an alternative to AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation.*
*The following table sets forth certain of our key performance indicators for the periods indicated below.*

***Amount (Rs. in Lakhs except percentages and ratios)***

| Key Financial Performance | March 31, 2025 | March 31, 2024 | March 31, 2023 |
|---|---|---|---|
| Revenue from operations [(1)] | 33,536.93 | 27,148.80 | 20,066.90 |
| EBITDA [(2)] | 2,099.00 | 1,229.09 | 480.24 |
| EBITDA Margin [(3)] | 6.26% | 4.53% | 2.39% |
| PAT [(4)] | 920.76 | 529.68 | 67.65 |
| PAT Margin [(5)] | 2.75% | 1.95% | 0.34% |
| Net Worth [(6)] | 3,198.00 | 2,277.24 | 1,647.56 |
| Return on Net Worth [(7)] | 28.79% | 23.26% | 4.11% |
| RoCE [(8)] | 34.99% | 22.53% | 6.12% |

***Notes:***

*(1) Revenue from operations' means the Revenue from operations as appearing in the Restated Financial Statement.*

*(2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses – Other Income*

*(3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations*

*(4) PAT is mentioned as profit after tax for the period.*

*(5) PAT Margin is calculated as PAT for the period/year divided by revenue from operations.*

*(6) Net Worth means the aggregate value of the paid-up share capital and reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss). of the company.*

*(7) ROE/RONW: Return on Equity is calculated as PAT divided by closing shareholders' fund.*

*(8) ROCE: Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus Long Term-borrowings.*

For further detail on Key Performance Indicators of our company, please refer Chapter Titled "Basis of Offer Price" on page 136 of this Draft Prospectus.

## SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

As per mutual discussion between the Board of the Company and Lead Manager, in the opinion of the Board of the Company there have not arisen any circumstances since the date of the last financial statements as disclosed in the Draft Prospectus and which materially and adversely affect or is likely to affect within the Previous twelve months except as follows:

- Ms. Neha Agarwal ceased to hold office as an Additional Independent Director of the Company with effect from May 22, 2025.
- The Board of Directors of the Company appointed Mr. Gitesh Bipinchandra Shah as an Additional Independent Director in its meeting held on May 22, 2025.
- Ms. Sweta Yash Mittal's designation was changed from Executive Director to Non-Executive Director pursuant to a resolution passed by the Board of Directors in its meeting held on May 22, 2025.
- The Board of Directors of our Company has approved and passed resolution on August 05, 2025 to authorize the Board of Directors to raise the funds by way of Initial Public Offering.
- The shareholder of our Company has approved and passed resolution on August 28, 2025 to authorize the Board of Directors to raise the funds by way of Initial Public Offering.
- Increase in Authorised Share Capital: The Company has increased its authorised share capital from INR 1,200.00 Lakhs (1,20,00,000 equity share of INR 10 each) to INR 1,700.00 Lakhs (1,70,00,000 equity share of INR 10 each) pursuant to a resolution passed at the Extraordinary General Meeting (EGM) of shareholders held on August 28, 2025.
- Mr. Gitesh Bipinchandra Shah ceased to hold office as an Additional Independent Director of the Company with effect from September 10, 2025.
- The Board of Directors of the Company appointed Ms. Nikita as an Additional Independent Director in its meeting held on September 10, 2025.
- The Company has approved the Restated Financial Statements for the financial year ending March 31 2025, March 31, 2024 and March 31, 2023 in the Board meeting dated September 15, 2025.
- Our Company has approved the Draft Prospectus vide resolution in the Board Meeting dated September 29, 2025.

## SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "*Risk Factor"* beginning on page 35 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Our ability to successfully implement our growth strategy and expansion plans;
- Our Company's inability to meet its working capital requirements or maintain its existing credit facilities
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Failure to successfully upgrade our product portfolio, from time to time;
- Our ability to attract and retain qualified personnel;
- Our inability to maintain quality standards;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Our inability to respond to new innovations in our industry;
- Any adverse outcome in the legal proceedings in which we and our promoters are involved;
- Conflict of Interest with affiliated companies, the promoter group and other related parties;
- General social and political conditions in India which have an impact on our business activities or investments;
- Adverse natural calamities and man-made disaster having significant impact on our business;
- Other Factors beyond our control;
- Developments affecting the Indian economy;
- Loss of consumers;

## DISCUSSION ON RESULT OF OPERATION

***The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the financial years ended on March 31, 2025, March 31, 2024 March 31, 2023***

*Amount (₹ in Lakhs unless stated otherwise)*

| Particulars | For the year ended 31 March, 2025 | %age of Total Income | For the year ended 31 March, 2024 | %age of Total Income | For the year ended 31 March, 2023 | %age of Total Income |
|---|---|---|---|---|---|---|
| **Income** | | | | | | |
| Revenue from Operations | 33,536.93 | 99.94% | 27,148.80 | 99.94% | 20,066.90 | 99.97% |
| Other Income | 19.11 | 0.06% | 16.59 | 0.06% | 6.33 | 0.03% |
| **Total Income (I + II)** | **33556.04** | **100%** | **27165.38** | **100%** | **20073.23** | **100%** |
| | | | | | | |
| **Expenditure** | | | | | | |
| Cost of Material Consumed | 28,904.56 | 86.14% | 24,471.36 | 90.08% | 16,945.39 | 84.42% |
| Purchases of Stock in Trade | 183.95 | 0.55% | 127.51 | 0.47% | 118.10 | 0.59% |
| Changes in inventories | (764.20) | (2.28)% | (1,580.79) | (5.82)% | (486.77) | (2.42)% |
| Employee benefits expenses | 395.45 | 1.18% | 318.72 | 1.17% | 258.26 | 1.29% |
| Financial Charges (Finance cost) | 526.62 | 1.57% | 262.44 | 0.97% | 130.59 | 0.65% |
| Depreciation & Amortization Expenses | 387.58 | 1.16% | 293.84 | 1.08% | 268.09 | 1.34% |
| Other expenses | 2,684.78 | 8.00% | 2,564.01 | 9.44% | 2,746.84 | 13.68% |
| **Total expenses** | **32318.74** | **96.31%** | **26457.09** | **97.39%** | **19980.50** | **99.54%** |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Profit before Taxation & Exceptional Item** | **1237.30** | **3.69%** | **708.29** | **2.61%** | **92.73** | **0.46%** |
| Exceptional Items | - | - | - | - | - | - |
| **Profit Before Taxation** | **1237.30** | **3.69%** | **708.29** | **2.61%** | **92.73** | **0.46%** |
| | | | | | | |
| Current Tax | 327.39 | 0.98% | 165.62 | 0.61% | 14.08 | 0.07% |
| Deferred Tax | (10.85) | (0.03)% | 13.00 | 0.05% | 11.00 | 0.05% |
| Earlier Years Tax Expense | - | - | - | - | - | - |
| **Total tax expense** | **316.54** | **0.94%** | **178.62** | **0.66%** | **25.09** | **0.12%** |
| | | | | | | |
| **Profit After Tax but Before Extra-ordinary Items** | **920.76** | **2.74%** | **529.68** | **1.95%** | **67.65** | **0.34%** |
| Extraordinary Items | - | - | - | - | - | - |
| **Net Profit after adjustments** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Net Profit Transferred to Balance Sheet** | **920.76** | **2.74%** | **529.68** | **1.95%** | **67.65** | **0.34%** |

***Our Significant Accounting Policies***

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled "Financial Statements" beginning on page 267 of this Draft Prospectus.

**Reservations, Qualifications and Adverse Remarks**

The Examination Report issued by our Statutory Auditors has no reservations, qualifications and adverse remarks.

**Revenue Recognition Method adopted by the company**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Turnover includes sale of goods net of all the taxes.

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

**Sale of Goods**: Revenue from the sale of goods is recognized when the goods are delivered and the titles have passed, at which time all the following conditions are satisfied:

- The company has transferred to the buyer the significant risks and rewards of the ownership of the goods;
- The company retains neither continuing managerial involvement to degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the company; and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Interest Income**: Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable.

**Government Grant:** Government Grant means assistance by government in cash or kind for past or future compliance of certain conditions but does not include grants which cannot be reasonably measured or transactions with government which cannot be distinguished from normal trading transactions of an enterprise. Grant received as an interest subsidy being a revenue grant is deducted from the interest expenses in Profit &

Loss Statement. These grants are recognized only where a certainty exists for the fulfilment of conditions and ultimate.

***Overview of Revenue & Expenditure***

The following discussion on results of operations should be read in conjunction with the Restated Financial statements for the Financial Year 2025, 2024 & 2023. Our revenue and expenses are reported in the following manner:

***Revenue Bifurcation***

***Product wise bifurcation***
Product wise bifurcation is mentioned under chapter titled 'our business' on page 177 of this Draft Prospectus under the head 'Product wise revenue breakup'.

***Geographical bifurcation***
Geographical bifurcation is mentioned under chapter titled 'our business' on page 177 of this Draft Prospectus under the head 'Geographical wise revenue breakup'.

**Revenues**

- **Total Income:**
  Our total income comprises of revenue from operations and other income.

- **Revenue of operations**
  Our Company's revenue is primarily generated from the sale of printed fabric and Dyed Fabric.

- **Other Income**
  Other Income includes interest income, profit on sale of machinery, rent income and other miscellaneous income.

**Expenditure**

Our total expenditure primarily consists of purchase of stock in trade, cost of material consumed, Change in inventories, Employee benefit expenses, other expenses. We also have incurred financial charges and depreciation as expenditure.

- **Cost of Material Consumed**
  Represents the cost of raw materials and components used in production. It includes purchases such as greige fabric, which undergoes washing, processing, and other treatments to be converted into the finished product.

- **Purchase of Stock in Trade**
  Represents the cost of finished goods purchased for resale without further processing. Such purchases are made to meet excess or urgent customer orders, manage temporary production shortfalls, or take advantage of market opportunities.

- **Change in Inventory**
  It means the difference between total of opening and closing inventories. This includes finished goods of inventory and work in progress.

- **Employment Benefit Expenses**
  Our employee benefits expense primarily comprises of Salaries and Wages, Staff welfare expenses and Gratuity and Other Benefits etc.

- **Finance Cost**
  It includes Interest Expense on Bank Borrowings, interest on reverse factoring cost and other interest cost.

- **Depreciation and Amortization Expenses**
  Depreciation includes depreciation on Buildings, Plant & Equipment, Furniture & Fixtures, Computers, etc.

- **Other Expenses**
  Other Expenses includes manufacturing expenses such as purchase of coal and fuel, freight cartage, job work expenses etc. It also includes administrative expenses such as brokerage and commission, legal and professional charges, repair and maintenance etc.

- **Tax Expenses**
  Income taxes are accounted for in accordance with Accounting Standard – 22 on "Accounting for Taxes on Income" ("AS-22"), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the Income Tax Act, 1961.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

**DETAILS OF FINANCIAL YEAR ENDING MARCH 31, 2025 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2024 (BASED ON RESTATED FINANCIAL STATEMENTS)**

*Amount (₹ in Lakhs unless stated otherwise)*

| Particulars | For the year ended 31 March, 2025 | For the year ended 31 March, 2024 | Change in ₹ Lakhs | Change in % |
|---|---|---|---|---|
| **Income** | | | | |
| Revenue from Operations | 33,536.93 | 27,148.80 | 6,388.13 | 23.53% |
| Other Income | 19.11 | 16.59 | 2.52 | 15.19% |
| **Total Income (I + II)** | **33556.04** | **27165.38** | **6,390.66** | **23.53%** |
| | | | | |
| **Expenditure** | | | | |
| Cost of Material Consumed | 28,904.56 | 24,471.36 | 4,433.20 | 18.12% |
| Purchases of Stock in Trade | 183.95 | 127.51 | 56.44 | 44.26% |
| Changes in inventories | -764.2 | -1,580.80 | 816.60 | 51.66% |
| Employee benefits expenses | 395.45 | 318.72 | 76.73 | 24.07% |
| Financial Charges (Finance cost) | 526.62 | 262.44 | 264.18 | 100.66% |

| | | | | |
|---|---|---|---|---|
| Depreciation & Amortization Expenses | 387.58 | 293.84 | 93.74 | 31.90% |
| Other expenses | 2,684.78 | 2,564.01 | 120.77 | 4.71% |
| **Total expenses** | **32318.74** | **26457.09** | **5,861.65** | **22.16%** |
| | | | - | - |
| **Profit before Taxation & Exceptional Item** | **1237.3** | **708.29** | **529.01** | **74.69%** |
| Exceptional Items | - | - | - | - |
| **Profit Before Taxation** | **1237.3** | **708.29** | **529.01** | **74.69%** |
| | | | | |
| Current Tax | 327.39 | 165.62 | 161.77 | 97.68% |
| Deferred Tax | -10.85 | 13 | -23.85 | -183.46% |
| Earlier Years Tax Expense | - | - | - | - |
| **Total tax expense** | **316.54** | **178.62** | **137.92** | **77.21%** |
| | | | | |
| **Profit After Tax but Before Extra-ordinary Items** | **920.76** | **529.68** | 391.08 | 73.83% |
| Extraordinary Items | - | - | - | - |
| **Net Profit after adjustments** | **-** | **-** | - | - |
| **Net Profit Transferred to Balance Sheet** | **920.76** | **529.68** | **391.08** | **73.83%** |

**Revenues**

- **Total Income**

  Total Income for the Financial Year 2024-25, stood at Rs. 33,556.04 Lakhs whereas in Financial Year 2023-24 it stood at Rs. 27,165.39 Lakhs representing an increase of 23.53%, due to the factors described below:

  **1. Revenue from operations**

  Total revenue from operations for FY 2024–25 stood at Rs. 33,536.93 lakhs, compared to Rs. 27,148.80 lakhs in FY 2023–24, registering a growth of 23.53%. The increase was primarily driven by higher manufacturing capacity, which rose from 190 lakh meters per annum in FY 2023–24 to 225 lakh meters per annum after new machinery costing ₹812.58 lakhs, commissioned mid-FY 2023–24, operated for the full FY 2024–25.

  **Reduced Reliance on Job Work**: Job-work sales declined sharply from ₹510.30 lakhs in FY 2023–24 to ₹23.41 lakhs in FY 2024–25. This reflects reduced reliance on job work revenue leading to higher revenue in direct sale model, enabling it to focus on manufacturing and selling its own products. The increased emphasis on direct production contributed significantly to the growth in revenue from operations.

  **2. Other Income**

  Other Income for the Financial Year 2024-25 stood at Rs. 19.11 Lakhs whereas in Financial Year 2023-24 it stood at Rs. 16.59 Lakhs, representing an increase of 15.19%, Such increase was due to increase in interest income from Rs. 9.86 lakhs in FY 2023-24 to Rs. 10.07 lakhs in FY 2024-25. Profit on sale of machinery also increased from Rs. 2.27 lakhs to Rs. 3.02 lakhs during the FY 2024-25 and as balance written off increased from Rs. 1.28 lakhs in FY 2023-24 to Rs. 3.73 lakhs in FY 2024-25.

## Expenditure

- **Total Expenses**

  Total Expenses for the for the Financial Year 2024-25, stood at Rs. 32,318.74 Lakh whereas in Financial Year 2023-24 it stood at Rs. 26,457.09 Lakh, which representing increase of 22.16%. This can be contributed to many factors as discussed below:

### 1. Cost of Material Consumed

The total cost of material consumed for the financial year 2024–25 was ₹28,904.56 lakhs, compared with ₹24,471.36 lakhs in 2023–24, showing an increase of 18.12%. This rise primarily reflects higher purchases of raw materials required to meet the growth in production and sales during the year. The Company enhanced its installed manufacturing capacity and improved capacity utilization from 85.57% in FY 2023–24 to 88.18% in FY 2024–25. As a result, additional quantities of key inputs, including greige fabric and other essential materials, were procured to support the increased production volume. Additionally, Job-work activities for external parties declined significantly during the year as the Company focused on fulfilling its own growing orders. As a result, purchase of raw material is higher in FY 2024-25 as compared to FY 2023-24.

### 2. Purchase of Stock in Trade

Purchase of Stock in Trade for the Financial Year 2024-25 stood at Rs. 183.95 lakh whereas in Financial Year 2023-24 it stood at Rs. 127.51 Lakh representing an increase of 44.26% of the purchases stock in trade of FY 2024-25. The increase of Rs. 56.44 lakhs in Purchase of Stock in Trade is directly aligned with the growth in our Direct Trade Business. This increase is due to Purchase of stock in trade as % to revenue from operations stood at 0.55% in FY 2025 and 0.47% in FY 2024. The company at times carries out trading activity on the basis of demand from customer. It consists of very nominal percentage as compared to total sales of the company.

### 3. Change in Inventories

Total change in inventory for the Financial Year 2024-25, stood at Rs. (764.20) lakhs whereas in financial year 2023-24 it stood at Rs. (1,580.79) lakhs, representing an increase of 51.66%. As sales of the company increased due to higher installed capacity in FY 2024-25, it processed more raw material, thus, further reducing the gap between the opening and closing inventory leading to lower change in inventory. Company maintains its inventory on the order to order basis.

### 4. Employment Benefit Expenses

Employee benefit expenses for the Financial Year 2024-25 stood at Rs. 395.45 Lakhs. Whereas for the Financial Year 2023-24, it stood at Rs. 318.72 Lakhs representing an Increase of 24.07%, this increase is primarily attributable to the appointment of additional employees during the year, as well as an overall rise in remuneration, bonus, and gratuity expenses. Company had 102 employees at the end FY 2024-25 as compared to 90 employees at the end of FY 2023-24. These factors collectively contributed to the higher employee benefit costs in FY 2024–25.

### 5. Other Expenses

The Other Expenses for the Financial Year 2024-25 stood at Rs 2,684.78 Lakhs. Whereas for the Financial Year 2023-24, it stood at Rs. 2,564.01 Lakhs representing an increase of 4.71%. This was due to increase

in direct expenses such as freight, cartage, packing expenses, jobwork expenses, leading to overall increase from Rs. 1245.04 lakhs in FY 2023-24 to Rs. 1,381.22 lakhs, thus, increasing 10.94% of direct expenses, constituting overall increase in other expenses.

**6. Depreciation and Amortization Expenses**

The Depreciation and Amortization Expenses for the Financial Year 2024–25 stood at Rs.387.58 Lakhs, compared to Rs.293.84 Lakhs in the Financial Year 2023–24, representing an increase of 30.90%. This rise was primarily due to the addition of fixed assets during the year, including the purchase of the Drying Range Machine (Phase-IV) amounting to Rs.50.64 Lakhs, Electrification Installation (Phase-IV) amounting to Rs.16.34 Lakhs, and a jigger phase IV amounting to Rs. 119.13 Lakhs. These capital investments contributed to the overall increase in depreciation and amortization expenses for the year.

**7. Finance Cost**

Finance cost for the Financial Year 2024–25 stood at Rs.526.62 Lakhs, whereas in the Financial Year 2023–24, it stood at Rs.262.44 Lakhs, representing an increase of 100.66%. This sharp rise was mainly due to higher interest on additional short-term borrowings of ₹2,126.17 lakhs during the year. The sanctioned cash-credit limit was enhanced from ₹2,500 lakhs to ₹4,500 lakhs, enabling the company to draw more working-capital loans to meet daily business requirements, which in turn led to higher interest expenses. Consequently, finance charges rose significantly.

**8. Restated Profit before Tax**

The restated profit before tax For the Financial Year 2024-25 stood at Rs. 1,237.30 Lakhs. Whereas for the Financial Year 2023-24, it stood at Rs. 708.30 Lakhs, representing an increase of 74.69%. As new boilers was installed in middle of FY 2023-24, it significantly reduced power and fuel cost from 3.74% of revenue from operations in FY 2023-24 to 2.84% of revenue from operations in FY 2024-25.

**9. Restated Profit after Tax**

The restated profit after tax For the Financial Year 2024-25 stood at Rs. 920.76 Lakhs. Whereas for the Financial Year 2022-23, it stood at 529.68 Lakhs, representing an increase of 73.83% in line with profit before tax.

