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Draft Red Herring Prospectus

Dated: June 16, 2026

100% Book Building Offer

Please read Section 26, 28 and 32 of Companies Act, 2013

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



DECENT BLANKETS
WARMTH OF LOVE

DECENT SPINNERS LIMITED

Corporate Identity Number: U74899HR1990PLC143283

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
V.P.O KOHAND, Gharunda, Karnal, Gharunda, Haryana-132114, India	N. A	Puja Aggarwal, Company Secretary & Compliance Officer	+91 9992226959 cs@decentspinnerslimited.com	www.decentspinnerslimited.com

PROMOTERS OF OUR COMPANY: NARESH KUMAR, RITU GARG & PARV GUPTA

DETAILS OF THE OFFER

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONGST QIBS, NIIS AND IIS
Fresh Issue & Offer for Sale (OFS)	Up to 83,50,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] Lakhs	Up to 8,75,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] Lakhs	Up to 92,25,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] Lakhs	The Offer is being made in terms of Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 through Book Building Process in accordance with Regulation 229(2) And 253(1) of chapter IX of SEBI (ICDR) Regulations, 2018 as amended. For details in relation to share reservation among QIB's, NII's and IB's, see "Offer Structure" beginning on page 324 of the Draft Red Herring Prospectus.

DETAILS OF OFFER FOR SALE

NAME OF THE SELLING SHAREHOLDERS	TYPE	NUMBER OF EQUITY SHARES OFFERED/AMOUNT IN (₹ LAKHS)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹) *
Naresh Kumar	Promoter Selling Shareholder	Up to 5,84,000	0.91
Ritu Garg	Promoter Selling Shareholder	Up to 2,91,000	1.88

*As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

RISK IN RELATION TO THE FIRST OFFER

This being the first public offer of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 10. The Floor Price, Cap Price and Offer Price as determined by our Company in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building process, as stated under "Basis of Offer Price" on page 116 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after Listing.

GENERAL RISKS

Investments in Equity and Equity related securities involve a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares offered in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 21 of this Draft Red Herring Prospectus.

ISSUER'S AND PROMOTER SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

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

LISTING

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

DETAILS OF BOOK RUNNING LEAD MANAGER

NAME AND LOGO	CONTACT PERSON	TELEPHONE & EMAIL
 Cumulative Capital Private Limited	Swapnilsagar Vithalani/ Ayush Garodia	Telephone: +91 981 966 2664/ +91 7014800380 Email ID: contact@cumulativecapital.group

DETAILS OF REGISTRAR TO THE OFFER

NAME AND LOGO	CONTACT PERSON	TELEPHONE & EMAIL
 Maashitla Securities Private Limited	Mukul Agrawal	Telephone: 011-45121795 Email: ipo@maashitla.com

BID/OFFER PERIOD

Anchor Bid Offer Period ⁽¹⁾ : [●]	Bid/ Offer open on ⁽¹⁾ : [●]	Bid/ Offer Closes on ⁽²⁾⁽³⁾ : [●]

*Subject to Finalization of Basis of Allotment

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

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

⁽³⁾ UPI mandate end time and date shall be at 5:00 PM on the Bid/ Offer closing Date.