**Conclusion for increase in PAT margin:**

*Amount (₹ in Lakhs unless stated otherwise)*

| Particulars | FY 2024-25 | FY 2023-24 |
|---|---|---|
| **Revenue from Operations (A)** | 33,536.93 | 27,148.80 |
| **Profit After Tax (B)** | 920.76 | 529.68 |
| **Profit Margin** | **2.75%** | **1.95%** |
| **Power and Fuel Expenses (C)** | 951.03 | 1,041.35 |
| **Adjusted Profit (B + C) = (D)** | 1,871.79 | 1571.03 |
| **Adjusted Profit Margin (D)/(A)** | **5.58%** | **5.79%** |

These ratios suggest that, due to significant decrease in power and fuel expenses, company has increased its profit margin.

## FISCAL YEAR ENDED MARCH 31, 2024 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2023 (BASED ON RESTATED FINANCIAL STATEMENTS)

*Amount (₹ in Lakhs unless stated otherwise)*

| Particulars | For the year ended 31 March, 2024 | For the year ended 31 March, 2023 | Change in ₹ Lakhs | Change in % |
|---|---|---|---|---|
| **Income** | | | | |
| Revenue from Operations | 27,148.80 | 20,066.90 | 7081.9 | 35.29% |
| Other Income | 16.59 | 6.33 | 10.26 | 162.09% |
| **Total Income (I + II)** | **27165.38** | **20073.23** | **7092.15** | **35.33%** |
| | | | | |
| **Expenditure** | | | | |
| Cost of Material Consumed | 24,471.36 | 16,945.39 | 7525.97 | 44.41% |
| Purchases of Stock in Trade | 127.51 | 118.1 | 9.41 | 7.97% |
| Changes in inventories | -1,580.79 | -486.77 | -1094.02 | -224.75% |
| Employee benefits expenses | 318.72 | 258.26 | 60.46 | 23.41% |
| Financial Charges (Finance cost) | 262.44 | 130.59 | 131.85 | 100.96% |
| Depreciation & Amortization Expenses | 293.84 | 268.09 | 25.75 | 9.60% |
| Other expenses | 2,564.01 | 2,746.84 | -184.35 | -6.66% |
| **Total expenses** | **26457.09** | **19980.5** | **6476.59** | **32.41%** |
| | | | | |
| **Profit before Taxation & Exceptional Item** | **708.29** | **92.73** | **615.56** | **663.82%** |
| Exceptional Items | - | - | | |
| **Profit Before Taxation** | **708.29** | **92.73** | **615.56** | **663.82%** |
| | | | | |
| Current Tax | 165.62 | 14.08 | 151.54 | 1076.28% |
| Deferred Tax | 13.00 | 11.00 | 2 | 18.18% |
| Earlier Years Tax Expense | - | - | | |
| **Total tax expense** | **178.62** | **25.09** | **153.53** | **611.92%** |
| | | | | |
| **Profit After Tax but Before Extra-ordinary Items** | **529.68** | **67.65** | 462.03 | 682.97% |
| Extraordinary Items | - | - | | |
| **Net Profit after adjustments** | **-** | **-** | | |
| **Net Profit Transferred to Balance Sheet** | **529.68** | **67.65** | **462.03** | **682.97%** |

### Revenues

- **Total Income**

  Total Income for the Financial Year 2023-24 stood at Rs. 27,165.39 Lakhs. Whereas for the Financial Year 2022-23, it stood at Rs. 20,073.23 Lakhs, representing Increase of 35.33%. The Increase is due to Production Capacity increased from 100 lakh meters in FY 2022-23 to 190 lakh meters in FY 2023-24, due to installation and commencement of some new machines like Rotary printing, Jigger Dyeing etc. (operation for about 6 months). Also, job work reduced from 1717.35 lakh to Rs. 510.30 lakh resulting into own sales increased during the year and due to the factors described below.

1. **Revenue from operations**

Revenue from Operations for the Financial Year 2023–24 stood at Rs.27,148.80 Lakhs, whereas for the Financial Year 2022–23, it stood at Rs.20,066.90 Lakhs, representing an increase of 35.29%. This growth was primarily driven by an increase in production during the Financial Year 2023-24 to 162.58 lakh meters from 84.09 lakh meters in the Financial Year 2022-23 indicating growth of 93.34% in production. This led to increase in product sales both domestically and internationally as company was able to fulfill more orders. It can be noted that there was reduction in Job Work Sales and Wash Liquor Sales during the year with increase in production as company was able to sell its own production during the year. This has eventually resulted in increase in net profit during the year due to increase in sales instead of job work.

**Reduced Reliance on Job Work**: In FY 2022–23, the Company generated ₹1,717.35 lakhs from job work. With higher customer orders in FY 2023–24, the Company expanded its installed capacity and reduced reliance on job work, which declined to ₹510 lakhs. This strategic shift toward fulfilling its own orders through direct production contributed to a significant increase in revenue from operations, reflecting the Company's move direct sales model.

2. **Other Income**

Other income for the Financial Year 2023–24 stood at Rs.16.59 Lakhs, compared to Rs.6.33 Lakhs in the Financial Year 2022–23, representing an increase of 162.09%. This increase was primarily due to higher interest income from Rs. 1.15 lakhs in FY 2022-23 to Rs.9.86 lakhs in FY 2023-24. Also, there was profit on sale of machinery to the extent of Rs. 2.27 lakhs during the year.

**Expenditure**

- **Total Expenses**

Total Expenses for the Financial Year 2023-24 stood at Rs. 26,457.09 Lakhs. Whereas for the Financial Year 2022-23, it stood at Rs. 19,980.50 Lakhs representing an Increase of 32.41% due to factors mentioned below:

1. **Cost of Material Consumed**

Cost of Material Consumed for the Financial Year 2023-24 stood at Rs. 24,471.36 Lakh whereas in Financial Year 2022-23 it stood at Rs. 16,945.39 Lakh representing an Increase of 44.41% of the cost of material consumed due to shift from Job work material to purchasing materials from vendors.

- **Change in Material Sourcing:** In FY 2022–23, the Company undertook job work primarily to utilise its idle production capacity. With an increase in customer orders in FY 2023–24, the Company expanded its installed capacity and reduced dependence on job work. Consequently, it procured more raw materials directly from vendors, leading to higher direct material purchases and an increase in the cost of materials consumed.
- **Shift from Job Work:** The earlier job work model required minimal raw material procurement. As the Company focused on fulfilling its own growing orders in FY 2023–24 and lowered job work activities, direct raw material purchases rose significantly, resulting in a higher overall material consumption expense.

Thus, the increase in the Cost of Materials is primarily attributed to the strategic shift from Job Work to direct material sourcing, which inherently carries higher input costs but aligns with the Company's evolving operational model.

2. **Purchase of Stock in Trade**

Purchase of stock-in-trade for FY 2023–24 stood at ₹127.51 lakhs, compared to ₹118.10 lakhs in FY 2022–23, reflecting a 7.97% increase. As a proportion of revenue from operations, it was 0.47% in FY 2023–24 versus 0.59% in FY 2022–23. The company occasionally undertakes trading activities to meet specific customer demand, and these purchases continue to represent only a nominal percentage of total sales.

3. **Change in Inventory**

The total change in inventory for FY 2023–24 was ₹(1,580.79) lakhs, compared to ₹(486.77) lakhs in FY 2022–23. Closing stock stood at ₹1,684.52 lakhs in FY 2023–24 versus ₹1,197.75 lakhs in FY 2022–23. With increased business operations and higher capacity utilisation, the company produced 162.58 lakh meters and sold 157.23 lakh meters in FY 2023–24, resulting in a larger inventory balance at year-end.

4. **Employment Benefit Expenses**

Employee benefit expenses for FY 2023–24 stood at ₹318.72 lakhs, up from ₹258.26 lakhs in FY 2022–23, reflecting an increase of 23.41%. This rise was primarily driven by a higher headcount, with 90 employees at the end of FY 2023–24 compared to 78 employees in FY 2022–23, resulting in increased costs for salaries and wages, provident fund contributions, bonus payments, and staff welfare activities.

5. **Other Expenses**

The Other Expenses for the Financial Year 2023–24 stood at Rs.2,564.01 Lakhs, compared to Rs.2,746.84 Lakhs in the previous year, reflecting a decrease of 6.66%. This overall reduction was the result of a balanced shift across various cost components. This was significantly due to reduction in consumption of power and fuel expenses from Rs. 1,402.36 lakhs in FY 2022-23 to Rs. 1014.35 lakhs in FY 2023-24. As average price of coal in FY 2022-23 was Rs. 9.94 per kg which had reduced to Rs. 4.42 per kg in FY 2023-24. The company has commenced generation of power through its solar power plant as well during the year. Hence, despite increase in production, power and fuel expenses were decreased.

6. **Depreciation and Amortization Expenses**

The Depreciation and Amortization Expenses for the Financial Year 2023-24 stood at Rs. 293.84 Lakhs. Whereas for the Financial Year 2022-23, it stood at Rs. 268.09 Lakhs which is calculated for the period and values, as per the utilization of assets for the Company's business. With increase in Property, plant and equipment during the FY 2024, amount of depreciation expense has increase from Rs. 268.09 lakhs in FY 2023 to Rs. 293.84 lakhs in FY 2024.

7. **Finance Cost**

The finance costs for the Financial Year 2023-24 stood at Rs. 262.44 Lakhs. Whereas for the Financial Year 2022-23, it stood at Rs. 130.59 Lakhs representing an increase of 100.97%. This significant rise was primarily due to an increase in interest charges on additional short-term borrowings of Rs. 1,189.93 Lakhs during the year. This Increase in borrowings has directly contributed to the increase in Finance Charges

8. **Restated Profit before Tax**

The restated profit before tax For the Financial Year 2023-24 stood at Rs. 708.31 Lakhs. Whereas for the Financial Year 2022-23, it stood at 92.73 Lakhs which signifies 2.61% and 0.46% from revenue from operations respectively. The significant improvement was primarily driven by lower coal costs, which resulted in reduced fuel expenses for the Company. Additionally, as the scale of operations expanded, the Company was able to leverage its fixed cost base, thereby achieving higher operating margins.

**9. Restated Profit after Tax**

The restated profit after tax For the Financial Year 2023-24 stood at Rs. 529.68 Lakhs. Whereas for the Financial Year 2022-23, it stood at 67.65 Lakhs. Representing an increase of 682.97% in line with the increase in profit before tax.

**Reasons for increase in PAT margins**

*Amount (₹ in Lakhs unless stated otherwise)*

| Particulars | FY 2023-24 | FY 2022-23 |
|---|---|---|
| **Revenue from operations** | 27,148.80 | 20,066.90 |
| **PAT** | 529.68 | 67.65 |
| **PAT Margin** | 1.95% | 0.34% |
| **Coal and Fuel Expenses** | 1,012.87 | 1,396.34 |
| **Adjusted PAT** | 1542.55 | 1463.99 |
| **Adjusted PAT Margin** | 5.68% | 7.30% |

- **Power and Fuel:** The Company's power and fuel costs were significantly impacted by the change in coal prices during the year. The cost of coal decreased from ₹9.94 per kg in FY 2022–23 to ₹4.42 per kg in FY 2023–24. This decline in input cost led to a substantial reduction in the total power and fuel expenditure for FY 2023–24. As a result, the Company benefited from improved operational efficiency and higher profitability. Additionally, the lower fuel cost supported a reduction in the cost of production per unit, enhancing the overall contribution margin from operations.

- **Effluent Treatment Charges:** The Company purchased its effluent treatment plant in the middle of FY 2022–23. Prior to this, it relied on external service providers to treat effluents and convert them into by-products, which resulted in effluent treatment charges of ₹49.31 lakhs in FY 2022–23. After commissioning its in-house plant, these charges were reduced to nil, contributing to an improvement in operational efficiency. The reliance on external treatment in the earlier period led to a lower PAT margin in FY 2022–23.

  **Conclusion:** The PAT margin in FY 2022–23 was lower at 0.34% compared to 1.95% in FY 2023–24 primarily due to higher operational costs. In that year, the Company relied on external service providers for effluent treatment, resulting in charges of ₹49.31 lakhs, and faced higher coal prices of ₹9.94 per kg, which increased power and fuel expenses to ₹1,396.34 lakhs. These higher input costs, combined with limited scale of production, constrained profitability and led to a lower PAT margin in FY 2022–23.

**Relevant Balance Sheet Items**

**Amount(Rs. in Lakhs)**

| Particulars | FY 2024-25 | FY 2023-24 | FY 2022-23 |
|---|---|---|---|
| **Long-Term Borrowings** | 1,747.63 | 1,946.95 | 1,923.76 |
| **Short-Term Borrowings** | 4,880.13 | 2,753.96 | 1,564.03 |
| **Trade Payables** | 7038.33 | 7260.17 | 5608.84 |
| **Trade Receivables** | 8,736.77 | 7,648.96 | 6,533.00 |
| **Inventories** | 6,032.76 | 4,556.36 | 2,193.37 |

**Long-Term Borrowings**
Long-term borrowings stood at ₹1,747.63 Lakhs as on March 31, 2025, compared to ₹1,946.95 Lakhs in FY 2023-24 and ₹1,923.76 Lakhs in FY 2022-23. The reduction reflects scheduled term-loan repayments and the Company's strategy to limit fresh long-term debt, even while commissioning new machinery (e.g., Drying Range Machine, Jigger Phase IV) that expanded installed capacity to 225 lakh meters per annum.

**Short-Term Borrowings**
Short-term borrowings increased sharply to ₹4,880.13 Lakhs from ₹2,753.96 Lakhs in FY 2023-24 (₹1,564.03 Lakhs in FY2022-23). This rise is primarily due to higher working-capital requirements to support larger production volumes and higher sales. The Company's sanctioned cash-credit limit was raised from ₹2,500 lakhs to ₹4,500 lakhs, and utilization of these facilities contributed to higher finance costs, which doubled to ₹526.62 lakhs in FY 2024-25.

**Trade Payables**
Trade payables were ₹7,038.33 Lakhs, slightly below ₹7,260.17 Lakhs in FY 2023-24 (₹5,608.84 Lakhs in FY 2022-23).This stable level shows consistent supplier credit terms despite higher procurement of raw materials. Material creditors include Vinod Cotfab Pvt. Ltd. (₹3,962.83 Lakhs). Also, Trade payables as a percentage of total purchases* declined from about 32.9% in FY 2022-23 to 29.5% in FY 2023-24, and further to 24.2% in FY 2024-25, indicating faster payments or tighter supplier-credit cycles even as procurement volumes increased.

***purchases include cost of material sold plus purchase of stock in trade.***

**Trade Receivables**
Trade receivables increased to ₹8,736.77 lakhs in FY 2024-25 from ₹7,648.96 lakhs in FY 2023-24 and ₹6,533.00 lakhs in FY 2022-23, broadly in line with the 23.5 % growth in revenue from operations to ₹33,536.93 Lakhs in FY 2024-25. Receivable days remained within normal limits, demonstrating healthy collection practices despite higher domestic and export sales. As a proportion of revenue from operations, trade receivables improved to 26.0 % in FY 2024-25 from 28.2 % in FY 2023-24 and 32.6 % in FY 2022-23, reflecting stronger collection efficiency and tighter credit management that support higher sales while maintaining robust cash flows.

**Inventories**
Inventories increased to ₹6,032.76 Lakhs from ₹4,556.36 Lakhs in FY 2023-24 (₹2,193.37 Lakhs in FY 2022-23).
This was driven by higher capacity utilisation (88.18% vs. 85.57% in FY 2023-24) and production of 162.58 lakh metres vs. sales of 157.23 lakh metres, ensuring adequate finished-goods stock to meet rising demand. On a cost-of-goods-sold basis (cost of material consumed plus purchase of stock-in-trade adjusted for change in inventories), closing inventory represented about 21.3 % of COGS in FY 2024-25, compared with 19.8 % in FY 2023-24 and 13.2 % in FY 2022-23.

**Conclusion**
The balance-sheet movements for FY 2024-25 show a business operating at a larger scale while maintaining prudent financial management. Long-term borrowings continued to decline with scheduled repayments, while short-term borrowings rose to meet higher working-capital needs from increased production and sales. Trade payables remained stable in absolute terms but decreased as a percentage of total purchases, indicating quicker payments or tighter supplier credit cycles. Trade receivables grew in line with revenue but improved as a share of operations, reflecting stronger collection efficiency. Inventories increased to support higher output, with closing stock representing 21.3 % of cost of goods sold. Overall, the company's financing and working-capital profile remains balanced despite the higher operational scale.

**Property Plant and Equipment**

*Amount (₹ in Lakhs unless stated otherwise)*

| Particulars | FY 2024-25 | FY 2023-24 | FY 2022-23 |
|---|---|---|---|
| Gross Block- Opening Balance | 4,190.12 | 3,349.87 | 3,090.39 |
| Addition/(sale) during the year | 293.50 | 869.18 | 347.27 |
| Deductions and Other Adjustments | (250.22) | (28.93) | (87.79) |
| **Gross Block- Closing Balance** | **4,233.40** | **4,190.12** | **3,349.87** |
| Accumulated Depreciation- opening balance | 1,668.03 | 1,374.19 | 1,106.10 |
| Depreciation during the year | 387.58 | 293.84 | 268.09 |
| Deletion during the year | (218.41) | - | - |
| Accumulated Depreciation- Closing balance | 1,837.20 | 1,668.03 | 1,374.19 |
| **Total Net block of Tangible assets** | **2,396.2** | **2,522.09** | **1,975.68** |

**Cash Flows**

The table below summarize our cash flows from our Restated Financial Information for the financial year ended on March 2025, 2024 and 2023.

*Amount (₹ in Lakhs unless stated otherwise)*

| Particulars | FY 2024-25 | FY 2023-24 | FY 2022-23 |
|---|---|---|---|
| Net cash (used in)/ generated from operating activities | (1,184.93) | (668.25) | (586.24) |
| Net cash (used in)/ generated from investing activities | (208.19) | (585.77) | (593.62) |
| Net cash (used in)/ generated from financing activities | 1,400.23 | 1,050.68 | 1,380.12 |
| **Net increase/(decrease) in cash and cash equivalents** | **7.12** | **(203.35)** | **200.25** |
| Cash and Cash Equivalents at the beginning of the Year | 13.93 | 217.28 | 17.03 |
| **Cash and Cash Equivalents at the end of the Year** | **21.05** | **13.93** | **217.28** |

***Net cash from/(used in) Operating Activities***

For fiscal year ending March 31, 2025, net cash flow from operating activities was Rs. (1,184.93) lakhs as compared to Profit Before Tax of Rs. 1,237.30 lakhs. We had operating profit before working capital changes of Rs. 2,153.88 lakhs primarily as a result of depreciation, finance cost, Rent income and sale of Asset of Rs. 387.58 lakhs, Rs. 526.62 lakhs and Rs. 2.30 Lakhs Rs. 4.69 lakhs respectively.

For fiscal year ending March 31, 2024, net cash flow from operating activities was at Rs. (668.25) lakhs as compared to Profit Before Tax of Rs. 708.31 lakhs. We had operating profit before working capital changes of Rs. 1,269.30 lakhs primarily as a result of depreciation, finance cost, Rent income and sale of Asset of Rs. 293.84 lakhs, 262.44 Lakhs, 3.18 Lakhs and Rs. 7.89 lakhs respectively.

For fiscal year ending March 31, 2023, net cash flow from operating activities was Rs. (586.24) lakhs as compared to Profit Before Tax of Rs. 92.73 lakhs. We had operating profit before working capital changes of Rs. 503.58 lakhs primarily as a result of depreciation, finance cost, Rent paid and sale of Asset of Rs. 268.09 lakhs, 130.59 lakhs, 3.18 lakhs and Rs. 15.34 lakhs respectively.

***Net cash from/(used in) Investing Activities***

For Period ending March 31, 2025, the net cash flow from investing activities was Rs. (208.19) Lakhs due to purchase of fixed assets, Proceeds from Sale of Fixed Assets, Rent Income and purchase of Investments of Rs.

236.89 lakhs, Rs. 27.13 lakhs, Rs. 2.30 Lakhs and 0.73 Lakhs respectively.

For fiscal year ending March 31, 2024, net cashflow from investing activities was Rs. (585.77) lakhs due to purchase of fixed assets, Proceeds from Sale of Fixed Assets and Rent Income of Rs. 591.23 lakhs, Rs. 2.27 lakhs and Rs. 3.18 Lakhs respectively.

For fiscal year ending March 31, 2023, the net cash flow from investing activities was Rs. (593.62) Lakhs due to purchase of fixed assets, Proceeds from Sale of Fixed Assets, Rent Income and purchase of Investments of Rs. 621.90 lakhs, Rs. 25.52 lakhs, Rs. 3.18 Lakhs and 0.42 Lakhs respectively.

***Net cash Flow from/(used in) Financing Activities***

For the period ended March 31, 2025, net cash flow from financing activities was Rs. 1,400.23 lakhs due to repayment of secured/unsecured long-term loans, change in secured/unsecured Short-Term Borrowing and finance cost of Rs. 199.32 Lakhs, Rs. 2,126.17 Lakhs and Rs. 526.62 Lakhs respectively.

For the fiscal year ending March 31, 2024, net cash flow from financing activities was Rs. 1,050.68 lakhs due to proceeds from issue of equity share, proceeds from secured/unsecured long-term loans, change in secured/unsecured Short-Term Borrowing and finance cost of Rs. 100.00 Lakhs, Rs. 23.19 Lakhs, Rs. 1,189.93 Lakhs and Rs. 262.44 Lakhs respectively.

For fiscal year ending March 31, 2023, net cash flow from financing activities was Rs. 1,380.12 lakhs due to proceeds from issue of equity share, proceeds from secured/unsecured long-term loans, change in secured/unsecured Short-Term Borrowing and finance cost of Rs. 200.00 Lakhs, Rs. 99.48 Lakhs, Rs. 1,211.23 Lakhs and Rs. 130.59 Lakhs respectively.

**Financial Indebtedness**

Please see "Financial Indebtedness" for a description of broad terms of our indebtedness on page 337 of this Draft Prospectus. The company has an impeccable record of servicing its debts and has consistently reduced its dependence on institutional finance, there are negligible chances of any default. In the event our lenders declare an event of default, such current and any future defaults could lead to acceleration of our obligations, termination of one or more of our financing agreements or force us to sell our assets, which may adversely affect our business, results of operations and financial condition.

**Off-balance Sheet Commitments and Arrangements**

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements except contingent liabilities as of **March 31, 2025** which is mentioned below:

*Amount (₹ in Lakhs unless stated otherwise)*

| | Particulars | Rs. in Lakhs |
|---|---|---|
| I. | GST Demand | 22.86 |
| II. | Bank Guarantee includes Performance Guarantee and advance Receipt Bank Guarantee | 77.64 |
| III. | Corporate Guarantee to Private Limited Company | 7,627.00 |
| | **TOTAL** | **7727.50** |

***Note:*** *The aggregate contingent liability of the Company as on March 31, 2025, is 2.42 times of its net worth. If invoked, such guarantees could materially and adversely affect the Company's liquidity, financial condition, cash flows, and overall operations. For further details, kindly refer to Risk Factor no. 68 on page no.35 of this*

**Outstanding Dues to Trade Payables**

For purposes of the disclosure in Issue Document pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended, the Board of Directors of the Company has identified a materiality threshold of **in excess 5% of total trade payables of the Company** as per the Restated Financial Statements of the company for the year ended March 31, 2025, pursuant to a resolution dated September 15, 2025; and the amounts owed as of March 31, 2025 by the Company to any small scale undertaking and any other creditor equal to or exceeding such materiality threshold is identified in summary form as brought out in the tables below.

**Creditors other than MSME of amount more than threshold limit***

| *Name of Material Creditor* | *Amount (Rs. Lakhs)* |
|---|---|
| Vinod Cotfab Private Limited | 3,962.83 |
| Creditor 1 | 831.51 |
| Flaxen Textiles Private Limited | 697.83 |
| Citadel Textiles Private Limited | 322.88 |
| **Total** | **5,815.05** |

**Creditors (MSME) of amount more than threshold limit***

| *Name of Material Creditor* | *Amount (Rs. Lakhs)* |
|---|---|
| MSME Creditor 1 | 203.17 |
| MSME Creditor 2 | 97.00 |
| MSME Creditor 3 | 77.07 |
| MSME Creditor 4 | 76.52 |
| MSME Creditor 5 | 68.28 |
| MSME Creditor 6 | 54.81 |
| MSME Creditor 7 | 49.57 |
| **Total** | **626.42** |

**Materiality is determined at 5% of trade payables, calculated separately for outstanding dues to creditors and to MSMEs and other creditor.*

**(*Amount in Lakhs*)**

| **Particulars** | **FY 2025** | **FY 2024** | **FY 2023** |
|---|---|---|---|
| **Trade Payables** | **7038.33** | **7,260.17** | **5,608.84** |
| - MSME | 888.79 | 1,424.99 | 1,150.80 |
| - Others | 6,149.53 | 5,835.18 | 4,458.04 |

**INFORMATION REQUIRED AS PER ITEM (II) (C) (iv) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS:**

**1. Unusual or infrequent events or transactions**

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. **Significant economic changes that materially affected or are likely to affect income from continuing operations**

   Other than as described in the section titled Risk Factors beginning on page 35 of this Draft Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

3. **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**

   Other than as described in this Draft Prospectus, particularly in the sections Risk Factors and Management 's Discussion and Analysis of Financial Condition and Results of Operations on pages 35 and 314, respectively, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations

4. **Future changes in relationship between costs and revenues, in case of events such as future increase in labor or material costs or prices that will cause a material change are known.**

   Our Company's future costs and revenues can be impacted by an increase in labor costs as the company looks to hire talent with new skills and capabilities for the digital economy who may be in short supply.

5. **Future relationship between Costs and Income**

   Our Company's future costs and revenues will be determined by competition, demand/supply situation, Indian Government Policies, and interest rates quoted by banks & others.

6. **Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**

   Increases in our revenues are by and large linked to increases in the volume of business.

7. **Total turnover of each major industry segment in which the issuer company operates.**

   The Company is operating in textile industry. Relevant industry data, as available, has been included in the chapter titled "Our Industry" beginning on page 149 of this Draft Prospectus.

8. **Status of any publicly announced new products or business segments**

   Our Company has not announced any new services and product and segment / scheme, other than disclosure in this Draft Prospectus.

9. **The extent to which the business is seasonal.**

   Our business is not seasonal in nature.

10. **Competitive Conditions**

    We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled "Our Business" on page 177 of this Draft Prospectus

***The remainder of this page has been left blank intentionally.***

## FINANCIAL INDEBTEDNESS

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of the issuer Company, "**VINOD TEXWORLD LIMITED"** and further explanations and information provided by the management of the Companies, which we believe to be true and correct to the best of our information and belief, the financial indebtedness of the company as at 31st March 2025 are as mentioned below:

***Amount (Rs. in Lakhs)***

| Nature of Borrowing | Outstanding as on 31/03/2025 |
|---|---|
| Secured Borrowings (A) | 5,590.17 |
| Unsecured Borrowings (B) | 1,037.59 |
| **Total** | **6,627.76** |

**Details of Secured Borrowings (A):**

***Amount (Rs. In Lakhs)***

| Sr No. | Name of Lender | Loan/ Agreement A/c No./Ref. No. | Purpose | Amount Sanctioned (Rs. In Lakhs) | Sanction Date | Rate of interest (%) | Primary & Collateral Security | Re-Payment Schedule as per Sanction Letter | Outstanding amount as on March 31,2025 |
|---|---|---|---|---|---|---|---|---|---|
| 1. | SBI Bank | 39189076511 | Term Loan | 550.00 | 17/01/2020 | 2.50% + MCLR | Hypothecation of company's entire current assets including stocks of raw materials, stocks in process, finished goods, stores and spares, book - debts and other current assets. Documents to title to goods and charge on the entire current assets. Hypothecation of entire plant & machinery purchased out of bank finance and other unencumbered plant and machinery both present and | Repayable in 90 monthly structured instalments | 255.79 |
| 2. | SBI Bank | 40950195895 | Term Loan | 750.00 | 22/04/2022 | 1.75% + EBLR | | Repayable in 90 monthly structured instalments | 614.83 |
| 3. | SBI Bank | 42737977963 | Term Loan | 300.00 | 31/01/2024 | 2.60% + EBLR | | Repayable in 69 monthly instalments of Rs. 5,00,000/- | 282.23 |
| 4. | SBI Bank | 39188967893 | Term Loan | 33.00 | 17/01/2020 | 0.30% + MCLR | | Repayable in 66 monthly instalments of Rs. 50,000/- | 10.08 |
| 5. | SBI Bank | 40577416141 | Term Loan | 165.00 | 12/11/2021 | EBLR +75bps | | Repayable in 36 monthly instalments of Rs. 4,58,333/- | 90.30 |
| 6 | SBI | 338085 | Workin | 4500.0 | 27/09/2 | 9.50% | | Payable on | 4,323.40 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| . | Bank | 85589 | g capital Cash Credit | 0 (Previous year-2500.00) | 024 | p.a. | future. Hypothecation of entire plant & machinery pertaining to the solar Rooftop project purchased out of bank finance. And other collateral securities | demand | |
| 8. | HDFC Bank | 135234457 | Vehicle Loan | 30.00 | 22/10/2022 | 0.661 % p.m. | Vehicle loans are secured against hypothecation of vehicles. | Repayable in 48 monthly instalments of Rs. 73,098/- | 13.54 |
| | **TOTAL (Fund Based)** | | | | | | | | **5,590.17** |
| | **TOTAL (Non-fund Based)** | | | | | | | | - |
| | **Grand Total (Fund and Non-fund based)** | | | | | | | | **5,590.17** |

**Details of Unsecured Borrowings (B):**

i. **UNSECURED LOANS- From Directors/Relative of Director**

***Amount (Rs. In Lakhs)***

| Sr No. | Name of Lender | Purpose | Repayment Schedule | Outstanding amount as on March 31, 2024 | Outstanding amount as on March 31,2025 |
|---|---|---|---|---|---|
| 1. | Harsh V Mittal | Business purpose | Payable after 1 year | 19.14 | 10.85 |
| 2. | Yash V Mittal | Business purpose | Payable after 1 year | 12.90 | 7.35 |
| 3. | Vinod M. Mittal | Business purpose | Payable after 1 year | 3.42 | 2.83 |
| 4. | Poonam H. Mittal | Business purpose | Payable after 1 year | 8.78 | 16.67 |
| 5. | Radha V. Mittal | Business purpose | Payable after 1 year | 0.40 | 6.39 |
| 6. | Shweta Y. Mittal | Business purpose | Payable after 1 year | 0.22 | 14.41 |
| **TOTAL** | | | | | **58.50** |

ii. **UNSECURED LOANS- From Others**

***Amount (Rs. In Lakhs)***

| Sr No. | Name of Lender | Purpose | Repayment Schedule | Outstanding amount as on March 31, 2024 | Outstanding amount as on March 31,2025 |
|---|---|---|---|---|---|
| 1. | Acemica Private Limited | Business purpose | Payable after 1 year | - | 103.32 |
| 2. | Amitara Overseas Private Limited | Business purpose | Payable after 1 year | 250.00 | 250.00 |
| 3. | Atith Fibre Pvt Ltd | Business purpose | Payable after 1 year | - | 103.32 |
| 4. | Citadel Textiles Private Limited | Business purpose | Payable after 1 year | 71.44 | 15.43 |
| 5. | Flaxen Textiles Pvt Ltd | Business purpose | Payable after 1 year | 206.36 | 7.79 |
| 6. | Gayatri Weavers Private Limited | Business purpose | Payable after 1 year | 50.00 | 50.00 |
| 7. | Saroj Weavers Private Limited | Business purpose | Payable after 1 year | 100.00 | 100.00 |
| 8. | Yash Exports (India) Pvt Ltd | Business purpose | Payable after 1 year | 100.00 | 100.00 |
| 9. | Jindal Texofab Limited | Business purpose | Payable after 1 year | 80.00 | - |
| 10. | SBI Bank | Short-term requirement Loan | Payable on Demand | - | 249.23 |
| **TOTAL** | | | | | **979.09** |

**Yours faithfully,**

**M/s. S N Shah & Associates,**
Chartered Accountants
Firm Registration Number: 109782W

**Sd/-**

CA Priyam Shah
(Partner)
**Membership Number**: 144892
**UDIN:**
**Date**: 15th September, 2025

## CAPITALISATION STATEMENT

***Amount (Rs. In Lakhs)***

| Particulars | Pre Issue | Post Issue |
|---|---|---|
| **Borrowings** | | |
| Short term debt (A) | 4,880.13 | * |
| Long Term Debt (B) | 1,747.63 | * |
| **Total debts (C)** | **6,627.76** | * |
| **Shareholders' funds** | | |
| Equity share capital | 1,160.12 | * |
| Reserve and surplus - as restated | 2,037.88 | * |
| **Total shareholders' funds** | **3,198.00** | * |
| | | |
| **Long term debt / shareholders funds** | **0.55** | * |
| **Total debt / shareholders funds** | **2.07** | * |

(*) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

***The remainder of this page has been left blank intentionally.***

## SECTION VII - LEGAL AND OTHER INFORMATION

## OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except, as stated in this section and mentioned elsewhere in this Draft Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies*.

Except as disclosed below there are no:

a) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years;
b) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;
c) pending proceedings initiated against our Company for economic offences;
d) default and non-payment of statutory dues by our Company;
e) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies' law in the last five years against our Company, including fines imposed or compounding of offences done in those five years;
f) material frauds committed against our Company in the last five years.

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies/entities, would be considered material for the purposes of disclosure based on lower of threshold criteria mentioned below:

a) As per the policy of materiality defined by the board of directors:

   i) If the aggregate amount involved in such individual litigation, to the extent quantifiable, exceeds 5% of the Company's profit after tax for the most recently completed fiscal year, as per the Restated Financial Statements; or

   ii) Where the monetary impact is not quantifiable or the amount involved may not exceed the materiality threshold set out under (i) above, but where an adverse outcome in any litigation would materially and adversely affect our Company's business, prospects, operations, financial position or reputation, irrespective of the amount involved in such litigation. Or

b) Litigation where the value or expected impact in terms of value, exceeds the lower of the following:

   (i) two percent (2%) of turnover, as per the latest annual restated financial statements of the issuer being 670.74 Lakhs as on 31st March, 2025.; or

(ii) two percent (2%) of net worth, as per the latest annual restated financial statements of the issuer, except in case the arithmetic value of the net worth being 63.96 Lakhs as on 31st March, 2025; or

(iii) five percent (5%) of the average of absolute value of profit or loss after tax, as per the last three annual restated consolidated financial statements of the issuer being 25.30 Lakhs as on 31st March, 2025.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered material only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company. Unless otherwise stated to contrary, the information provided is as of date of this Draft Prospectus.

**Litigations involving our Company**

**A. Against our Company**

**1. Litigation involving Criminal Matters:** NIL

**2. Litigation involving Civil Matters:**

**a) Vimlesh Shree Kuvarpal Yadav vs Vinod Texworld Private Limited (RECO33C2 LC/0000601/2024)**

For the above-mentioned case, the Company is in receipt of all legal communication in the Gujarati language. However, as on the date of this Draft Prospectus, the Company does not possess an official translated copy of the said order in English. Consequently, the Company is unable to provide complete details or an accurate summary of the contents of the order. Upon receipt of the official translation, the Company shall take necessary steps to assess the implications, if any, and make appropriate disclosures. The amount involved in the said case is below the limit of material litigation as per the policy of materiality defined by the board of directors and prescribed under SEBI ICDR 2018. The risk factors of the same is included in the risk factor chapter on page no. 35.

**b) Vimlesh Shree Kuvarpal Yadav vs Vinod Texworld Private Limited (REFERENCE T LC/0000094/2025)**

For the above-mentioned case, the Company is in receipt of all legal communication in the Gujarati language. However, as on the date of this Draft Prospectus, the Company does not possess an official translated copy of the said order in English. Consequently, the Company is unable to provide complete details or an accurate summary of the contents of the order. Upon receipt of the official translation, the Company shall take necessary steps to assess the implications, if any, and make appropriate disclosures. The amount involved in the said case is below the limit of material litigation as per the policy of materiality defined by the board of directors and prescribed under SEBI ICDR 2018. The risk factors of the same is included in the risk factor chapter on page no. 35.

**3. Litigation Involving Actions by Statutory/Regulatory Authorities:** NIL

**4. Litigation/Matters involving Tax Liabilities:**

a) **ZD241121002125E:** For the assessment period 2014–2015, though no tax liability was determined on account of exempted transactions, the dealer failed to furnish the statutory VAT Audit Report within the prescribed time, thereby attracting a penalty of Rs. 10,000 under the provisions of the erstwhile Gujarat VAT Act. The said penalty demand remained unpaid and stood crystallised as an enforceable liability.

Consequently, upon migration to the Goods and Services Tax regime, the said demand was duly carried forward by way of issuance of Form GST DRC-7A, categorising the liability as "un-stayed" and recoverable under the GST laws. Accordingly, the outstanding penalty of Rs. 10,000 continues to subsist as a valid and recoverable demand against the taxable person under the transitional provisions of GST.

b) **ZD240824103731O -** The proceedings against Vinod Texworld Pvt. Ltd. for the financial year 2019-20 commenced with issuance of an intimation in Form DRC-01A under Section 73(5) of the CGST/GGST Act, 2017, quantifying a liability of approximately Rs. 24.88 lakh towards tax, interest, and penalty on account of alleged short payment of output tax and wrongful availment of ITC. Thereafter, a Show Cause Notice in Form DRC-01 was issued under Section 73(1), proposing demand of Rs. 24.99 lakh. In response, the taxpayer furnished a reply in Form DRC-06 along with supporting records, including GSTR-9, ITC working papers, and financial statements, contesting the discrepancies and explaining that the differences arose on account of reporting issues and not on account of revenue loss.

Upon adjudication, the adjudicating authority examined the submissions and dropped several issues raised in the notice, including mismatches between e-way bill data and GSTR-1, alleged excess ITC under Section 16(4), reversals under Rule 42, and ineligible ITC under Section 17(5). It was recorded that the taxpayer had already discharged the principal tax liability of Rs. 12,604 each under SGST and CGST through Form DRC-03. However, as the corresponding interest under Section 50 and penalty under Section 73(9) had not been paid, the final order in Form DRC-07 dated 29.08.2024 confirmed a limited demand of Rs. 42,302 (comprising Rs. 21,151 under SGST and Rs. 21,151 under CGST) towards interest and penalty. The current position is that the earlier proposed demand of nearly Rs. 25 lakh has been reduced and the final enforceable liability is confined to Rs. 42,302/- payable within the statutory period. Accordingly, the outstanding demand continues to subsist as a valid and recoverable demand.

c) **ZD240125016606R** - The proceedings against Vinod Texworld Private Limited for the financial year 2020-21 were initiated under Section 73 of the CGST Act, 2017 read with the corresponding provisions of the SGST Act, 2017 on account of (i) short reversal of ITC between GSTR-3B and GSTR-9, and (ii) ineligible ITC claimed under Section 17(5). Initially, an intimation in Form DRC-01A was issued determining the proposed liability. Thereafter, a Show Cause Notice in Form DRC-01 was served, enhancing the proposed demand. The taxpayer filed partial replies, sought adjournments, and also discharged certain liability through Form DRC-03 for the short reversal of ITC. However, due to non-submission of complete documentary evidence and failure to appear in the final hearing, the adjudication was concluded ex-parte.

The Adjudicating Authority has now passed an order in Form DRC-07 dated 04.01.2025 under Section 73(9), wherein the issue of short reversal of ITC has been settled on the basis of payment already made by the taxpayer. However, the demand relating to ineligible ITC under Section 17(5) has been confirmed. The final demand crystallized under the said order amounts to Rs. 23,49,468/-, comprising CGST and SGST along with applicable interest under Section 50 and penalty under Section 73(9). The order further

directs payment of the said dues on or before 04.02.2025, failing which recovery proceedings under the provisions of the CGST/SGST Act will be initiated. Accordingly, the present status is that the demand has been finalized and stands payable.