DECENT BLANKETS
WARMTH OF LOVE

DECENT SPINNERS LIMITED

Corporate Identity Number: U74899HR1990PLC143283

Our Company was originally incorporated on May 23, 1990 under the Companies Act, 1956 as “Decent Spinners Private Limited”, a private limited company, with its registered office situated at 3-D Jalan Market, 2nd Floor Maliwada, Chandni Chowk, Delhi-110006, India. A Certificate of Incorporation was granted by the Registrar of Companies, Delhi and Haryana (“RoC”), under Corporate Identity Number (“CIN”) U74899DL1990PTC040239. Pursuant to a Special Resolution passed by the Shareholders of the Company at the Extra-Ordinary General Meeting held on November 03, 2025, and subsequently confirmed by an Order of the Regional Director (Northern Region), Ministry of Corporate Affairs (“RD Order”) dated February 27, 2026 (bearing Order ID: Sec 12(5)/ROC Delhi I/AB9774578/RD Delhi/2026), the registered office of the Company was shifted from the Union Territory of Delhi to the State of Haryana, outside the jurisdiction of the erstwhile Registrar of Companies, Delhi, to the jurisdiction of the Registrar of Companies, Haryana (“RoC Haryana”). Consequent upon such shifting, the Registrar of Companies, Haryana issued a Certificate of Registration of the Regional Director Order for Change of State under Section 13(5) of the Companies Act, 2013 on March 19, 2026. The registered office of the Company is presently situated at V.P.O. Kohand, Gharunda, Karnal, Haryana – 132 114. Subsequently, our Company was converted from a private limited company to a public limited company pursuant to a Special Resolution passed by the members of the Company at the Extra-Ordinary General Meeting held on March 30, 2026. Consequent upon such conversion, the name of the Company was changed from “Decent Spinners Private Limited” to “Decent Spinners Limited”. A fresh Certificate of Incorporation consequent upon conversion from a private limited company to a public limited company was issued by the Assistant Registrar of Companies / Deputy Registrar of Companies/ Registrar of Companies, Central Processing Centre on April 09, 2026. The Corporate Identity Number (CIN) of our Company, as presently standing, is U74899HR1990PLC143283. Our Company is registered with the Registrar of Companies, Haryana (RoC Haryana), situated at 3rd Floor, Corporate Bhawan, Plot No. 4-B, Sector 27-B, Chandigarh – 160 019. 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 204 of this Draft Red Herring Prospectus.

Registered Office: V.P.O KOHAND, Gharunda, Karnal, Gharunda, Haryana-132114, India.

Tel: +91-99922 26959; Fax: N.A.; Website: www.decentspinnerslimited.com; E-mail: cs@decentspinnerslimited.com

Company Secretary and Compliance Officer: Puja Aggarwal

OUR PROMOTERS: NARESH KUMAR, RITU GARG & PARV GUPTA

THE OFFER

INITIAL PUBLIC OFFERING OF UP TO 92,25,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (“EQUITY SHARES”) OF DECENT SPINNERS LIMITED (“COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (“OFFER PRICE”) AGGREGATING UP TO ₹ [●] LAKHS COMPRISING A FRESH ISSUE OF UP TO 83,50,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] LAKHS BY OUR COMPANY (“FRESH ISSUE”) AND AN OFFER FOR SALE OF UP TO 8,75,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] LAKHS (THE “OFFERED SHARES”) COMPRISING UP TO [●] EQUITY SHARES BY [●] AGGREGATING UP TO ₹ [●] LAKHS AND UP TO [●] EQUITY SHARES BY [●] AGGREGATING UP TO ₹ [●] LAKHS (THE “PROMOTER SELLING SHAREHOLDERS”, “SELLING SHAREHOLDERS” AND SUCH OFFER, THE “OFFER FOR SALE”) (THE “OFFER FOR SALE” AND TOGETHER WITH THE FRESH ISSUE, THE “OFFER”) OF WHICH [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE OFFER (THE “MARKET MAKER RESERVATION PORTION”). THE OFFER, LESS MARKET MAKER RESERVATION, I.E. NET OFFER [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET OFFER”. THE OFFER AND THE NET OFFER WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE FULLYDILUTED POST- OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES.

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

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE FLOOR PRICE AND CAP PRICE ARE [●] TIMES AND [●] TIMES OF THE FACE VALUE OF THE EQUITY SHARES, RESPECTIVELY.