**B. By our Company**

**1. Litigation involving Criminal Matters: NIL**

**2. Litigation involving Civil Matters:**

**a) Umya Engineering Works vs Government of Gujarat & Ors Vinod Texworld Private Limited (CR A/0000314/2024)**

For the above-mentioned case, the Company is in receipt of all legal communication in the Gujarati language. However, as on the date of this Draft Prospectus, the Company does not possess an official translated copy of the said order in English. Consequently, the Company is unable to provide complete details or an accurate summary of the contents of the order. Upon receipt of the official translation, the Company shall take necessary steps to assess the implications, if any, and make appropriate disclosures. The amount involved in the said case is below the limit of material litigation as per the policy of materiality defined by the board of directors and prescribed under SEBI ICDR 2018. The risk factors of the same is included in the risk factor chapter on page no. 35.

**3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**

**4. Litigation/Matters involving Tax Liabilities: NIL**

**II. Litigations involving Promoters/Directors**

**A. Against Promoters/Directors**

**1. Litigation involving Criminal Matters: NIL**

**2. Litigation involving Civil Matters: NIL**

**3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**

**4. Litigation/Matters involving Tax Liabilities: NIL**

**B. By Promoters/Directors**

**1. Litigation involving Criminal Matters: NIL**

**2. Litigation involving Civil Matters: NIL**

**3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**

**4. Litigation/Matters involving Tax Liabilities: NIL**

**III. Litigations Involving Company's Group Entities**

**A. Against the Group Entities: NIL**

**B. By the Group Entities: NIL**

**IV Litigations Relating to the Subsidiary Company**

**A. Against Directors of the Subsidiary Company: NIL**
**B. By Directors of the Subsidiary Company: NIL**
**C. Litigation/Matters involving Tax Liabilities: NIL**

**V. Litigations Relating to the KMP/SMP – NIL**

*Note: The Key Managerial Personnel (KMP) and Senior Managerial Personnel (SMP) confirm that there are no pending litigations, defaults, or statutory dues, and no criminal or civil proceedings against them. They have not been subject to any action or investigation by SEBI, any Stock Exchange, or other regulatory authorities. Neither they nor any associated entities have been prohibited from accessing capital markets or penalized by any regulator in India or abroad.*

**VI. Other litigations involving any other entities which may have a material adverse effect on our Company**

There is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of the Companies Act, show cause notices or legal notices pending against any company whose outcome could affect the operation or finances of our Company or have a material adverse effect on the position of our Company.

**VII. Details of the past penalties imposed on our Company / Directors**

Except as disclosed above as on the date of this Draft Prospectus, there are no cases in the last five years in which penalties have been imposed on our Company or our Directors.

**VIII. Outstanding dues to Creditors**

As per the materiality policy of the Company for disclosing outstanding amounts to creditors. Based on the same, as on March 31, 2025 our Company had outstanding dues to creditors as follows:

***(Amount in Lakh)***

| **Particulars** | **As at 31.03.2025** |
|---|---|
| **Trade Payables** | |
| Micro, Small and Medium Enterprises | 888.79 |
| Others | 6,149.53 |
| **Total** | **7,038.33** |

Information provided on the website of our Company is not a part of this Draft Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at their own risk.

## I. Material developments occurring after last balance sheet date, that is, March 31, 2025.

Except as disclosed in the section titled –Management's Discussion and Analysis of Financial Condition and Results of Operations of our Company beginning on page number 314 of this Draft Prospectus, in the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in this Draft Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of its assets or its ability to pay its material liabilities within the next 12 months.

**We certify that except as stated herein above:**

a. There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company, promoters, group entities, companies promoted by the promoters during the past three years.
b. There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.
c. There are no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
d. There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.
e. There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
f. There are no litigations against the Promoters / Directors in their personal capacity.
g. The Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.
h. There is no material regulatory or disciplinary action by SEBI, stock exchange or regulatory authority in the past five year in respect of our promoters, group company's entities, entities promoted by the promoters of our company.
i. There are no status of criminal cases filed or any investigation being undertaken with regard to alleged commission of any offence by any of our Directors. Further, none of our directors has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.
j. The issue is in compliance with applicable provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.
k. Neither the Company nor any of its promoters or directors is a wilful defaulter.

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## GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Draft Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business, we require approvals and/or licenses under various laws and regulations. For further details regarding the applicable regulatory and legal framework, please refer to the chapter "Key industry Regulations and Policies" on page 210 of this draft prospectus.

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following –

### I. APPROVALS FOR THE OFFER

**Corporate Approvals:**

1. The Board of Directors have, pursuant to resolutions passed at its meeting held on August 05, 2025 has approved the Issue, subject to the approval by the shareholders of the Company under Section 62 (1) (c) of the Companies Act 2013.

2. The Shareholders have, pursuant to the resolution dated August 28, 2025, under section 62 (1) (c) of the Companies Act 2013, authorized the Issue.

**Approval from the Stock Exchange/ In-Principle Approval:**

The Company has obtained approval from NSE vide its letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.

**Agreements With NSDL and CDSL**

1. The Company has entered into an agreement dated September 18, 2025, with the Central Depository Services (India) Limited (CDSL), and the Registrar and Transfer Agent, who, in this case, is Kfin Technologies Limited, for the dematerialization of its shares.

2. The Company has also entered into an agreement dated June 20, 2025, with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who, in this case, is Kfin Technologies Ltd, for the dematerialization of its shares.

3. The Company's International Securities Identification Number (ISIN) **INE1A5U01014.**

### II. APPROVALS IN RELATION TO INCORPORATION OF OUR COMPANY

As on the date of this Draft Prospectus, Our Company has received the following approvals:

| S. No. | Authorisation granted | Issuing Authority | CIN | Date of Issue | Valid Upto |
|---|---|---|---|---|---|
| 1. | Certificate of Incorporation in the name of "Shree Shiv Shakti Cot-Fab Private Limited" | ROC- Gujarat, Dadra and Nagar Havelli | U17200GJ2012PTC071210 | July 19, 2012 | Perpetual |
| 2. | Certificate of Incorporation pursuant to name change from "Shree Shiv Shakti Cot-Fab Private Limited" to "Vinod Fabtex Private Limited". | RoC - Ahmedabad | U17200GJ2012PTC071210 | March 08, 2018 | Perpetual |
| 3. | Certificate of Incorporation pursuant to name change from "Vinod Fabtex Private Limited" to "Vinod Texworld Private Limited". | RoC - Ahmedabad | U17200GJ2012PTC071210 | May 25, 2018 | Perpetual |
| 4. | Certificate of Incorporation for Conversion from Private Limited to Public Limited i.e. "Vinod Texworld Private Limited" to "Vinod Texworld Limited". | ROC- CPC - Ahmedabad | U17200GJ2012PLC071210 | December 18, 2024 | Perpetual |

## III. TAX RELATED APPROVALS/AUTHORISATIONS OF COMPANY

As on the date of this Draft Prospectus, Our Company has received the following Tax related approvals:

| S. No. | Authorization granted | Issuing Authority | Registration No. /Reference No. /License No. | Date of Issue | Validity |
|---|---|---|---|---|---|
| 1. | Permanent Account Number | Income Tax Department, GOI | AARC8604A | July 19, 2012 | Perpetual |
| 2. | Tax Deduction Account Number | Income Tax Department, GOI | AHNIS25O92E | March 28,2014 | Perpetual |
| 3. | GST Registration Certificate (Gujarat) | Centre Goods and Services Tax Act, 2017 | 24AARCS8604A1ZF | September 19, 2017 | Valid until cancellation |

## V. BUSINESS RELATED CERTIFICATIONS

Our Company has received the following significant government and other approvals pertaining to our business:

| Sr. No. | Authorization granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue/Renewal | Valid Up to |
|---|---|---|---|---|---|

| | | | | | |
|---|---|---|---|---|---|
| 1. | Professional Tax Registration | Department of Excise & Taxation | PRC01034800073 | 21.07.2025 | Valid until cancellation |
| 2. | Import Export Code | Ministry of Commerce & Industry | 0816912921 | 01.09.2016 | Valid until cancellation |
| 3. | Employees Fund Registration | Ministry of Labour | 1712026225 | 01.07.2014 | Valid until cancellation |
| 4. | Udyam Registration Certificate | Ministry of Micro, Small and Medium Enterprsies | UDYAM-GJ-01-00045860 | 11.08.2020 | Valid until cancellation |
| 5. | Employees State Insurance Registration | Ministry of Labour | 37001052470000108 | 11.08.2014 | Valid until cancellation |
| 6. | Registration and license to work as Factory under the factories act, 1948 | Department of Labour, Government of Gujarat | 8134/13139/2017 | 16.04.2017 | 30.12.2028 |
| 7. | Consent to Operate under Water Act 1974 | Gujarat Pollution Control Board | GPCB/ABD/CCA/NL-237/ID-30668 | 22.07.2024 | 31.03.2029 |
| 8. | Consent to Operate under Air Act 1974 | Gujarat Pollution Control Board | GPCB/ABD/CCA/NL-237/ID-30668 | 22.07.2024 | 31.03.2029 |
| 9. | Authorization for operating a facility for of Hazardous waste as per the hazardous and other waste (Management and transboundary moment), Rules 2016 | Gujarat Pollution Control Board | GPCB/ABD/CCA/NL-237/ID-30668 | 22.07.2024 | 31.03.2029 |
| 10. | Legal Entity Identifier | LEI Register India | 3358004WX7K7P2C9VC46 | 03.06.2025 | 03.06.2026 |

| | | | | | |
|---|---|---|---|---|---|
| 11. | Boiler Certificate | Office of Director of Boilers, Gujarat | DOB/TECH/2025/AA072024-20250000335 | 06.11.2024 | 05.11.2025 |
| 12. | Employees' Provident Fund Organisation | Ministry of Labour and Employment | GJAHD1010808000 | 27.06.2019 | Valid until cancellation |
| 13. | No Objection Certificate for Ground Water Abstraction | Issued by Government of India, Ministry of Jal Shakti, Department of Water Resources, River Development & Ganga Rejuvenation, Central Ground Water Authority | NOC/IND/GJ/2025/1865/R-1/1 | 11.07.2025 | 02.01.2028 |
| 14. | Stability Certificate | Parth Parikh<br>(Government Approved Valuer, Competent person approved by D.I.S.H(Gujarat) | Ref. No. P.P/S.T.C/2023/J-21(2) | 10.04.2017 | Valid for 5 years |
| 15. | Contract Labour Certificate | Deputy Labour Commissioner Office - Ahmedabad | AHD/2019/CLRA/366 | 27.12.2019 | - |

## VI. NO OBJECTION CERTIFICATE (NOC) FROM AUTHORITIES

| Sr. No. | Description | Authority | Registration/ NOC Number | Date of Issue | Date of Expiry |
|---|---|---|---|---|---|

| | | | | | |
|---|---|---|---|---|---|
| **1.** | No Objection Certificate for Ground Water Abstraction | Issued by Government of India, Ministry of Jal Shakti, Department of Water Resources, River Development & Ganga Rejuvenation, Central Ground Water Authority | NOC/IND/GJ/2025/1865/R-1/1 | 11.07.2025 | 02.01.2028 |

## VII. LICENSES / APPROVALS WHICH HAVE EXPIRED AND FOR WHICH RENEWAL APPLICATIONS HAVE NOT BEEN MADE BY OUR COMPANY

Nil

## VIII. LICENSES / APPROVALS WHICH ARE REQUIRED BUT NOT YET APPLIED FOR BY OUR COMPANY

Nil

## IX. LICENSES / APPROVALS WHICH ARE APPLIED BY COMPANY

As on the date of this draft prospectus, Our Company have the following Trademark applied:

| ***Trademark/Wordmark*** | ***Date of application*** | ***Application number*** | ***Class*** | ***Current Status*** |
|---|---|---|---|---|
| | 06/02/2025 | 6842918 | 40 | Formalities Chk Pass |

## X. THE DETAILS OF DOMAIN NAME REGISTERED ON THE NAME OF THE COMPANY IS

| **S. No** | **Domain Name and ID** | **Registrant Name** | **Creation Date** | **Registration Expiry Date** |
|---|---|---|---|---|
| *1.* | *www.vinodtexworld.com* | *Hostinger Operations, UAB* | *April 06, 2024* | *April 06, 2026* |

***NOTE: SOME REGISTRATIONS ARE IN THE NAME OF VINOD TEXWORLD PRIVATE LIMITED AND THE COMPANY IS IN PROCESS OF TAKING ALL THE APPROVALS IN THE NEW NAME OF THE COMPANY I.E., VINOD TEXWORLD LIMITED.***

**IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.**

***The remainder of this page has been left blank intentionally.***

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

**Corporate Approvals:**

The Board of Directors, pursuant to a resolution passed dated August 05, 2025 authorized the Issue, subject to the approval of the shareholders of the company as required under Section 62(1)(c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extraordinary General Meeting held on August 28, 2025 authorized the Offer.

This Draft Prospectus has been approved by our Board pursuant to its resolution passed on September 29, 2025.

**In-principle Approval:**

Our Company has obtained approval from NSE vide its letter dated [●] to use the name of NSE in this Issue document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.

***We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter titled "Government and Other Approvals" beginning on page 347 of this Draft Prospectus.***

### PROHIBITION BY THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") OR GOVERNMENTAL AUTHORITIES.

We confirm that our Company, Promoters, Promoter Group or Directors have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

- Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or persons in control of our Company are/ were associated as promoter, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.
- None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as Promoter or Director.
- Neither our Promoters, nor Promoter Group, nor any of our Directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, nor Promoter Group nor our Directors, are Wilful Defaulters or fraudulent borrowers.
- There are no outstanding convertible securities or any other right which would entitle any person with any option receive equity shares of the issuer.
- There has been no violation of any securities law committed by any of them in the last five years and no such proceedings are pending against them except as provided in the chapter "***Outstanding Litigations and Material Developments***" beginning on page 341 of this Draft Prospectus.

## PROHIBITION BY THE RESERVE BANK OF INDIA ("RBI") OR GOVERNMENTAL AUTHORITY

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 wilful 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 341 of this Draft Prospectus.

Neither our Company, nor our Promoters, nor the relatives (as defined under the Companies Act) of our Promoters, nor Group Companies/Entities have been identified as wilful defaulters or Fraudulent Borrowers by the RBI or any other governmental authority.

## DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

Our Company, our Promoters, our Directors and our Promoter's Group, person(s) in control of the promoters or issuer, have not been 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 regulators in any other jurisdiction or any other authority/court.

## PROHIBITION WITH RESPECT TO WILFUL DEFAULTER OR A FRAUDULENT BORROWER

Neither our Company, our Promoter, our Directors, Group Companies, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as willful defaulter or a fraudulent borrower as defined by the SEBI (ICDR) Regulations, 2018.

## COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

In view of the General Circular No. 07/2018 dated September 06, 2018 and General Circular No. 8/ 2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India, our Company, and our Promoter Group will ensure compliance with the Companies (Significant Beneficial Ownerships) Rules, 2018, upon notification of the relevant forms, as may be applicable to them.

**Confirmations:**

Our Company confirms that it is eligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

i. Neither our company, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.

ii. Neither our promoters, nor any directors of our company are a promoter or director of any other company which is debarred from accessing the capital market by the Board.

iii. Neither our Company, nor our Promoters or our directors, is a Willful Defaulter or a fraudulent borrower.

iv. Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.

v. There are no outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the issuer

## ELIGIBILITY FOR THIS ISSUE

Our Company has complied with the conditions of Regulation 230 of SEBI (ICDR) Regulations, 2018 for this Issue.

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Offer is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, we are an Issuer whose post Issue paid up capital is more than 10 crores but less or equal to 25 crore rupee and 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 "SME Platform of NSE ("**NSE Emerge**")".

**We confirm that:**

a) In accordance with Regulation 230 (1) (a) of the SEBI (ICDR) Regulations, application is being made to National Stock Exchange of India Limited and NSE is the Designated Stock Exchange.

b) 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.

c) In accordance with Regulation 230 (1) (c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid Up.

d) 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.

e) In terms of Regulation 246 (1) of the SEBI (ICDR) Regulations, 2018, a copy of the draft prospectus will be filed with the SEBI through the Lead Manager immediately upon filing of the offer document with the Registrar of Companies, however, as per Regulation 246 (2) of the SEBI (ICDR) Regulations, 2018, The SEBI shall not issue any observation on the offer document. Further, in terms of Regulation 246 (3) of the SEBI (ICDR) Regulations, 2018 the lead manager will also submit a due diligence certificate as per Form A of Schedule V to which the site visit report will also be annexed, including additional confirmations as provided in Form G of Schedule V along with the draft offer document to the SME Exchange(s), where the specified securities are proposed to be listed.

f) Further, in terms of Regulation 246 (4) of the SEBI (ICDR) Regulations, 2018 the draft prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the Lead Manager and the Emerge Platform of National Stock Exchange of India Limited.

g) In accordance with Regulation 247 (1) of the SEBI (ICDR) Regulations, 2018, we shall also ensure that the draft offer document filed with the SME exchange shall be made public for comments for a period of at least twenty-one days from the date of filing, by hosting it on the websites of the issuer, SME exchange and the lead manager.

h) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue ***will be hundred percent underwritten and that the Lead Manager to the Offer will underwrite at least 15% of the Total Issue Size.*** For further details pertaining to said underwriting please refer to "General Information" Underwriting on page 87 of this Draft Prospectus.

i) In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the Lead Manager will ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this Issue. For further details of market making arrangement, please refer to the section titled "*General Information", "Details of the Market Making Arrangements for this Issue*" on page 87 of this Draft Prospectus.

j) In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to two hundred, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within four (4) 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 fourth (4) days, be liable to repay such application money with interest as prescribed under Section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.

**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 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.**

1. Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depositary Services Limited (CDSL) dated September 18, 2025 and National Securities Depository Limited dated June 20, 2025 for establishing connectivity.

2. Our Company has a website i.e. www.vinodtexworld.com

3. There has been no change in the promoters of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.

4. All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Prospectus**.**

5. There has been no change in the promoter(s) having significant change in control over the affairs of the Company in the one year preceding the date of filing application to Emerge Platform of NSE.

**NSE ELIGIBILITY NORMS:**

**We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of NSE (NSE Emerge): -**

**1. The Company has been incorporated under the Companies Act, 1956/2013 in India.**

Our Company was originally incorporated as "Shree Shiv Shakti Cot-Fab Private Limited" as a private limited company, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated July 19, 2012 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli having Corporate Identification Number U17200GJ2012PTC071210. Subsequently Mr. Vinod Mittal, Harsh Vinodbhai Mittal and Yash Vinod Mittal acquired 100% shareholding in the Shree Shiv Shakti Cot-Fab Private Limited. Subsequently, Our Company

changed its name from "Shree Shiv Shakti Cot-Fab Private Limited" to "Vinod Fabtex Private Limited" vide Certificate of Incorporation pursuant to change of name March 08, 2018 issued by Registrar of Companies, Ahmedabad, pursuant to special resolution passed in the Extra Ordinary General Meeting of the company held on March 03, 2018. Subsequently, Our Company changed its name from "Vinod Fabtex Private Limited" to "Vinod Texworld Private Limited" vide Certificate of Incorporation pursuant to change of name May 25, 2018 issued by Registrar of Companies, Ahmedabad, pursuant to special resolution passed in the Extra Ordinary General Meeting of the company held on May 23, 2018. Subsequently, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra Ordinary General Meeting of the company held on November 05, 2024 and consequently the name of our Company was changed to "Vinod Texworld Limited" pursuant to fresh certificate of incorporation dated December 18, 2024 issued to our Company by the Registrar of Companies, Central Processing Centre having Corporate Identification Number U17200GJ2012PLC071210.

**2. The post issue paid up capital of the Company (face value) of more than ten crore rupees and up to Twenty-five crore rupees.**

The present paid-up capital of our Company is ₹ 1160.12 Lakh and we are proposing issue of 45,56,800 Equity Shares of ₹ 10/- each at Issue price of ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share, aggregating to ₹ [●] Lakh. Hence, our Post Issue Paid up Capital will be ₹ 1,615.80 Lakhs which is not more than ₹ 2500.00 Lakhs.