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

This Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 229 (2) of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Portion”), provided that our Company may, in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which 40% shall be reserved as follows: (i) 33.33% for domestic Mutual Funds; and (ii) 6.67% for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the Anchor Investor Offer Price. In case the aggregate demand from Life Insurance Companies and Pension Funds is less than 6.67%, the remaining Equity Shares will be added to the portion allocated to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) one third of such portion was reserved for applicants with application size of more than 2 lots and up to such lots equivalent to not more than ₹ 10,00,000 and (b) two-third of such portion was reserved for applicants with application size of more than ₹ 10,00,000 provided that the unsubscribed portion in either of such subcategories could have been allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders are required to participate in the Offer by mandatorily utilizing the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks (“SCSBs”) or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see “Offer Procedure” on page 328 of this Draft Red Herring Prospectus. Provided further that for the purpose of public offer by an issuer to be listed /listed on SME exchange made in accordance with Chapter IX of these regulations, the words “retail individual investors” shall be read as words “individual investors who applies for minimum application size”.

RISKS RELATED TO THE FIRST OFFER		
This being the first public offer of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is ₹ 10. The Offer Price, Floor Price or the Price band as stated under the chapter titled “Basis of Offer Price” beginning on page 116 of this Draft Red Herring Prospectus should not be taken to be indicative of the market price of the Equity Shares after such 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 RISKS		
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of our Company and this Offer, 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 Red Herring Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 21 of this Draft Red Herring Prospectus.		
ISSUER’S AND PROMOTER SELLING SHAREHOLDER’S ABSOLUTE RESPONSIBILITY		
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each of the Promoter Selling Shareholders, severally and not jointly, accepts responsibility for only such statements specifically confirmed or specifically undertaken by such Promoter Selling Shareholders in this Draft Red Herring Prospectus to the extent such statements specifically pertain to itself and/or its Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. However, none of the Promoters Selling Shareholders assume any responsibility for any other statements, disclosures or undertakings, including without limitation, any and all of the statements, disclosures or undertakings made by or in relation to our Company, its business, or any other Selling Shareholders, in this Draft Red Herring Prospectus.		
LISTING		
The Equity Shares of our Company offered through this Draft Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated [●] from BSE Limited for using its name in the Draft Red Herring Prospectus for listing of our shares on the SME Platform of BSE Limited. For the purpose of this Offer, BSE Limited shall be the Designated Stock Exchange.		
BOOK RUNNING LEAD MANAGER TO THE OFFER		REGISTRAR TO THE OFFER
		
Cumulative Capital Private Limited Address: B 309-311, 215 Atrium, Nr. Courtyard Marriott Hotel, Andheri Kurla Road, Andheri East, Chakala Midc, Mumbai-400093, Maharashtra, India. Telephone: +91 98196 62664/ +91 70148 00380 E-mail: contact@cumulativecapital.group Website: www.cumulativecapital.group Investor grievance: investor@cumulativecapital.group Contact Person: Swapnilsagar Vithalani/ Ayush Garodia SEBI Registration Number: INM000013129		Maashitla Securities Private Limited Address: 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi - 110034, India Telephone: 011-45121795 Email: ipo@maashitla.com Website: www.maashitla.com Contact Person: Mukul Agrawal SEBI Registration Number: INR000004370 CIN: U67100DL2010PTC208725
BID/OFFER PERIOD		
Anchor Bid Offer Period ⁽¹⁾ : [●]	Bid/ Offer open on ⁽¹⁾ : [●]	Bid/ Offer Closes on ⁽²⁾⁽³⁾ : [●]

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

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

⁽³⁾ UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, requires or implies, the following terms shall have the following meanings in this Draft Red Herring Prospectus. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments, modifications or re-enactments notified thereto.

Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Special Tax Benefits”, “Industry Overview”, “Key Industry Regulations and Policies”, “Financial Statements”, “Outstanding Litigation and Other Material Developments”, will have the meaning ascribed to such terms in these respective sections.

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 but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (“SEBI Act”), the SEBI ICDR Regulations 2018, the SCRA Act, 1956, the Depositories Act 1966, and the rules and regulations made thereunder, as applicable.