**3. Track Record:**

a. **The Company should have a track record of at least 3 (three) years**

Our Company was incorporated on July 19, 2012, under the provisions of the Companies Act, 1956, therefore we are in compliance with the track record.

b. **The Company should have operating profit (earnings before interest, depreciation and tax) from operations for at least 2 financial years preceding the application and the Company has a track record of 3 years & the net worth of the Company should be positive.**

**On the basis of restated financial statement**

***Amount (Rs. In Lakh)***

| Particulars | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 | For the Year ended March 31, 2023 |
|---|---|---|---|
| Operating profit (earnings before interest, depreciation and tax) | 2,099.00 | 1,229.09 | 480.25 |
| Net-worth | 3,198.00 | 2,277.24 | 1,647.56 |

**c. The company/entity should have positive Free cash flow to Equity (FCFE) for at least 2 out of 3 financial years preceding the application.**

***(Amount in Lakhs)***

| Particulars | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 | For the Year ended March 31, 2023 |
|---|---|---|---|

| | | | |
|---|---|---|---|
| **Net Cash flow from Operations** | (1,184.93) | (668.25) | (586.24) |
| **Less- Purchase of Fixed Assets (net of sale proceeds of Fixed Assets)** | (209.76) | (588.95) | (596.38) |
| **Add- Net Total Borrowings (net of repayment)** | 1,926.85 | 1,213.12 | 1,310.71 |
| **Less- Interest expense x (1-T)** | (362.68) | (182.05) | (94.09) |
| **Free cash flow to Equity (FCFE)** | **169.46** | **(226.13)** | **34.00** |

**4. Offer for sale (OFS) by selling shareholders in SME IPO shall not exceed 20% of the total issue size and selling shareholders cannot sell more than 50% of their holding.**

There is no Offer for Sale by any of the existing shareholders in the proposed SME IPO. Consequently, the provisions relating to a maximum of 20% of the total issue size and restriction on selling shareholders not offering more than 50% of their shareholding are not applicable to this Issue.

**5. The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the tripartite agreements with the Depositories and the Registrar and Share Transfer Agent. The Company's shares bear an ISIN: INE1A5U01014.

**6. The company shall mandatorily have a website.**

Our Company has a live and operational website is www.vinodtexworld.com

**7. Name change**

Except for the change in status from a private company to a public company, i.e., from Vinod Texworld Private Limited to Vinod Texworld Limited, the Company has not changed its name during the last one year.

**Other Requirements**

- Our company has not been referred to Board for Industrial and Financial Reconstruction (BIFR) and no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- Our company has not received any winding up petition admitted by a NCLT / Court.
- There has been no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company
- Our company shall mandatorily facilitate trading in demat securities and have entered into an agreement with both the depositories. Also, the Equity Shares allotted through this Issue will be in dematerialized mode.
- Our Company has a live and operational website: www.vinodtexworld.com
- Issuer seeking listing shall ensure that none of the merchant bankers involved in the IPO should have instances of any of their IPO draft offer document filed with the Exchange being returned in the past

6 months from the date of application. For this purpose, the left lead merchant banker and any other merchant banker if applicable who shall be responsible for due diligence activity and drafting of the draft offer document / offer document in terms of the Lead Managers' Inter-se Allocation of Responsibilities shall be considered.

There are 3 IPO Draft Offer Documents of Fast Track Finsec Private Limited, which has been returned by NSE. Details of the returned IPOs are as follows:

| S. No. | Name of Entity | Date of Return |
|---|---|---|
| 1. | Twinkle Papers limited | August 20, 2025 |

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, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the NSE Emerge.

## DISCLAIMER CLAUSE OF SEBI

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MANAGER FAST TRACK FINSEC PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MANAGER, FAST TRACK FINSEC PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, FAST TRACK FINSEC PRIVATE LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 29, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND 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 LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS/PROSPECTUS.**

## DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website www.ftfinsec.com & www.vinodtexworld.com would be doing so at his or her own risk.

## CAUTION

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue agreement, the Underwriting Agreement and the Market Making Agreement. Our Company, our Directors and the Lead Manager shall make all information available 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 or at collection centres, *etc.* The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and their respective associates in the ordinary course of business & have engaged, and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

**INVESTORS WHO APPLY IN THIS ISSUE WILL BE REQUIRED TO CONFIRM AND WILL BE DEEMED TO HAVE REPRESENTED TO OUR COMPANY AND THE UNDERWRITER AND THEIR RESPECTIVE DIRECTORS, OFFICERS, AGENTS, AFFILIATES AND REPRESENTATIVES THAT THEY ARE ELIGIBLE UNDER ALL APPLICABLE LAWS, RULES, REGULATIONS, GUIDELINES AND APPROVALS TO ACQUIRE EQUITY SHARES AND WILL NOT OFFER, SELL, PLEDGE OR TRANSFER THE EQUITY SHARES TO ANY PERSON WHO IS NOT ELIGIBLE UNDER APPLICABLE LAWS, RULES, REGULATIONS, GUIDELINES AND APPROVALS TO ACQUIRE EQUITY SHARES OF OUR COMPANY. OUR COMPANY AND THE LEAD MANAGER AND THEIR RESPECTIVE DIRECTORS, OFFICERS, AGENTS, AFFILIATES AND REPRESENTATIVES ACCEPT NO RESPONSIBILITY OR LIABILITY FOR ADVISING ANY INVESTOR ON WHETHER SUCH INVESTOR IS ELIGIBLE TO ACQUIRE EQUITY SHARES IN THE ISSUE.**

## 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 not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakh, pension funds with minimum corpus of Rs.2,500 Lakh and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform him 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)in Ahmedabad only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Prospectus had been filed with NSE Emerge for its observations and NSE Emerge gave its observations on the same. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft 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.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and in compliance with applicable laws, legislations and Draft Prospectus in each jurisdiction, including India.

## DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NSE

National Stock Exchange of India Limited (NSE) has given vide its letter dated [●] permission to this Company to use its name in this offer document as one of the stock exchange on which this company's securities are proposed to be listed on the Emerge Platform. NSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. NSE does not in any manner:

i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
ii. warrant that this Company's securities will be listed on completion of Initial Public Offer or will continue to be listed on NSE; or
iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;
iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker(s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by NSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to inquiry, investigation and analysis and shall not have any claim against NSE, whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

v. NSE does not in any manner be responsible for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
vi. The Company has chosen the Emerge platform of NSE on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated

by NSE / other regulatory authority. Any use of the Emerge platform and the related services are subject to Indian Laws and Courts exclusively situated in Mumbai.

## DISCLAIMER CLAUSE UNDER RULE 144A OF U.S. SECURITIES ACT

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, –U.S Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale 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 application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and the track record of the past Issues handled by the Lead Manager to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by the SEBI, please refer to "Annexure A" to the Draft Prospectus and the website of the Lead Manager at www.ftfinsec.com

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**Price Information and the Track Record of the Past Issues Handled by the Lead Manager:**

**ANNEXURE-A**

**Disclosure of Price Information of Past Issues Handled by Merchant Banker(s)**

**TABLE 1**

| S. No. | Issuer Name | Issue Size (Rs. in Cr.) | Issue Price (Rs.) | 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 | SME/ Main Board |
|---|---|---|---|---|---|---|---|---|---|
| **1.** | Snehaa Organics Limited | 32.68 | 122.00 | September 05, 2025 | 122.00 | NA | NA | NA | SME |
| **2.** | Mahendra Realtors & Infrastructure Limited | 49.44 | 85.00 | August 20, 2025 | 68.00 | (16.33)<br>1.10 | NA | NA | SME |
| **3.** | Medistep Healthcare Limited | 16.09 | 43.00 | August 18, 2025 | 53.00 | (33.47)<br>1.82 | NA | NA | SME |
| **4.** | Cedaar Textile Limited | 60.90 | 140.00 | July, 07, 2025 | 119.00 | 5.17<br>3.48 | NA | NA | SME |
| **5.** | Jainik Power Cables Limited | 51.29 | 110.00 | June 17, 2025 | 82.00 | 17.98<br>1.03 | NA | NA | SME |
| **6.** | Nikita Papers Limited | 67.54 | 104.00 | June 03, 2025 | 90.00 | 0.55<br>(3.40) | 3.78<br>0.34 | NA | SME |
| **7.** | Gajanand International Limited | 20.64 | 36.00 | September 16, 2024 | 42.00 | (42.60)<br>(1.62) | (50.13)<br>(4.12) | (61.40)<br>13.33 | SME |
| **8.** | Ambey Laboratories Limited | 42.55 | 68.00 | July 11, 2024 | 85.00 | (26.16)<br>0.13 | (29.94)<br>2.73 | (35.41)<br>5.41 | SME |
| **9.** | Akiko Global Services Limited | 23.11 | 77.00 | July 02, 2024 | 98.00 | (18.80)<br>3.68 | (14.30)<br>3.55 | (14.68)<br>(1.29) | SME |
| **10.** | Enser Communications Limited | 16.17 | 70.00 | March 22, 2024 | 72.00 | (2.99)<br>1.08 | 146.36<br>6.65 | 274.54<br>15.03 | SME |
| **11.** | Sungarner Energies Limited | 5.31 | 83.00 | August 31, 2023 | 250.00 | (17.66)<br>(0.95) | (27.57)<br>4.37 | 23.91<br>15.29 | SME |
| **12.** | Pearl Green Clubs and Resorts Limited | 11.71 | 186.00 | July 07, 2022 | 189.05 | 3.27<br>11.95 | (0.50)<br>45.52 | (2.92)<br>102.80 | SME |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **13.** | Globesecure Technologies Limited | 10.12 | 29.00 | June 02, 2022 | 36.5 | 212.94 | 313.07 | 125.47 | SME |
| | | | | | | (5.35) | 14.94 | 38.57 | |
| **14.** | Jeena Sikho Lifecare Limited | 55.50 | 150.00 | April 19,2022 | 165.1 | (12.69) | (18.16) | (15.17) | SME |
| | | | | | | (2.42) | (7.09) | 22.78 | |
| **15.** | SBL Infratech Limited | 2.37 | 111.00 | September 28, 2021 | 130.00 | (55.20) | (64.8) | (47.72) | SME |
| | | | | | | (0.53) | (3.77) | (3.48) | |
| **16.** | Kranti Industries Limited | 2.09 | 37.00 | February 28, 2019 | 35.25 | (1.22) | 2.84 | (12.04) | SME |
| | | | | | | (8.38) | 1.62 | (3.16) | |
| **17.** | Goblin India Limited | 15.20 | 52.00 | October 15, 20219 | 55.00 | 125.71 | 80.21 | (27.20) | SME |
| | | | | | | 4.62 | 8.70 | (20.29) | |
| **18.** | Ascom Leasing and Investments Limited | 6.32 | 30.00 | December 06, 2019 | 30.25 | 5.00 | 0.00 | 15.83 | SME |
| | | | | | | (0.60) | (5.47) | (15.60) | |
| **19.** | Trekkingtoes.Com Limited | 4.54 | 105.00 | August 28, 2020 | 99.75 | (55.59) | (59.90) | (67.92) | SME |
| | | | | | | (3.77) | 12.14 | 28.67 | |

**Note:**

*All share price data is from www.bseindia.com and www.nseindia.com*

**Note:**

- *The S&P, SME IPO, Sensex and CNX Nifty are considered as the Benchmark Index.*
- *Prices on BSE/NSE are considered for all of the above calculations.*
- *In case the 30th/90th/180th day is not a trading day, the closing price on BSE/NSE of the next trading day has been considered.*

**In case 30th/90th/180th days, scrips are not traded then the last trading price has been considered.**

**Summary Statement of Disclosure**

| **Financial Year** | **Total no. of IPOs** | **Total Amount of Funds raised (Rs. 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%** |
| 2025-26* | 6 | 277.94 | - | - | 4 | - | 1 | - | - | - | - | - | - | - |
| 2024-25 | 3 | 88.44 | - | 2 | 1 | - | - | - | 1 | 1 | 1 | - | - | - |
| 2023-24 | 1 | 21.48 | - | - | - | 1 | - | - | - | - | - | - | - | - |
| 2022-23 | 3 | 77.32 | - | - | 1 | 1 | - | 1 | - | - | 2 | 1 | - | - |
| 2021-22 | 1 | 2.37 | 1 | - | - | - | - | - | - | 1 | - | - | - | - |
| 2020-21 | 1 | 4.54 | 1 | - | - | - | - | - | 1 | - | - | - | - | - |
| 2019-20 | 2 | 21.52 | 1 | - | 1 | - | - | - | - | 1 | 1 | - | - | - |
| 2018-19 | 1 | 2.09 | - | - | 1 | - | - | - | - | - | 1 | - | - | - |

***Up to the date of this Draft Prospectus**

**Note:**

*1) Benchmark Index considered as Sensex 30 Index and Nifty 50 Index.*

2) *Prices on NSE/BSE are considered for all of the above calculations.*
3) *In case the 30th/90th/180th day is a holiday, the closing price on NSE/BSE of the previous trading day has been considered.*
4) *In case the 30th/90th/180th day, scrips are not traded then the closing price on NSE/BSE of the previous trading day has been considered.*

**For details regarding the track record of the Lead Manager, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website of the Lead Manager as set forth in the table below:**

| Sr. No. | Name of the Lead Manager | Website |
|---|---|---|
| 1 | Fast Track Finsec Private Limited | www.ftfinsec.com |

## FILLING

The Draft Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India.

The Draft 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 Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in. A copy of the Prospectus, along with the material contracts and documents required to be filed under Section 26 & 32 of the Companies Act, 2013 was filed to the RoC through the electronic portal at www.mca.gov.in

## LISTING

Application will be made to the NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. National Stock Exchange of India Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of NSE has given its in-principle approval for using its name in our Offer documents vide its letter no. [●] dated [●].

National Stock Exchange of India Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the Emerge Platform is not granted by National Stock Exchange of India Limited, our Company shall return through verifiable means the entire monies received within four (4) days of receipt of intimation from stock exchange rejecting the application for listing or trading without any interest.

If such money is not repaid within four (4) days from the date our Company becomes liable to repay it, then our Company and every Director of the Company who is officer in default shall, on and from expiry of four (4) days, be jointly and severally liable to repay such application money, with interest at the rate of fifteen per cent per annum (15% p.a.).

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE Limited mentioned above are taken within three Working Days from the Offer Closing Date.

**Impersonation**

*Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:*

*"Any person who—*

*(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

*(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

*(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

*shall be liable for action under section 447."*
*The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.*

*Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.*

## CONSENTS

Consents in writing of:(a) the Promoters, the Directors, Statutory Auditor & Peer Reviewed Auditor, the Company Secretary & Compliance Officer, Chief Financial Officer, Banker to the Company and (b) Lead Manager, Registrar to the Issue, Legal Advisor to the Issue to act in their respective capacities have been/or will be obtained (before filing final Draft Prospectus to ROC) and will be filed along with a copy of the Prospectus with the ROC, as required under Section 26 of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the ROC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Prospectus and such consent and report is not withdrawn up to the time of delivery of this Draft Prospectus with NSE.

## EXPERT OPINION

Except as stated below, our Company has not obtained any expert opinions: Our Company has received written consent dated September 09, 2025 from M/s. Raiiv Shah & Associates, Chartered Accountants, , to include their name as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this

Draft Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors.

Our Company has received written consent dated September 15, 2025 from M/s. S N Shah & Associates, Chartered Accountants, to include their name as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Peer Review Auditors, and in respect of their (i) examination report, dated September 15, 2025 on the Restated Financial Information ; and (ii) their statement of special tax benefits in this Draft Prospectus and such consent has not been withdrawn as of the date of this Draft Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Our Company has received written consent dated September 01, 2025 from Pranav Parikh & Associates, Independent Chartered Engineer to include their name in this Draft Prospectus/Prospectus and be named as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of his certificate on the installed capacity of the Company in connection with the Issue and such consent has not been withdrawn as of the date of this Draft Prospectus. The term "experts" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

## PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE INCORPORATION

We have not made any previous rights and/or public issues since incorporation, and are an Unlisted Issuer in terms of the SEBI (ICDR) Regulations and this Issue is an –Initial Public Offering in terms of the SEBI (ICDR) Regulations.

## PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Other than as detailed under chapter titled "Capital Structure" beginning on page no. 101 of the Draft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

## COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since, this is the IPO of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the past years from since incorporation preceding the date of this Draft Prospectus.

## PREVIOUS CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY LISTED SUBSIDIARIES, GROUP COMPANIES AND ASSOCIATES OF OUR COMPANY

None of our Group Companies and Associates are listed and have not undertaken any public or rights issue in the three (3) years preceding the date of this Draft Prospectus.

## PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/ RIGHTS ISSUE OF OUR COMPANY

We have not made any previous rights and/or public issues since incorporation, and are an Unlisted Issuer in terms of the SEBI (ICDR) Regulations and this Issue is an –Initial Public Offering in terms of the SEBI (ICDR) Regulations.

## PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/ RIGHTS ISSUE OF THE LISTEDSUBSIDIARIES OF OUR COMPANY

As on the date of the Draft Prospectus, our Company does not have any subsidiary company.

## OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of the Draft Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

## OPTION TO SUBSCRIBE

a) Investors will get the allotment of specified securities in dematerialization form only.

b) The equity shares, on allotment, shall be traded on stock exchange in Demat segment only

## STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an Unlisted Issuer in terms of the SEBI (ICDR) Regulations, and this Offer is an Initial Public Offering in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

All grievances relating to this Offer may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted. All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid-cum-Application Form was submitted by the ASBA Applicant.

## DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Offer or the SCSB in case of ASBA Applicant shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to this Offer for the redressal of routine investor grievances will be 12 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company has appointed **Ms. Foram Deep Parikh** as the Company Secretary and Compliance Officer and may be contacted at the following address:

**Vinod Texworld Limited**
185/2, Saijpur, Gopalpur, Opp. Shanti Process,
Piplaj Pirana Road, Ahmedabad, Gujarat, India, 382405
**Tel. No.**: +91-7069030829
**Fax**: N.A.
**Email**: ho@vinodtexworld.com
**Website**: www.vinodtexworld.com

***Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.***

***The remainder of this page has been left blank intentionally.***

## SECTION VIII - ISSUE INFORMATION

## TERMS OF THE ISSUE

*The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Draft Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN) and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in terms of Regulation 256 of the SEBI ICDR Regulations read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the applicants have to compulsorily apply through the ASBA Process and further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified though its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 and 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 (together, the "UPI Circular") in relation to clarifications on streamlining the process of public Offer of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines for listing in a phased manner. Currently, for application by Individual Investors through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and Individual Investors submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+3 days. 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.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

## AUTHORITY FOR THE PRESENT ISSUE

This Issue has been authorized by a resolution of the Board passed at their meeting held on August 5, 2025 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting ("**EGM**") of the Company held on August 28, 2025.

## RANKING OF EQUITY SHARES

The Equity Shares being Issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by

our Company after the date of Allotment. For further details, please refer to Section titled, "***Description of Equity Shares and Terms of the Articles of Association***", beginning on page 422 of this draft prospectus.

## THE ISSUE

Fresh Issue of 45,56,800 Equity Shares of our Company. The fees and expenses relating to the Issue shall be borne by our Company in accordance with applicable law. For details in relation to the sharing of Issue expenses amongst our Company, see "Objects of the Issue" on page **122** of this Draft Prospectus.

## OFFER FOR SALE

In the case of offer for sale, the dividend for the entire year shall be payable to the transferees and the company has to disclose the name of the entity bearing the cost of making offer for sale along with reasons. However, the present issue does not include offer for sale and hence the said disclosure is not applicable to us.

## MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividend to the shareholders of our Company in accordance with the provisions of the Companies Act, 2013, as may be applicable, the Articles of Association of our Company, the provisions of the SEBI Listing Regulations and any other rules, regulations or guidelines as may be issued by the Government of India in connection there to and as per the recommendation by our Board of Directors and approved by our 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 in relation to dividends, please refer to Sections titled, "***Dividend Policy***" and "***Description of Equity Shares and Terms of the Articles of Association***", beginning on page 266 and 422 respectively, of this draft prospectus.

## FACE VALUE AND ISSUE PRICE

The Equity Shares having a face value of ₹ 10 each are being issued in terms of this Draft Prospectus at the price of ₹ [●] per Equity Share. The Issue Price is determined by our Company, in consultation with the Lead Manager and is justified under the chapter titled "Basis of Issue Price" beginning on page 136 of this Draft 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 SEBI (ICDR) REGULATIONS, DISCLOSURE AND ACCOUNTING NORMS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations as amended time to time. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## RIGHTS OF THE EQUITY SHAREHOLDER

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;

- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association ofour Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the CompaniesAct and the Memorandum and Articles of Association of the Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "Main Provisions of Articles of Association" on page **422** of this Draft Prospectus.