General Terms

Term	Description
“Decent Spinners Limited” or “DSL”, “Decent” “We” or “us” or “the Issuer” or “the/our Company” or “Company”	Unless the context otherwise requires, refers to “Decent Spinners Limited”, a Company incorporated under the Companies Act, 1956 having its registered office situated V.P.O Kohand, Gharunda, Karnal, Gharunda, Haryana-132114, India.
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company.
“you”, “your”, or “yours”	Prospective Investor in this Offer.

Company Related Terms

Terms	Description
AOA/ Articles / Articles of Association	Unless the context otherwise requires, it refers to the Articles of Association of Decent Spinners Limited, as amended from time to time.
Associate Companies	A body corporate in which any other company has a significant influence, but which is not a subsidiary of the company having such influence and includes a joint venture company.
Audit Committee	The audit committee of our Company constituted in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations vide Board resolution dated April 09, 2026.
Auditors/ Statutory Auditors/ Peer Review Auditors	Statutory and peer review auditor of our Company, namely, M/S. Vinay I Aggarwal & Associates, Chartered Accountants having firm registration number 019631N and Peer Review Certificate Number – 021252.
Board of Directors / Board/ Director(s)	Board of Directors of our company or a duly constituted committee thereof. For further details of our Directors, please refer to the section titled “Our Management” beginning on page 208.
Bankers to the Company	Union Bank of India
Central Registration Centre (CRC)	It’s an initiative of the Ministry of Corporate Affairs (MCA) in Government Process Re-engineering (GPR) with the specific objective of providing speedy incorporation related services in line with the best global practices.
Chairman	Chairman of the Board, as described in “Our Management” on page 208.
Companies Act	The Companies Act, 1956/ 2013.
Chief Financial Officer	The Chief Financial Officer of our Company, Parv Gupta.
CIN	Corporate Identification Number of our Company U74899HR1990PLC143283.
Company Secretary and Compliance Officer	The Company Secretary and the Compliance Officer of our Company, Puja Aggarwal.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Director(s)	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof.
Equity Shareholders/	Persons holding equity shares of our Company.

Terms	Description
Shareholders	
Equity Listing Agreement/ Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our company and SME Platform of BSE Limited.
Fugitive economic offender	It shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.
HUF	Hindu Undivided Family.
Independent Director	A Non- executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations.
Indian GAAP	Generally Accepted Accounting Principles in India.
Infomerics	Infomerics Analytics and Research Private Limited
Infomerics Report	Report titled “Textile & Home furnishing Industry with Special Emphasis on Blanket Manufacturing Sector” dated June 05, 2026 issued by Infomerics Analytics & Research, which has been commissioned and paid for by our Company.
ISIN	International Securities Identification Number, in this case being INE260401026.
Key Managerial Personnel / Key Managerial Employees	Key Management Personnel of our Company in terms of the SEBI ICDR Regulations and the Companies Act, 2013 and as described in section entitled “ <i>Our Management</i> ” on page 208.
Legal Advisors to the Offer	The legal advisors, being Acuity Law LLP.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board at its meeting held on April 09, 2026 in accordance with the requirements of the SEBI ICDR Regulations for the purposes of disclosure in the offer documents.
MD or Managing Director	The Managing Director of our Company being Naresh Kumar.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of our company, as amended from time to time
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations vide Board resolution dated April 09, 2026.
Non- Executive Director	A Director not being an Executive Director or an Independent Director.
Non-Resident	A person resident outside India, as defined under FEMA.
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended from time to time.
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 validity constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Promoter of our Company or Promoters	The promoters of our Company, namely, Naresh Kumar, Ritu Garg and Parv Gupta.
Promoters Group	Such persons, entities and companies constituting our Promoters Group pursuant to Regulation 2(1) (pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “ <i>Our Promoters and Promoter Group</i> ” on page 221.
“page” or “Page” or “page no.” or “page nos.”	Any reference to any page no. is relating to this Draft Red Herring Prospectus.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office/ Existing Manufacturing Unit/ Existing Manufacturing Facility/Manufacturing facility/Unit	The Registered of our company which is located at V.P.O Kohand, Gharunda, Karnal, Gharunda, Haryana-132114, India.
Reserve Bank of India/ RBI	Reserve Bank of India constituted under the RBI Act.
Restated Financial Statements/ or Restated Financial Information or Financial Information	The Restated Financial statements of our Company, which comprises the restated statement of Assets and Liabilities for the financial year ended as at March 31, 2026, March 31, 2025, and March 31, 2024 and the restated statements of profit and loss and the restated cash flows for the financial year ended as at March 31, 2026, March 31, 2025, and March 31, 2024 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

Terms	Description
	Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto.
ROC/ Registrar of Companies	Registrar of Companies, Haryana. Corporate Bhawan, Plot No.4-B, Sector 27-B, Chandigarh-160019, India.
Secretarial Due Diligence Report/ SDD Report	Secretarial Due Diligence Report dated June 15, 2026 issued by Mahima Khandelwal and Associates, Company Secretary in Practice.
SEBI	Securities and Exchange Board of India, constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time.
SEBI (ICDR) Regulations/ ICDR Regulations/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI (Foreign Venture Capital Investor) Regulations	Securities Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000 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 Listing Regulations / Listing Regulations / SEBI (LODR) Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (PFUTP) Regulations / PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003.
Selling Shareholders/ Promoter Selling Shareholders	The Promoter Selling Shareholders namely, Naresh Kumar and Ritu Garg
SEBI (Takeover) Regulations or SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
Senior Management Personnel	Senior Management Personnel as more specifically defined under Regulation 2(1) (bbbb) of the SEBI (ICDR) Regulations, 2018. For details, please refer section titled “Our Management” on page 208.
Shareholder(s)	The equity shareholders of our Company whose names are entered into (i) the register of members of our Company; or (ii) the records of a depository as a beneficial owner of Equity Shares.
Stakeholders	The holders of the Equity Shares from time to time.
Stakeholders’ Relationship Committee	The stakeholders’ relationship committee of our Company constituted in accordance with Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations vide Board resolution dated April 09, 2026.
Stock Exchange/ Exchange	Unless the context requires otherwise, refers to, the SME Platform of BSE Limited.
Subscribers to MOA	Initial Subscribers to the MOA & AOA being Ramesh Kumar Mehra, Rajesh Mehra and Ashish Mehra.

Offer Related Terms

Terms	Description
Abridged Prospectus	Abridged Prospectus to be issued as per SEBI ICDR Regulations and appended to the Application Form.
Acknowledgement Slip	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form.
Allocation Note	Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Allotment/ Allot/Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee(s)	The successful applicant to whom the Equity Shares are being / have been allotted.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Draft Red Herring Prospectus/ Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the

Terms	Description
Price	Draft Red Herring Prospectus/ Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Offer Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Prospectus.
Anchor Investor Bidding Date	The day, being one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed.
Anchor Investor Offer Price	The final price at which the Equity Shares will be offered and allotted to Anchor Investors in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company in consultation with the BRLM.
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLM, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Applicant/ Investor	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Draft Red Herring Prospectus.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Red Herring Prospectus.
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Draft Red Herring Prospectus.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder.
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Hyderabad, Kolkata, Baroda and Surat.
ASBA Bidder	All Bidders except Anchor Investors.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders, to submit Bids through the ASBA process, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
ASBA / Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Hyderabad.
ASBA Investor/ASBA applicant	Any prospective investor(s)/applicant(s) in this Offer who apply(ies) through the ASBA process.
Banker(s) to the Offer/ Public Offer Bank/ Refund Banker	The banks which are clearing members and registered with SEBI as Banker to an Offer with whom the Public Offer Account will be opened and in this case being [●].
Banker to the Offer Agreement/ Cash Escrow and Sponsor Bank Agreement/ Public Offer Account and Sponsor Bank Agreements	Agreement dated [●] amongst our Company, Promoter Selling Shareholders, the Registrar to the Offer, the BRLM, Banker to the Offer, Escrow collection bank, Sponsor Bank, Refund Bank and Syndicate Member.
Basis of Allotment	The basis on which the Equity Shares will be allotted, described in “Offer Procedure” on page 328.
Bid	An indication to make an Offer during the Bid/ Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of a Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, in terms of the Prospectus and