## ALLOTMENT ONLY IN DEMATERIALISED FORM

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Draft Prospectus:

- Tripartite agreement dated September 18, 2024 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated June 20, 2025 among NSDL, our Company and the Registrar to the Issue.

***The ISIN of the Company is INE1A5U01014.***

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of a body corporate can be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE 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.

## MINIMUM APPLICATION VALUE

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 and the same may be modified by NSE Emerge from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful Applicants.

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 per application. Provided that the minimum application size shall be above ₹ 2 lakhs.

## MARKET LOT AND TRADING LOT

Since the trading of Equity shares is in dematerialized form, the tradable lot is One Equity Share. The 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. For further details, see "Issue Procedure" on page **385** of this Draft Prospectus.

## MINIMUM NUMBER OF ALLOTTEES

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, 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 all the monies blocked by SCSBs shall be unblocked within Two (2) 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.

## JURISDICTION

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

**The Equity Share have not been and will not be registered under the U.S. 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), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off- shore transactions in reliance on Regulation S under the U.S. 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 applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

## NOMINATION FACILITY TO THE INVESTOR

In accordance with Section 72(1) & 72(2) 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(3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72(4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, 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:

1. to register himself or herself as the holder of the equity shares; or
2. to make such transfer of the equity shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the equity shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect

of the equity shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

## RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for the lock-in of the pre-Issue capital of our Company, Promoters' minimum contribution as provided in Capital Structure on page 101 of this Draft Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer Main Provisions of Articles of Association on page of 422 his Draft Prospectus.

## ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in each lot in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of NSE i.e NSE Emerge.

## NEW FINANCIAL INSTRUMENTS

As on the date of this Draft 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. Further, our Company is not issuing any new financial instruments through this Issue.

## WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA applicant within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Prospectus with Stock Exchange.

## MINIMUM SUBSCRIPTION AND UNDERWRITING

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the Issue Document including devolvement of Underwriters, if any, within

sixty (60) days from the date of closure of the Issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 15 days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled "***General Information***" on page 87 of this draft prospectus. Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, our Company shall ensure that the minimum application size shall not be less than two lots wherein the minimum application amount shall not be less than ₹2,00,000 (Rupees Two Lakh) per application.

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this Issue document including devolvement of Underwriter within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received within the time limit as prescribed under the SEBI (ICDR) Regulations and Companies Act, 2013.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018 and as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2025, the minimum application size in terms of number of specified securities shall be two lots per application. Provided that the minimum application size shall be above Rs. 2 lakhs.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2025, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 200 (Two Hundred).

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## 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, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or 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.

***Further as per the extent Guidelines of the Government of India, OCBs cannot participate in this Issue.***

## PERIOD OF SUBSCRIPTION LIST OF THE PUBLIC ISSUE

| Event | Indicative Date |
|---|---|
| **Issue Opening Date** | [●] |
| **Issue Closing Date** | [●] |
| **Finalization of Basis of Allotment with the Designated Stock Exchange** | [●] |
| **Initiation of Allotment / Refunds / Unblocking of Funds** (1) | [●] |
| **Credit of Equity Shares in Demat Accounts of Allottees** | [●] |
| **Commencement of trading of the Equity Shares on the Stock Exchange** | [●] |

(1) In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Issue Closing Date, the applicant shall be compensated in accordance with applicable law. Further, investors shall be entitled to compensation in the manner specified in the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/ 2023/00094 dated June 21, 2023 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, shall be deemed to be incorporated in the agreements entered into by and between our Company and the relevant intermediaries, to the extent applicable.

A. Our Company shall, in consultation with the Lead Manager, consider closing the Issue period for QIBs, one Working Day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations.

B. UPI mandate end time and date shall be at 4.00 p.m. on Issue Closing Date.

In terms of Regulation 265 of SEBI ICDR Regulations, the Issue shall be open after at least three (3) working days from the date of filing the Prospectus with the Registrar of Companies.

In terms of Regulation 266 (3) of SEBI ICDR Regulations, in case of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Issue period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the provisions of Regulation 266(1).

**The above timetable is indicative and does not constitute any obligation on our Company the 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 Issue Closing Date or such other time as may be prescribed by SEBI, the timetable may change due to various factors, such as extension of the Issue Period by our Company in consultation with the Lead Manager, or any delays in receiving the final listing and trading approval from the Stock Exchange or delay in receipt of final certificates from SCSBs, etc. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws**

Applications and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 3.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Individual Investors (who applies for minimum application size) after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not

uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public Issueings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In terms of the UPI Circulars, in relation to the Issue, the Lead Manager will submit reports of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Two (2) Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100/- per day for the entire duration of delay exceeding Two (2) Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. SEBI is in the process of streamlining and reducing the post Issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft Prospectus may result in changes to the above-mentioned timelines. Further, the Issue Procedure is subject to change basis any revised SEBI circulars to this effect.

In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100/- per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchange Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100/- per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100/- per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Application, exceeding two Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100/- per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue LM shall be liable for compensating the Applicant at a uniform rate of ₹100/- per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/ 2023/00094 dated June 21, 2023 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable. SEBI is in the process of streamlining and reducing the post Issue timeline for IPOs. Any further notification from the SEBI after filing of this Draft Prospectus may result in changes in the timelines.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Issue closure time from the Issue Opening Date till the Issue Closing

Date by obtaining the same from the Stock Exchange. The SCSB's shall unblock such applications by the closing hours of the Working Day.

**It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.**

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the (Issue) period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the Issue Period not exceeding ten (10) working days.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Individual Investors who applies for minimum application size, Allocation in the 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 or the electronic Application Form, for a particular Applicant, the details as per the file received from the 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 Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

## MIGRATION TO MAIN BOARD

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, our Company may migrate to the main board of National Stock Exchange of India Limited from the NSE EMERGE if we fulfil following mentioned criteria as per SEBI (ICDR) Regulation and as per NSE Circular dated April 24, 2025 vide Circular Ref. No.: 0680/2025.

**A. As per NSE guidelines:**

| PARAMETER | MIGRATION POLICY FROM NSE EMERGE PLATFORM TO NSE MAIN BOARD |
|---|---|
| Paid up Capital & Market Capitalization | • Paid-up equity capital is not less than INR 10 crores<br>and<br>• Average capitalisation shall not be less than INR 100 crores.<br><br>For this purpose, capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange for 3 months preceding the application date) and the post issue number of equity shares |
| Revenue from Operation & EBIDTA | • The revenue from operations should be greater than INR 100 Cr in the last financial year.<br>and<br>• Should have positive operating profit from operations for at least 2 out 3 financial years. |
| Listing period | Should have been listed on SME platform of the Exchange for at least 3 years. |
| Public Shareholders | The total number of public shareholders should be at least 500 on the date of application. |
| Promoter & Promoter Group Holding | Promoter and Promoter Group shall be holding at least 20% of the Company at the time of making application. |

| | |
|---|---|
| | Further, as on date of application for migration the holding of Promoter's should not be less than 50% of shares held by them on the date of listing. |
| Other Listing Conditions | • No proceedings have been admitted under Insolvency and Bankruptcy Code against Applicant company and promoting company.<br>• The company has not received any winding up petition admitted by NCLT/IBC.<br>• The net worth of the company should be at least 75 crores.<br>• No Material regulatory action in the past 3 years like suspension of trading against the applicant Company and Promoter by any Exchange.<br>• No debarment of Company/Promoter, subsidiary Company by SEBI.<br>• No Disqualification/Debarment of director of the Company by any regulatory authority. The applicant company has no pending investor complaints in SCORES.<br>• Cooling period of two months from the date the security has come out of the trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed.<br>• No Default in respect of payment of interest and /or principal to the debenture/bond/fixed deposit holders by the applicant, promoter/ Subsidiary Company. |

*For detailed criteria please refer to www.nseindia.com*

**B. As per ICDR guidelines:**

If the Paid up Capital of our Company is likely to increase above ₹2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to National Stock Exchange of India Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

An issuer, whose specified securities are listed on a SME Exchange and whose post-issue paid-up capital is more than ten crore rupees and up to twenty five crore rupees, may migrate its specified securities to the main board of the stock exchanges if its shareholders approve such a migration by passing a special resolution through postal ballot to this effect and if such issuer fulfils the eligibility criteria for listing laid down by the Main Board:

Provided that the special resolution shall be acted upon if and only if the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

***As per the recent amendments of SEBI ICDR Regulation, 2018 dated March 03, 2025, please note:***

*Where the post-issue paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is increasing to more than Rs. 25 crores, the issuer may undertake further issuance of capital without migration from SME exchange to the main board, subject to the issuer*

*undertaking to comply with the provisions of the SEBI (LODR) Regulations, as applicable to companies listed on the main board of the stock exchange(s).*

## MARKET MAKING

The shares issued and transferred through this Issue are proposed to be listed on the Emerge Platform of NSE Limited with compulsory market making through the registered Market Maker of the Emerge Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of NSE Limited. For further details of the market making arrangement please refer to chapter titled ***"General Information"*** beginning on page **87** of this Draft Prospectus.

## RESTRICTIONS, IF ANY, 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's minimum contribution in the Issue as detailed in the chapter Capital Structure beginning on page 101 of this Draft Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. 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 Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

## OPTION TO RECEIVE SECURITIES IN DEMATERIALIZED FORM

In accordance with the SEBI (ICDR) Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

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## ISSUE STRUCTURE

This Issue has been made in terms of Regulation 229(2) of Chapter IX of SEBI ICDR Regulations whereby, our post-Issue face value capital does not exceed twenty-five crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the Emerge Platform of NSE Limited). For further details regarding the salient features and terms of such Issue, please refer to the chapter titled "***Terms of the Issue***" and "***Issue Procedure***" beginning on page **370** and **385** of this Draft Prospectus.

## PRESENT ISSUE STRUCTURE

Initial Public Offering of up to 45,56,800 Equity Shares of Rs. 10/- each ("Equity Shares") of "Vinod Texworld Limited' ("**Vinod**" or the "**Company**") for cash at a price of Rs. [●]/- per equity share (including a Share Premium of [●] per Equity Share) (the "**Issue Price**"), aggregating to Rs. [●] Lakhs ("The Issue"). Out of the Issue, [●] equity shares aggregating to Rs. [●] Lakhs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e. Issue of [●] equity shares of face value of Rs. 10.00/- each at an issue price of Rs. [●] /- per equity share aggregating to Rs. [●] Lakhs is hereinafter referred to as the "Net Issue". The Issue and the net Issue will constitute [●] % and [●] %, respectively of the Post Issue paid up equity share capital of our company. The Issue is being made through the Fixed Price Process.

| Particulars of the Issue | Net Issue to Public | Market Maker Reservation Portion |
|---|---|---|
| Number of Equity Shares available for allocation (1) | Up to [●] Equity Shares | Up to [●] Equity Shares |
| Percentage of Issue Size available for allocation | [●] (50 % to Individual Investors and the balance to other Investors) | [●] |
| Basis of Allotment | Proportionate subject to minimum allotment of two lots (Each lot size consists [●] equity share) Equity Shares and further allotment in multiples of [●] Equity Shares each. For further details please refer to the **"Basis of Allotment"** on page 393 of this draft Prospectus | Firm Allotment |
| Mode of Application | All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Individual Investors (who applies for minimum application size) using Syndicate ASBA) | |
| Minimum Application Size | ***For Other than Individual Investors who applies more than minimum application size:***<br><br>Such Number of Equity Shares in multiples of [●] equity shares face value of ₹10 each more than two lots.<br>***For Individual Investors who applies for minimum application size:***<br>two lots (Each lot size consists [●] equity share) Equity Shares at an Issue price of [●] each, that the | Application size shall be [●] equity shares since there is firm allotment. |

| | | |
|---|---|---|
| | application size shall be above ₹2.00 lakhs in multiples of [●] Equity Shares | |
| Maximum Application Size | ***For Other than Individual Investors:***<br><br>Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue, subject to applicable limits to the Applicant.<br><br>***For Individual Investors who applies for minimum application size:***<br><br>Such number of Equity Shares in multiples of [●] Equity Shares subject to applicable limits to the Applicant. | Application size shall be [●] equity shares since there is a firm allotment. |
| Mode of Allotment | Compulsorily in dematerialized form | |
| Trading Lot | [●] Equity Shares | [●] Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018. |
| Who can Apply (2) | ***For Other than Individual Investors:***<br>Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions societies and trusts.<br><br>***For Individuals Investors who applies for minimum application size:***<br>Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs | Market Maker |
| Terms of Payment (3) | The entire Application Amount will be payable at the time of submission of the Application Form. | |
| Application Lot Size | [●] Equity Share and in multiples of [●] Equity Shares thereafter | |

**Note:**

1. *Since present Issue is a fixed price Issue, the allocation in the net Issue to the public category in terms of Regulation 253(3) of the SEBI ICDR Regulations, shall be made as follows:*

   *(a) Minimum fifty per cent to individual investors who applies for minimum application size; and*
   *(b) Remaining to:*
   *i) individual applicants who apply for more than minimum application size; and*
   *ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;*

   *Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be*

*allocated to the applicants in the other category.*

*Explanation - For the purpose of sub-regulation (3), if the individual investor category is entitled to more than fifty percent of the Issue size on a proportionate basis, the individual investors shall be allocated that higher percentage."*

2. *In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.*

3. *In case of ASBA Applicants, the SCSB shall be authorized to block such funds in the bank account of the ASBA Applicant (including Individual Investors applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.*

## LOT SIZE

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the Circular) standardized the lot size for Initial Public Issue proposing to list on Emerge exchange/platform and for the secondary market trading on such exchange/platform, as under:

| Issue Price (in Rs. ) | Lot Size (No. of shares) |
|---|---|
| Upto 14 | 10000 |
| More than 14 upto 18 | 8000 |
| More than 18 upto 25 | 6000 |
| More than 25 upto 35 | 4000 |
| More than 35 upto 50 | 3000 |
| More than 50 upto 70 | 2000 |
| More than 70 upto 90 | 1600 |
| More than 90 upto 120 | 1200 |
| More than 120 upto 150 | 1000 |
| More than 150 upto 180 | 800 |
| More than 180 upto 250 | 600 |
| More than 250 upto 350 | 400 |
| More than 350 upto 500 | 300 |
| More than 500 upto 600 | 240 |
| More than 600 upto 750 | 200 |
| More than 750 upto 1000 | 160 |
| Above 1000 | 100 |

Further to the Circular, at the initial public offer stage the Registrar to Issue in consultation with Lead Manager, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the initial public offer lot size at the application/allotment stage, facilitating secondary market trading.

*50% of the shares offered are reserved for applications exceeds Rs.2.00 lakh and the balance for higher amount applications.

| | |
|---|---|
| **ISSUE OPENING DATE** | [●] |
| **ISSUE CLOSING DATE** | [●] |

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 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 when applications will be accepted only between 10.00 a.m. to 2.00 p.m.

In case of discrepancy in the data entered in the electronic book vis a vis the data contained in the physical bid form, for a particular bidder, the detail as per physical application form of that bidder may be taken as the final data for the purpose of allotment.

Standardization of cut-off time for uploading of applications on the issue closing date:

(a) A standard cut-off time of 3.00 PM for acceptance of applications.
(b) A standard cut-off time of 4.00 PM for uploading of applications received from other than individual applicants who applies for minimum application size
(c) A standard cut-off time of 5.00 PM for uploading of applications received from only individual applicants who applies for minimum application size, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received upto the closure of timings and reported by LM to NSE within half an hour of such closure.

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 application form of that Bidder may be taken as the final data for the purpose of allotment

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 3:00 p.m. IST on the Issue Closing Date. Any time mentioned in this draft prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications 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 holiday).

***This Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations. For further details, please refer chapter titled "Issue Procedure" beginning on page 385 of this draft prospectus.***

***The remainder of this page has been left blank intentionally.***

## ISSUE PROCEDURE

*All Applicants should read the General Information Document for Investing in Public Issue ("GID") prepared and issued in accordance with the SEBI circular no SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 which is issued in supersession of the Circular SEBI Circular CIR/CFD/DIL/12/2013 dated October 23, 2013 & UPI Circular which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the website of Stock Exchange(s), the Company and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

*Additionally, all Applicants 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 Application size; (iii) price discovery and allocation; (iv) payment Instructions for ASBA Applicants; (v) issuance of Confirmation of Allocation Note ("CAN") and Allotment in the Issue; (vi) General Instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.*

*SEBI vide the UPI Circulars, 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 mechanisms for Individual Investors applying through Designated Intermediaries have been made effective along with the existing process and existing timeline of T+6 days ("UPI Phase I"). The same was applicable until 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 Applications by Individual Investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later("UPI Phase II"). Further pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. 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 the final reduced timeline of T+3 days be made effective using the UPI Mechanism for applications by Individual Investors ("UPI Phase III"), as may be prescribed by the SEBI. Pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline ofT+3 days using the UPI Mechanism for applications by UPI Applicants has been made voluntary for public issues opening on or after September 1, 2023, and mandatory for public issues opening on or after December 1, 2023 ("T+3 Circular"). The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20,2022 and SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/or after May 01, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of the draft Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual applicants in initial public offers (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. If the Offer is made under UPI Phase III, the same will be advertised in all editions of the English national*

*daily newspaper, all editions of the Hindi national daily newspaper, regional edition of the regional daily newspaper on or prior to the Offer Opening Date and such advertisement shall also be made available to the Stock Exchange for the purpose of uploading on their website. 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 offers (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).*

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Two (2) Working Days from the Offer Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding Two (2) Working Days from the Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/ CIR/P/2021/47dated March 31, 2021, has reduced the timelines for refund of Application money to four days.*

*Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and is not liable for any amendment, modification or change in the applicable law which may occur after the date of this draft Prospectus. Applicants are advised to make their independent investigations and ensure that their applications 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 this draft Prospectus.*

*Further, the Company and the Lead Manager are not liable for any adverse occurrences' consequent to the implementation of the UPI Mechanism for application in this Offer.*

*ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. 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* www.sebi.gov.in **.***For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants ("DP"), Registrar to an Issue and Share Transfer Agent ("RTA") that have been notified by NSE to act as intermediaries for submitting Application Forms are provided on http://www.nseindia.com. For details on their designated branches for submitting Application Forms, please refer the above mentioned NSE website.*

## PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE

*SEBI has issued UPI Circulars in relation to streamlining the process of public Offer of equity shares and convertibles. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by Individual Investors through intermediaries with the objective to reduce the time duration from public Offer closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circular proposes to introduce and implement the UPI payment mechanism in three phases in the following manner:*

***Phase I:** This phase has become applicable from January 1, 2019 till June 30, 2019. Under this phase, an Individual Investor would also have the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public Offer closure to listing would continue to be six working days.*

***Phase II:** This phase commenced on completion of Phase I, i.e., with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments*

*Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by an Individual Investor through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public offer closure to listing would continue to be six working days during this phase.*

***Phase III:*** *This phase has become applicable on a mandatory basis for all public issues opening on or after December 1, 2023 as per the SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI from time to time.*

All SCSBs issuing facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Individual Investors into the UPI payment mechanism.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful applicants to be unblocked no later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalized under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post–offer LM will be required to compensate the concerned investor.

The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI. All SCSBs offering facility of making application in public Offers shall also provide facility to make application using UPI.

Our Company will be required to appoint one or more of the SCSBs as a Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Investors.

The processing fees may be released to the remitter banks (SCSBs) only after an application is made by the SCSBs to the LM with a copy to the Registrar, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB in accordance with April 20, 2022 Circular.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager

## FIXED PRICE ISSUE PROCEDURE

This Issue is being made in terms of Chapter IX of SEBI (ICDR) Regulations, 2018 via Fixed Price Process wherein 50% of the Net Issue is allocated for Individual Investors and the balance shall be offered to individual applicants other than Individual Investors and other investors including Corporate Bodies or Institutions, QIBs and Non-Institutional Investors. However, if the aggregate demand from the Individual Investors is less than 50%, then the balance Equity Shares in that portion will be added to the non-Individual Investor portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid

Applications being received from them at or above the Issue Price.

Additionally, if the Individual Investors category is entitled to more than 50% on proportionate basis, the Individual Investors shall be allocated that higher percentage. However, the Application by an Applicant should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines

Subject to the valid Applications being received at the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Individual Investor Portion where Allotment to each Individual Investors shall not be less than the minimum 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, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the LM and the Stock Exchange.

***Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number/UPI ID (for II Applicants using the UPI Mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange.***

## AVAILABILITY OF DRAFT PROSPECTUS, PROSPECTUS AND APPLICATION FORMS

Copies of the Application Form and the Abridged Prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries at Bidding Centers, and the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the Stock Exchange i.e. NSE (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one (1) day prior to the Issue Opening Date.

All Applicants (other than Applicants using the UPI mechanism) shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants (other than Applicants using the UPI mechanism) must provide bank account details and authorization to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected. Further Individual Investors may participate in the Issue through UPI by providing details in the relevant space provided in the Application Form and the Application Forms that do not contain the UPIID are liable to be rejected. Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centers only (except in case of Electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

| Category | Colour of Application Form |
|---|---|
| Resident Indians / Eligible NRIs applying on a non-repatriation basis (ASBA) | White* |
| Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA) | Blue* |

*Excluding Electronic Application Form.

Designated Intermediaries (other than SCSBs) after accepting 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 Application Forms to respective SCSBs where the Applicants has a bank account and shall not submit it to any non-SCSB Bank.

For Individual Investors using UPI mechanism, the Stock Exchanges shall share the application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to Individual Investors for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to Individual Investors, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate Individual Investors (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the Banker to the 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 Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Banker to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as 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 SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the website of the Stock Exchange shall bear a system generated unique application number. Applicants 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.

## SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following intermediaries (Collectively called – Designated Intermediaries"):

1. An SCSB, with whom the bank account to be blocked, is maintained
2. A syndicate member (or sub-syndicate member)
3. A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4. A Depository Participant ("DP") (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5. A Registrar to an Issue and share transfer agent ("RTA") (whose name is mentioned on the website of the stock exchange as eligible for this activity)

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 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 SCSBs:** | After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) 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 application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking the of funds within 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 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 Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the draft Prospectus, without prior or subsequent notice of such changes to the Applicants. 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 Application Form used by ASBA Applicants. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non- SCSB bank or any Escrow Collection Bank.

## WHO CAN APPLY?

**As per the existing RBI 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 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 to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

Each Applicants should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, 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. Applicants are requested to refer to the Prospectus for more details.

In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- 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);

- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*. Applications by HUFs would be considered at par with those from individuals;
- Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorizedto invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the non-institutional applicants' category;
- Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI;
- Foreign Venture Capital Investors registered with SEBI;
- State Industrial Development Corporations;
- 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;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of Rs. 2,500 Lakh and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of Rs. 2,500 Lakh and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- Eligible QFIs;
- 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;
- Insurance funds set up and managed by army, navy or air force of the Union of India
- Any other person eligible to applying in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

As per the existing regulations, 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

## MAXIMUM AND MINIMUM APPLICATION SIZE

*For Individual Investors*

The Application must be for a minimum application size i.e. [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the applicant exceed ₹ 2,00,000 and in two lots.

*For Other than Individual Investors (Non-Institutional Investors and QIBs)*

The Application must be for more than 2 Lots and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI ICDR Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Investors, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are 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 draft Prospectus.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this draft 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.

## BASIS OF ALLOTMENT

Allotment will be made in consultation with the NSE. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).

2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

    a) For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:

        i. Each successful applicant shall be allotted two lots (Each lot size consists [●] equity share) to individual investor and
        ii. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the numberof Shares worked out as per (2) above.

    b) If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of two lots (Each lot size consists [●] equity share) for individual investors.

    c) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. 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 this draft Prospectus.

d) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:

i. As the individual investor category is entitled to more than fifty percent on proportionate basis, the individual investors shall be allocated that higher percentage.
ii. The balance net Issue of shares to the public shall be made available for allotment to
   a) Individual applicants who applies for minimum application size other than individual investors and
   b) Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
iii. The unsubscribed portion of the net Issue to any one of the categories specified in a) or b) shall/maybe made available for allocation to applicants in the other category, if so required.

3. Individual Investor' means an investor who applies for minimum application size shall be two lots per application (Provided that the minimum application size shall be above ₹2 lakhs) Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE. The Executive Director / Managing Director of NSE – the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalizedin a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

## ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

No Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

**Flow of Events from the closure of bidding period (T DAY) Till Allotment:**

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with LM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allotees as per process mentioned below:

**Process for generating list of allotees:-**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by

Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 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.

## PARTICIPATION BY ASSOCIATES OF LEAD MANAGER TO THE ISSUE

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates of the LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Promoters and Promoter Group and any persons related to our Promoters and Promoter Group cannot participate in the Issue.

## APPLICATION BY MUTUAL FUNDS

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to reject any application without assigning any reason thereof. Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single Company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific funds/Schemes. No mutual fund under all its schemes should own more than 10% of any Company's paid-up share capital carrying voting rights.

The Applications 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.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate 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 Applications clearly indicate the scheme concerned for which the Application has been made.

## APPLICATIONS BY HUFS

Applications by Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with Applications from individuals.

## APPLICATIONS BY ELIGIBLE NRIs

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Applicant applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of Individual Investors using the UPI Mechanism) to block their Non Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicant applying on a non-repatriation basis by using Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of Individual Investors applying using the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form. However, NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank where their account is UPI linked prior to submitting their application Form.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-residents (blue in color).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents. (White in color).

Participation by Eligible NRIs in the Issue shall be subject to the FEMA Non -Debt Instruments Rules. Only Applications accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

In accordance with the FEMA Non-Debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants offered by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

*For further details, see "**Restrictions on Foreign Ownership of Indian Securities**" on page 419 of this draft prospectus.*

## APPLICATIONS BY ELIGIBLE FIIs/FPIs

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations.

An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed

by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client' norms. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivate instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

FPIs who wish to participate in the Issue are advised to use the Application Form for Non-Residents (blue in color). FPIs are required to apply through the ASBA process to participate in the Issue.

**APPLICATIONS BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the "SEBI VCF Regulations") and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, among other things prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the "SEBI AIF Regulations") prescribe, amongst others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

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 Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

## APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of applications 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 Application Form. Failing which, the Company in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.

## APPLICATIONS BY INSURANCE COMPANIES

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers prescribed in Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("IRDAI Investment Regulations") are set forth below:

1. Equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. 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
3. 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 (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000.00 million or more but less than ₹2,500,000.00 million.

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars Issued by the IRDA from time to time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 ("IRDA Investment Regulations").

## APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

## APPLICATIONS BY BANKING COMPANIES

**Applications by Banking Companies:** In case of Applications 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 Application Form, failing which our Company reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the 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.

Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves.

## APPLICATIONS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Applications made by systemically important non-banking financial companies registered with RBI, certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

## APPLICATIONS BY SCSBS

SCSBs participating in the Issue is required to comply with the terms of the SEBI circulars nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013 respectively. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public Issues and clear demarcated funds should be available in such account for such applications.

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 following link: https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes

For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

The information set out above is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this draft Prospectus. Applicants are advised to make their independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as specified in this Draft Prospectus.

## APPLICATION UNDER POWER OF ATTORNEY

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

(a) With respect to applications by VCFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
(b) With respect to applications 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 with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

(c) With respect to applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 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 Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the lead manager may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

**The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this draft 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.**

## APPLICATION BY RESERVED CATEGORIES

In case of Employee category, minimum 2 lots (with minimum application size of above Rs. 2 Lakhs) and in multiple thereof not exceeding Rs. 5 lakhs.

In case of Shareholder and Policyholder categories, minimum 2 lots (with minimum application size of above Rs. 2 Lakhs).

In this Issue, there is no reservation for Employee or Shareholder and Policyholder categories.

## APPLICATIONS BY ELIGIBLE NRI

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (NRE) accounts, or Foreign Currency Non-Resident (FCNR) ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (NRO) accounts for the full Application Amount, at the time of the submission of the Application Form.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated May 03, 2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis. Allotment of Equity shares to non-residents Indians shall be subject to the prevailing Reserve Bank of India guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with a income thereon subject to permission of the RBI and subject to the Indian Tax Laws and Regulations and any other applicable laws. The company does not require approvals from FIPB or RBI for the issue of equity shares to eligible NRIs, FIIs, Foreign Venture Capital Investors registered with SEBI and multi-lateral and Bi-lateral development financial institutions.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in color).

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-residents (blue in color).

## APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION

Application must be made only in the names of individuals, limited companies or Statutory Corporations/institutions and not in the names of minors, foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families, partnership firms or their nominees. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares Issued to the public.

## ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA)

Applicants In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA 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 Application Form, please refer to the above-mentioned SEBI link.

## INFORMATION FOR THE APPLICANTS

In addition to the instructions provided to the Applicants in the General Information Document for Investing in Public Issues, Applicants are requested to note the following additional information in relation to the Issue.

a) Our Company will file the Prospectus with the Registrar of Companies, Ahmedabad, at least 3 (three) Working days before the Issue Opening Date.

b) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office or from the office of the LM.

c) Applicants who are interested in subscribing for the Equity Shares should approach the LM or their authorized agent(s) to register their applications.

d) Applications made in the name of minors and/ or their nominees shall not be accepted.

e) The Issue Period shall be for a minimum of three Working Days and shall not exceed ten working days.

f) The relevant Designated Intermediary will enter each Application into the electronic applying system as a separate Application and generate an acknowledgement slip ("Acknowledgement Slip"), for each price and demand option and give the same to the Applicant. Therefore, an Applicant can receive up to three Acknowledgement Slips for each Application Form. It is the Applicant's responsibility to obtain the TRS from the relevant Designated Intermediary. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/ allotted. Such Acknowledgement will be non-negotiable and by itself will not create any obligation of any kind. When an Applicant revises his or her Application (in case of revision in the Price), he /she shall surrender the earlier Acknowledgement Slip and may request for a revised TRS from the relevant Designated Intermediary as proof of his or her having revised the previous Application.

g) In relation to electronic registration of Applications, the permission given by the Stock Exchanges to use their network and software of the electronic applying 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 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 compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.

## METHOD AND PROCESS OF APPLICATIONS

The Designated Intermediaries shall accept applications from the Applicants during the Issue Period. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days.

The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days

During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.

The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or

Allotment of Equity Shares in this Issue.

Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.

The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdraw/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment if finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants 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.

## TERMS OF PAYMENT

The entire Issue Price 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 Applicants. 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 applicants 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 Applicants.

## PAYMENT MECHANISM

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non- Individual Investors shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful 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 Applicant, 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 SEBIICDR Regulations, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs)for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public Issues opening on or after May 1, 2022, where the application amount is up to ₹500,000, may use UPI. 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 Issues (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

## 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 5.00 p.m. on the Issue Closing Date.

3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them (iii) the applications accepted but not uploaded by them or (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the 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 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 Intermediaries or (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 Intermediaries and 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 application still such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.

6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bankers, DPs and RTAs shall forward a Schedule as per format given along with the Application Forms to Designated Branches of the SCSBs for blocking of funds.

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:

(a) Name of the Applicant;

(b) IPO Name:
(c) Application Form Number;
(d) Investor Category;
(e) PAN (of First Applicant, if more than one Applicant);
(f) DP ID of the demat account of the Applicant;
(g) Client Identification Number of the demat account of the Applicant;
(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 and (l) Such other information as may be required

8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA 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 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 Investors and Individual Investors, applications would not be rejected except on the technical grounds as mentioned in the draft 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 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 draft 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 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 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.

## SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

Our Company, Underwriter and the Lead Manager has entered into the Underwriting Agreement dated [●].

A copy of the Prospectus will be filled with the ROC in terms of Section 26 and 28 of the Companies Act, 2013.

## PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, our Company shall, after registering the Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language daily newspaper, each with wide circulation. In the pre-Issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. 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.

## WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would Issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs or the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one (1) working day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed. If the Issue is withdrawn after the designated Date, amounts that have been credited to the Public Issue Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final ROC approval of the Prospectus after it is registered with the ROC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an Issue, our Company shall file a fresh Draft Prospectus.

## PRICE DISCOVERY & ALLOCATION OF EQUITY SHARES

a) The Issue is being made through the Fixed Price Process where the Market Maker Portion shall be reserved for the Market Maker. The Equity Shares will be allocated on a proportionate basis to Individual Applicants, subject to valid Application being received from Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non-Individual Applicants.

b) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

c) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.

d) In terms of SEBI Regulations, Non-Individual Investors shall not be allowed to either withdraw or lower the size of their applications at any stage.

e) Allotment status details shall be available on the website of the Registrar to the Issue.

## ISSUANCE OF A CONFIRMATION OF ALLOCATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE

Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.

The Registrar will then dispatch a CAN to their Applicants 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 Applicant.

## 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 2 working days of the 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.

## GENERAL INSTRUCTIONS

***Do's:***

1. Check if you are eligible to apply as per the terms of draft Prospectus and under applicable law, rules, regulations, guidelines and approvals; All Applicants should submit their bids through the ASBA process only;

2. Ensure that you have applied at a Price mentioned herein or in the Application Form.

3. Read all the instructions carefully and complete the Application Form in the prescribed form;

4. Ensure that the details about the PAN, DP ID, Client ID and Bank Account Number (UPI ID, as applicable) are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;

5. Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Bids) within the prescribed time. Individual Investors using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants;

6. Ensure that you (other than Anchor Investors) have mentioned the correct ASBA Account number and such ASBA account belongs to you and no one else if you are not an IB bidding using the UPI Mechanism in the Application Form (with maximum length of 45 characters) and if you are an IB using the UPI Mechanism ensure that you have mentioned the correct UPI ID in the Application Form;

7. Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries. Ensure that you use only your own bank account linked UPI ID (only for Individual Investors using the UPI Mechanism) to make an application in the Issue. Individual Investors using the UPI Mechanism shall ensure that the bank with which they have their bank account where the funds equivalent to the Application Amount are available for blocking, is UPI 2.0 certified by NPCI;

8. If the first applicant is not the bank account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form (for all Applicants other than Individual Investors, bidding using the UPI Mechanism);

9. All Applicants should submit their Applications through the ASBA process only;

10. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;

11. Individual Investors submitting an Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Application is listed on the website of SEBI at www.sebi.gov.in;

12. Ensure that the name(s) given in the 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 Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;

13. Ensure that you request for and receive a stamped acknowledgement of your application;

14. Individual Investors using the UPI mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Application Form;

15. Instruct your respective banks to release the funds blocked in accordance with the ASBA process;

16. Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;

17. Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining / specifying their PAN for transacting in the securities market including without limitation, multilateral/ bilateral institutions, and (iii) Applications 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 Applicants 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;

18. Ensure that the Demographic Details are updated, true and correct in all respects;

19. 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;

20. Ensure that the correct investor category and the investor status is indicated in the Application Form;

21. Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;

22. Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

23. Ensure that you use only your own bank account linked UPI ID (only for Individual Investors using the UPI Mechanism) to make an application in the Issue;

24. Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary,

as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the 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 Application Form;

25. Applicants, other than Individual Investors using the UPI Mechanism, shall ensure that they have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form to the relevant Designated Intermediaries;

26. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Application Form and that the name of the Applicant, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database;

27. In case of ASBA Applicants (other than Individual Investors using UPI Mechanism), ensure that while applying through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in;

28. Once the Sponsor Bank Issue the UPI Mandate Request, the Individual Investors would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request;

29. Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;

30. Individual Investors who wish to revise their applications using the UPI Mechanism, should submit the revised Application with the Designated Intermediaries, pursuant to which Individual Investors should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount in the Individual Investors ASBA Account.

31. Individual Investors using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an Individual Investor shall be deemed to have verified the attachment containing the application details of the Individual Investor in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount specified in the Application Form;

32. Individual Investors applied using the UPI Mechanism should mention valid UPI ID of only the applicant (in case of single account) and of the first applicant (in case of joint account) in the Application Form;

33. Individual Investors using the UPI Mechanism who have revised their applications subsequent to making the initial Application should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of Allotment in a timely manner;

34. Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the draft Prospectus;

35. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form;

36. Individual Investors shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Issue Closing Date.

37. The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

38. UPI Applicants using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Applicants shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019.

**Don'ts:**

1. Do not apply for lower than the minimum Application size;

2. Do not apply at a Price different from the Price mentioned herein or in the Application Form;

3. Do not apply by another Application Form after submission of Application to the Designated Intermediary.

4. Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest or any mode other than blocked amounts in the bank account maintained with SCSB;

5. Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;

6. Do not submit the Application Forms to any non-SCSB bank or our Company;

7. Do not apply on a physical Application Form that does not have the stamp of the relevant Designated Intermediary;

8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;

9. Do not submit more than one Application Forms per ASBA Account;

10. Do not submit the Application Forms to any Designated Intermediary that is not authorized to collect the relevant Application Forms or to our Company;

11. Do not apply for the minimum Application size (for Applications by Individual Investors);

12. Do not fill up the Application Form such that the Equity Shares applied for 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 this Draft Prospectus;

13. Do not submit the General Index Register number instead of the PAN;

14. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;

15. Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;

16. If you are a Individual Investor and are using UPI Mechanism, do not submit more than one Application Form for each UPI ID;

17. If you are a Individual Investor and are using UPI Mechanism, do not make the ASBA application using third party bank account or using third party linked bank account UPI ID;

18. Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a color prescribed for another category of Applicant;

19. Do not submit an application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

20. Do not apply 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);

21. Do not withdraw your application or lower the size of your application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Individual Investors can revise their applications during the Issue Period and withdraw their Applicants on or before the Issue Closing Date;

22. Do not apply for shares more than specified by respective Stock Exchanges for each category;

23. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by Individual Investor using the UPI mechanism;

24. Do not submit incorrect UPI ID details, if you are a Individual Investors applying through UPI Mechanism;

25. If you are a Non-Institutional Investor or Individual Investor, do not submit your application after 3.00 p.m. on the Issue Closing Date;

26. Do not apply if you are an OCB. The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

For helpline details of the Lead Managers pursuant to the SEBI circular bearing reference number SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see chapter "General Information" on page 87 of this Draft Prospectus.

## INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of stock exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of Stock Exchange.

## APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same.

Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant 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.

## OTHER INSTRUCTIONS

***Joint Applications in the case of Individuals***

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

***Multiple Applications***

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

(i) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.

(ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.

(iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate 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 Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client's norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

**Permanent Account Number or PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Our Company/ Registrar to the Issue, Lead Manager can, however, accept the Application(s) which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.

## RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants (if applicable), the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds. It shouldbe noted that Individual Investors using third party bank account for the payment in the public issue using UPI facility or using third party UPIID linked bank account are liable to be rejected.

## DISPOSAL OF APPLICATIONS

With respect to Investors, our Company shall ensure dispatch of Allotment Advice, refund orders (except for applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account of Depository Participants of the Applicants and submit the documents pertaining to the Allocation to the Stock Exchange(s) on the Investor Bidding Date. In case of Applicants who receive refunds through NECS, NEFT, direct credit or RTGS, the refund instructions will be given tothe clearing system within 2 Working Days from the Issue Closing Date

## NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER

The authorized employees of the Stock Exchange, along with the Lead Managers and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

## METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME

Our Company will not make any Allotment in excess of the Equity Shares through the Issue Document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon over-subscription, an allotment of not more than ten per cent of the Issue may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Individual Applicants shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Individual Applicants shall not be less than the minimum Application lot, subject to the availability of shares in Individual Applicants portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

## GROUNDS FOR REFUND

### Non-Receipt of Listing Permission

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

### Minimum Subscription

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the Issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 15 days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

### Minimum Number of Allottees

In accordance with the Regulation 268 of ICDR Regulations, the minimum number of Allottees in this Issue shall be 200. 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 2 Working Days of closure of Issue

## MODE OF MAKING REFUNDS

**In case of ASBA Applicants:**

Within the time prescribed under applicable law, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

**Mode of making refunds for Applicants other than ASBA Applicants:**

The payment of refund, if any, may be done through various modes as mentioned below:

i. NECS - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the applicant as obtained from the Depository;

ii. NEFT - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

iii. Direct Credit - Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

iv. RTGS - Applicants having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS.