Terms	Description
	the Bid cum Application Form. The term “Bidding” was construed accordingly.
Bidder	Any investor who makes a Bid pursuant to the terms of the Red Herring Prospectus/ Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, includes an Anchor Investor.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of IBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such IBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid
Bid cum Application Form	Anchor Investor application form or ASBA form (with and without the use of UPI, as may be applicable), whether physical or electronic, which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid/ Offer Closing Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers did not accept the Bids, which was notified in all editions of the English national newspaper [●] and all editions of the Hindi national newspaper [●] (Hindi being regional language of Registered Office) each with wide circulation, and in case of any revision, the extended Bid/ Offer closing Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations
Bid/ Offer Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers started accepting Bids, which was notified in all editions of the English national newspaper [●] and all editions of the Hindi national newspaper [●] (Hindi being regional language of Registered Office) each with wide circulation, and in case of any revision, the extended Bid/ Offer Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Offer Period	The period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which Bidders were required to submit their Bids, including any revisions thereof.
Bidding/Collection Centre’s	Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process	The book building process, as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer will be made
Book Running Lead Manager or BRLM/ LM	The book running lead manager or the lead manager to the Offer, namely Cumulative Capital Private Limited.
Broker Centres	Broker centres notified by the Stock Exchanges, where the Applicants could submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
BSE	Bombay Stock Exchange Limited
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Offer Price will not be finalized and above which no Bids will be accepted.
Client Id	Client Identification Number maintained with one of the Depositories in relation to Demat account.
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Controlling Branch of the SCSBs	Such branch of the SCSBs which coordinate Applications under this Offer by the ASBA Applicants with the Registrar to the Offer and the Stock Exchange and a list of which is available at http://www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time.
Cumulative	Cumulative Capital Private Limited
Cut-off Price	The Offer Price, as finalized by our Company, in consultation with the Book Running Lead Manager which is price within the Price Band. Only Individual Bidders Bidding in the Individual Investor Portion, were entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders were not entitled to Bid at the Cut-off Price.

Terms	Description
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Depository Participant / DP	A Depository Participant as defined under the Depositories Act, 1996.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Designated Date	The date on which relevant amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of IIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Draft Red Herring Prospectus following which Equity Shares will be Allotted in the Offer.
Designated Intermediaries/ Collecting Agent	In relation to ASBA Forms submitted by IIs authorizing an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by IIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such II using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com
Designated RTA Locations	Such locations of the RTAs where Applicant could submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms were available on the website of the Stock Exchange i.e. www.bseindia.com
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by IIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such II using the UPI Mechanism), a list of which is available on the website of SEBI at Intermediaries http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Designated StockExchange	SME Platform of BSE Limited (“BSE SME”)
DP	Depository Participant
DP ID	Depository Participant’s Identity
Draft Red Herring Prospectus/DRHP	This Draft Red Herring Prospectus dated June 16, 2026, issued in accordance with Section 26, 28 and 32 of the Companies Act, 2013 and the SEBI (ICDR) Regulations and filed with SME Platform of BSE Limited for obtaining In- Principle Approval.
Draft Abridged Prospectus	The memorandum dated June 16, 2026, containing such salient features of this Draft Red Herring Prospectus as may be specified by SEBI in this regard.
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an Offer or invitation under the Offer and in relation to whom this Draft Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
Eligible QFIs	QFIs from such jurisdictions outside India where it was not unlawful to make an Offer or invitation under the Offer and in relation to whom the Draft Red Herring Prospectus constitutes an invitation to purchase the Equity shares offered thereby and accounts with SEBI registered qualified depository participants.
Escrow Account(s)	The ‘no-lien’ and ‘non-interest bearing’ account(s) opened with the Escrow Collection Bank(s) and in whose favour Anchor Investors will transfer money through direct credit/ NEFT/ RTGS/NACH in respect of Bid Amounts when submitting a Bid.
Escrow Collection Bank(s)	The banks which were clearing members and registered with SEBI as bankers to an Offer under the BTI Regulations, and with whom the Escrow Account(s) was opened, in this case being [●].
Equity Shares	Equity Shares of our Company of face value ₹ 10 each.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
FII/ Foreign Institutional	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors)