The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the applicant, DP ID and beneficiary account number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the Lead Manager or the Registrar to the Issue or the Escrow Collection Banks nor the Company shall have any responsibility and undertake any liability for the same; and

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Applicants may refer to draft Prospectus.

## INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer shall make the Allotment within the period prescribed by SEBI. The Issuer shall pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within such times as maybe specified by SEBI.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. 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 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

## GROUNDS FOR REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity Shares applied for;
- 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;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [●];
- Category not ticked;
- Multiple Applications as defined in this draft Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Draft Prospectus and as per the instructions in the Draft Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant ‘s identity (DP ID) and the beneficiary ‘s account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or ‒qualified institutional buyers‖ as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application

Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;

For further details of grounds for technical rejections of Application Form, please refer to the General Information Document and UPI Circulars.

## INVESTOR GRIEVANCE

In case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please refer to the chapter titled "General Information" on page 87 of this draft prospectus.

## ALLOTMENT ADVERTISEMENT

Our Company, the Lead Managers and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and the [●] edition of [●], a Gujrati daily newspaper (Gujrati being the regional language of Gujrat, where our Registered is located) each with wide circulation

## IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

Any person who:

a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person a fictitious name,

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least Rs 10 Lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than Rs 10 Lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to Rs 50 Lakhs or with both.

## DEPOSITORY ARRANGEMENTS

The Allotment of the Equity Shares in the Issue shall be only in a dematerialized form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements entered among our Company, the respective Depositories and the Registrar to the Issue:

1. Agreement entered among CDSL, our Company and Registrar to the Issue.

2. Agreement entered among NSDL, our Company and the Registrar to the Issue.

3. The ISIN no of the company is **INE1A5U01014**

## UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

1. the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
2. all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within three working days of the Issue Closing Date or within such other time period prescribed by SEBI will be taken;
3. the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
4. If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within the time prescribed under applicable law or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants at the rate of 15.00% per annum for the delayed period; where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That if our Company does not proceed with the Issue after the Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The Stock Exchanges shall be informed promptly;
6. That if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh Issue document with SEBI, in the event our Company or subsequently decide to proceed with the Issue;
7. Adequate arrangements shall be made to collect all Application Forms submitted by Applicants.
8. No further issue of Equity Shares shall be made until the Equity Shares Issued through the Draft Prospectus are listed or until the Application monies are refunded/unblocked in the ASBA Accounts on account of non-listing, undersubscription etc.
9. The Promoters' contribution, in full, wherever required, shall be brought in advance before the Issue opens for public subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on public.

## UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI (Listing Obligations & Disclosure

Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.

5. 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.

***The remainder of this page has been left blank intentionally.***

## RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to 100% under automatic route in our Company. The 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 ("DPIIT").

The Government of India has from time to time made policy pronouncements on Foreign Direct Investments ("FDI") through press notes and press releases. The Department for Promotion of Industry and Internal Trade 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.

Under the current applicable sectoral cap, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present our Company is in the business of Infrastructure Solutions, Digital Business Solutions and Consulting Solutions. As these sectors/activities are not specifically listed under the FDI Policy 2020, it shall come under the Permitted Sectors category, hence 100 % foreign direct investment through automatic route is permitted subject to applicable laws/regulations, security and other conditionalities.

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 applicant 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 applicant shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

Investment conditions/restrictions for overseas entities

i. Investment by FPIs under Portfolio Investment Scheme (PIS):

FPIs are permitted to subscribe to Equity 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. SEBI registered FPIs have been permitted to

purchase shares of an Indian company through Issue, subject to total FPI investment being within the individual FPI investment limit of below 10% of the total paid-up equity capital of the Indian Company on a fully diluted basis and subject to the aggregate limit of all FPIs put together being 24% of the total paid-up equity capital of the Indian company on a fully diluted basis. However, this aggregate limit of 24% may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body, respectively before March 31, 2020. With effect from April 01, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as laid out in sub-paragraph (b) of paragraph 3 of Schedule I of the FDI Policy, 2020, with respect to its paid-up equity capital on a fully diluted basis or such same sectoral cap percentage of paid-up value of each series of debentures or preference shares or share warrants. The aggregate limit as provided above may be decreased by the Indian company concerned to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its Board of Directors and its General Body through a resolution and a special resolution, respectively before March 31, 2020. The Indian company which has decreased its aggregate limit to 24% or 49% or 74%, may increase such aggregate limit to 49% or 74% or the sectoral cap or statutory ceiling respectively as deemed fit, with the approval of its Board of Directors and its General Body through a resolution and a special resolution, respectively; however, once the aggregate limit has been increased to a higher threshold, the Indian company cannot reduce the same to a lower threshold.

ii. Investment by NRI or OCI on repatriation basis:

As per Schedule 3 of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, an NRI or OCI may purchase or sell shares of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions that NRIs or OCIs may purchase and sell shares through a branch designated by an authorised dealer for the purpose; and 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. 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 company.

iii. Investment by NRI or OCI on non-repatriation basis

As per Schedule 4 of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, purchase by an NRI/OCI, including a company, a trust and a partnership firm incorporated outside India and owned and controlled by NRIs/OCIs, on non-repatriation basis of shares and convertible debentures or warrants issued by a company without any limit either on the stock exchange or outside, it will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions. However, NRI/ OCI, including a company, a trust and a partnership firm incorporated outside India and owned and controlled by NRIs/OCIs, is prohibited from making any investment, under Schedule 4, in capital instruments or units of a Nidhi company or a company engaged in agricultural/ plantation activities or real estate business or construction of farm houses or dealing in transfer of development rights.

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 Issueed 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 Issueed 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

Issues 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 "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 Draft Prospectus Directive except for any such Issue made under exemptions available under the Draft Prospectus Directive, provided that no such Issue shall result in a requirement to publish or supplement a Draft prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this draft 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 Issueed 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 Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft 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 regulation.

***The remainder of this page has been left blank intentionally.***

## SECTION IX - MAIN PROVISION OF ARTICLE OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

**Table - F**

**applicable to company as notified under schedule I of the Companies Act, 2013**

**ARTICLES OF ASSOCIATION**

**OF**

*****VINOD TEXWORLD LIMITED**

**A Company Limited by shares**

**Interpretation**

**I.** (1) In these regulations'

(a) 'Company' means ****VINOD TEXWORLD LIMITED.**

(b) 'Office' means the Registered Office of the Company.

(c) 'Act' means the Companies Act, 2013 and any statutory modification thereof.

(d) 'Seal' means the rubber stamp of the company and the same shall be affixed on voluntary basis.

(e) 'Director' means a director appointed to the Board of a company.

(2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

(3) The Company is a Public Company Limited by Shares within the meaning of Section 2 (71) of the Companies Act, 2013 and accordingly

"Public company" means a company

(a) is not a private company;

(b) has a minimum paid-up share capital as may be prescribed:

Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles;

****The Extra-Ordinary General meeting is held on 03rd March, 2018 for the approval of the shareholders for the purpose of change of name of company from Shree Shiv Shakti Cot-Fab Private Limited to Vinod Fabtex Private Limited***

*****The Extra-Ordinary General meeting is held on 23rd May, 2018 for the approval of the shareholders for the purpose of change of name of company from Vinod Fabtex Private Limited to Vinod Texworld Private Limited***

*****The Extra-Ordinary General meeting is held on 31st October, 2024 for the approval of the shareholders for the purpose of change of name of company from Vinod Texworld Private Limited to Vinod Texworld Limited***

**Share capital and variation of rights**

**II. 1.** Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

**2.** (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided—

(a) one certificate for all his shares without payment of any charges; or

(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

**3.** (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

**4.** Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

**5.** (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

**6**. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the

issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

**7.** The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

**8**. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

**Lien**

**9.** (i) The company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

(iii) That the fully paid-up shares shall be free from all kind of lien and that in the case of partly paid-up shares the issuers lien shall be restricted to monies called or payable at the fixed time in respect of such shares.

**10.** The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

**11.** (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

**12.** (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

**Calls on shares**

**13.** (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

**14.** A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

**15.** The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

**16.** (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

**17.** (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

**18.** The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

**Transfer of shares**

**19.** (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

(iii) That the company shall use a common form of transfer.

(iv) That the registration of transfer shall not be refused on the grounds of the transferor being either alone or jointly with any person or persons indebted to the issuer on any account whatsoever.

**20.** The Board may, subject to the right of appeal conferred by section 58 decline to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

**21.** The Board may decline to recognize any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

**22.** On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

**Transmission of shares**

**23.** (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

**24**. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

**25.** (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

**26.** A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

**Forfeiture of shares**

**27.** If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

**28.** The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

**29.** If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

**30.** (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

**31.** (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

**32.** (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

**33.** The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

**Alteration of capital**

**34.** The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

**35.** Subject to the provisions of section 61, the company may, by ordinary resolution, —

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

**36.** Where shares are converted into stock, —

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

**37.** The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, —

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

**Capitalisation of profits**

**38.** (i) The company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

**39.** (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

**Buy-back of shares**

**40.** Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

**General meetings**

**41.** All general meetings other than annual general meeting shall be called extraordinary general meeting.

**42.** (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

(iii) that option or right to call of shares shall not be given to any person except with the sanction of the company in general meeting

**Proceedings at general meetings**

**43.** (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

**44.** The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

**45.** If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

**46.** If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

**Adjournment of meeting**

**47.** (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

**Voting rights**

**48.** Subject to any rights or restrictions for the time being attached to any class or classes of shares, —

(a) on a show of hands, every member present in person shall have one vote;

and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

**49.** A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

**50.** (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

**51.** 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.

**52.** Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

**53.** No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

**54.** (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

**Proxy**

**55.** The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or,

in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

**56.** An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

**57.** A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

**Board of Directors**

**58.** The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them

The first Directors of the Company are:

1. **MR. KHODABHAI POPATBHAI BHARWAD**
2. **MR. MUKESHBHAI KHODABHAI SINDHAV**
3. **MR. SURESHBHAI KHODABHAI SINDHAV**

**59.** (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

(c) director other than the Managing/ Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees as may be decided by the Board, however, not exceeding a sum prescribed in the Act for attending meetings of the Board of directors or meetings of the Committees of the Board of Directors thereof;

**60.** The Board may pay all expenses incurred in getting up and registering the company.

**61.** The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.

**62.** All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

**63.** Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

**64.** (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

**Proceedings of the Board**

**65.** (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

**66.** (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

**67.** The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

**68.** (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

**69.** (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

**70.** (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

**71.** (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

**72.** All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

**73.** Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

**Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

**74.** Subject to the provisions of the Act, —

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

**75.** A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

**The Seal**

**76.** (i) The Board shall provide for the safe custody of the seal.

(ii) The seal means the rubber stamp of the company and the same shall be affixed on voluntary basis. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

**Dividends and Reserve**

**77.** The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

**78.** Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

**79.** (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for 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, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

**80.** (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

(iv) there will be no forfeiture of unclaimed dividends before the claim becomes barred by law,

(v) that any amount paid-up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof, in a dividend subsequently declared,

**81.** The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

**82.** (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

**83.** Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

**84.** Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

**85.** No dividend shall bear interest against the company.

**Accounts**

**86.** (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

**Winding up**

**87.** Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

**Indemnity**

**88.** Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favor or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

**Dematerialization of Securities**

**89.** Subject to the provisions of the Act and rules made thereunder the Company may offer its Members facility to hold Securities issued by it in dematerialized form and will offer the Securities for subscription in dematerialized form. Notwithstanding anything contained herein, the Company shall be entitled to treat the person whose names appear in the Register of

Members as a holder of any Share / Securities or whose names appear as beneficial owners of Shares/Securities in the records of the Depository, as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as required by law) be bound to recognize any benami trust or equity or equitable contingent or other claim to or interest in such Share / Security on the part of any other person whether or not it shall have express or implied notice thereof.

**Further Issue of Capital**

**90.** (1) The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to –

(a) persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or

(b) Employees under any scheme of employees' stock option; or

(c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.

**91.** A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules and SEBI guidelines.

**Registers**

**92.** The Company shall keep and maintain at its registered office or such other place as may be permitted under the Act and approved by the Board, all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules.

The registers and their indices (except when they are closed under the provisions of the Act) and copies of annual return shall be open for inspection during business hours at such reasonable time on every working day other than Saturdays, at the registered office of the Company by the persons entitled thereto in accordance with the provisions of the Act and applicable laws, on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules

The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register;and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register. Foreign register

Subject to the provisions of the Act, the foreign register shall be open for inspection and may be closed, and extracts may be taken there from and copies thereof may be required, in the same manner, mutatis mutandis, as isapplicable to the register of members

**Secrecy Clause**

**93.** Subject to the provisions of the Act, no member shall be entitled to require discovery of any information respecting any detail of the Company's trading or any matter in the nature of a

trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board of Directors it may be inexpedient in the interest of the Company to communicate to the public.

**Others**

**94. A. Employee Stock Option Scheme**

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 (ESOPS) ESOS may provide for the issue of Options shares warrants bonds or other debt instruments including the terms of payment. The Board of Directors in pursuance to approval of shareholders of the Company shall have the power to vary alter or amend the terms and conditions of the ESOS at their sole discretion in such manner as they may deem fit in the best interest of the c ompany.

**B. Issue of Sweat Equity Shares**

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.

**C. Borrowing powers**

The Board may from time to time for the purpose of the Company's business raise or borrow or secure the payment of any sum or sums exceeding paid up capital and free reserves in addition to temporary loans if any obtained from the Company's bankers as they in their discretion deem fit and proper with such approval from the members. Any such money may be raised or the payment or repayment of thereof may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit by promissory notes or by opening loan or current accounts or by receiving deposits and advances at interest with or without security or otherwise and in particular by the issue of bonds perpetual or redeemable debentures stocks 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 lands buildings machinery plant goods or other property and securities of the Company or by other means as the Board deems expedient.

**D. Managing Director or Whole Time Director**

The Board of Directors may from time to time appoint one or more of their body to the office of the Managing Director or whole time Director for such period and on such remuneration and other terms as they think fit and subject to the terms of any agreement entered into in any particular case may revoke such appointment. His appointment will be automatically terminated if The ceases to be a Director. Such appointment can be made with the formal Letter of Appointment and by passing of resolution as may be required in the Act. However-

(i) Ratification from shareholders for appointment of Managing Director or Whole Time Director shall not be required.

(ii) A notice of the Board Meeting proposing a resolution required to be passed for appointment of Managing Director or Whole Time Director shall not mandatorily contain Terms Conditions of appointment and details pertaining to remuneration. A Managing or whole time Director maybe paid such remuneration (whether by way of salary commission or participation in profits or partly in one way and partly in other) as the Board of Directors may determine and subject to the provisions of Section 197 198 and Schedule V of the Companies Act, 2013. The Board of Directors subject to the provisions of the Act may entrust to and confer upon a Managing or whole time Director or Committee of Directors any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may

think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke withdraw or alter or vary all or any of such powers.

***Note:*** We confirm that there are no material clauses of Article of Association that have been left out from disclosure having bearing on the Offer.

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## SECTION X: OTHER INFORMATION

## MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of the Draft Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which have been attached to the copy of the Draft prospectus delivered to the ROC for filing, and also the documents for inspection referred to hereunder, may be inspected at our Registered Office at 185/2, Saijpur, Gopalpur, Opp. Shanti Process, Piplaj Pirana Road, Ahmedabad, Gujarat, India, 382405 between 10.00 a.m. to 5.00 p.m. on all Working Days and will also be available on the website of our Company at www.vinodtexworld.com, from the date of the filing of Draft Prospectus until the Bid/Offer Closing Date.

### Material Contracts to the Issue

1. Issue Agreement dated September 19, 2025 entered into among our Company and the Lead Manager.
2. Agreement dated [●] entered into among our Company and the Registrar to the Issue.
3. Tripartite Agreement dated June 20, 2025, entered into among our Company, NSDL and the Registrar to the Issue.
4. Tripartite Agreement dated September 18, 2025, entered into among our Company, CDSL and the Registrar to the Issue.
5. Banker to the Issue Agreement [●] among our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
6. Market Making Agreement dated [●] between our Company, the Lead Manager and the Market Maker.
7. Underwriting Agreement dated [●] between our Company and the Underwriter.

### Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company, as amended from time to time.
2. Certificate of Incorporation of our Company dated July 19, 2012 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli.
3. Certificate of Incorporation of our Company dated March 08, 2018 issued by Registrar of Companies, Ahmedabad, after name changed from "Shree Shiv Shakti Cot-Fab Private Limited" to "Vinod Fabtex Private Limited".
4. Certificate of Incorporation of our Company dated May 25, 2018 issued by Registrar of Companies, Ahmedabad, after name changed from "Vinod Fabtex Private Limited" to "Vinod Texworld Private Limited".
5. Certificate of Incorporation of our Company dated December 18, 2024 issued by Registrar of Companies, Central Processing Centre, after conversion of the company from Private limited to Public limited company.
6. Copy of the Board Resolution dated August 05, 2025 authorizing the Issue and other related matters.
7. Copy of Shareholder's Resolution dated August 28, 2025 authorizing the Issue and other related matters.
8. Copies of Restated Financial Statements of our Company for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023.
9. Peer Review Auditors Report dated September 15, 2025 on Restated Financial Statements of our Company for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023.
10. Copy of Statement of Possible Tax benefits dated March 28, 2025 from the Peer Review Auditor included in this Draft Prospectus.
11. Copy of the resolution of dated September 15, 2025 passed by the Audit Committee approving the key performance indicators for disclosure.
12. Copy of the certificate of the key performance indicators of the Company dated September 15, 2025.
13. The Certificate of working capital dated September 15, 2025 issued by Peer review Auditor, M/s S N

Shah & Associates, Chartered Accountants.

14. Consents of Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Legal Advisor to the Issue, Banker to the Issue*, Lead Manager, Registrar to the Issue, Underwriter* and Market Maker* to include their names in the Draft Prospectus to act in their respective capacities.

***Consents *to be taken before filing Prospectus***

**15.** Consent dated Septemeber 15, 2025 from the Peer Review Auditor, **M/s. S N & Associates,** Chartered Accountants to include their name as required under Section 26 of the Companies Act, 2013 in this Draft Prospectus.

**16.** Consent dated August 28, 2025 from the Statutory Auditor, **M/s. Raiiv Shah & Associates,** Chartered Accountants to include their name as required under Section 26 of the Companies Act, 2013 in this Draft Prospectus.

17. Consent dated September 1, 2025 from Pranav Parikh & Associates, Independent Chartered Engineer, to include his name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Prospectus.
18. Board Resolution dated September 29, 2025 for approval of Draft Prospectus and dated [●] for approval of Prospectus.
19. Due Diligence Certificate dated September 29, 2025 which includes the site visit report of issuer prepared by the lead manager(s), submitted to NSE Emerge issued by the LM to the issue.
20. Copy of in principle listing approval from NSE vide letter dated [●] to use the name of NSE in this Prospectus for listing of Equity Shares on Emerge Platform of NSE India.

*Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act, 2013, SEBI (ICDR) Regulations and other relevant statutes*

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## SECTION XI: DECLARATION

We certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this draft prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| NAME OF DIRECTOR | SIGNATURE |
|---|---|
| **Yash Vinod Mittal**<br>DIN: 02294797<br>Designation: Managing Director | Sd/- |
| **Harsh Vinod Mittal**<br>DIN: 02333392<br>Designation: Whole Time Director | Sd/- |
| **Sweta Yash Mittal**<br>DIN: 10770026<br>Designation: Non-Executive Director | Sd/- |
| **Saket Jagdishchandra Agarwal**<br>DIN: 01989441<br>Designation: Independent Director | Sd/- |
| **Nikita Sinha**<br>DIN: 11126745<br>Designation: Independent Director | Sd/- |

**SIGNED BY:**

| CHIEF FINANCIAL OFFICER (CFO) | COMPANY SECRETARY & COMPLIANCE OFFICER |
|---|---|
| Sd/-<br>**Anchal Tulsyan**<br>PAN: AMJPT9075D | Sd/-<br>**Foram Deep Parikh**<br>PAN: BPTPS8042F |

**Date: September 29, 2025**
**Place: Ahmedabad, Gujarat**