Terms	Description
Investors	Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The Bidder whose name was mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name also appeared as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band i.e. [●], subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids will be accepted.
Foreign Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, provided that any FII or QFI who holds a valid certificate of registration is deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid.
Fresh Issue	Fresh issue of up to 83,50,000 Equity Shares aggregating to ₹ [●] lakhs to be issued by company pursuant to the Offer.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018 as amended from time to time.
General Information Document / GID	The General Information Document for investing in public offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, as amended by SEBI from time to time and the UPI Circulars. The General Information Document is available on the website of the Stock Exchange and Book Running Lead Manager.
Gross Proceeds	The total Offer Proceeds to be raised pursuant to the Offer.
Individual Investors	Individual Applicants, who have applied for the Equity Shares for a minimum application size of two lots wherein amount exceeds more than ₹ 2,00,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs).
Individual Investor Portion	The portion of the Offer being not less than 35% of the Offer consisting of [●] Equity Shares which were available for allocation to Individual Bidders in accordance with the SEBI ICDR Regulations, which was not be less than the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price.
KPI / Key Performance Indicators	Key factors that determine the performance of our Company
Listing Agreement	The equity listing agreement is to be signed between our Company and BSE Limited
Market Maker	Market Makers appointed by our Company from time-to-time [●] having SEBI registration number [●] who have 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 Making Agreement	The Agreement entered into between the BRLM, Market Maker and our Company dated [●].
Market Maker Reservation	The Reserved Portion of [●] equity shares of face value of ₹ 10 each fully paid for cash at a price of ₹ [●] per equity share aggregating ₹ [●] Lakh for the Market Maker in this Offer.
Minimum Promoter's Contribution	Aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoter which was provided towards minimum promoter's contribution of 20% and locked in for a period of three years from the date of Allotment.
Mobile App(s)	The mobile applications listed on the website of SEBI at www.sebi.gov.in or such other website as may be updated from time to time, which were used by IIs to submit Applications using the UPI Mechanism.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Offer	The Offer (excluding the Market Maker Reservation Portion) of [●] Equity Shares of ₹ 10 each of Issuer at ₹ [●] (including share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs.
Net Proceeds	The Offer Proceeds, less the Offer related expenses, received by the Company. For information about use of the Offer Proceeds and the Offer expenses, please refer to the chapter titled “Objects of the Offer” beginning on page 104.
Non-Institutional Applicants	All Applicants that are not Qualified Institutional Buyers or Individual Investors and who have applied for Equity Shares for an amount more than ₹ 2,00,000.
Non-Resident or NR	A person resident outside India, as defined under FEMA and includes Eligible NRI, Eligible QFIs, FIIs registered with SEBI, FVCIs and FPIs.
Non-Resident Indian or NRI	A person resident outside India, as defined under FEMA and includes Eligible NRI, Eligible

Terms	Description
	QFIs, FIIs registered with SEBI, FVCIs and FPIs.
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, Overseas Corporate Body means and includes an entity defined in which not less than 60.00% clause (xi) of Regulation 2 of beneficial interest is irrevocably held by NRIs directly or indirectly and the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (“OCB’s”) Regulations 2003 and which was in existence on October 03, 2003 and the date of the commencement of these Regulations and immediately prior to such date had taken benefits under the commencement was eligible to undertake transactions pursuant to the general permission granted to under the Regulations. OCBs under FEMA are not allowed to invest in this Offer.
Offer/ Offer Size/ Initial Public Offer/ Initial Public Offering/ IPO	We are proposing Offer up to 92,25,000 equity shares of face value of ₹10 each (“ equity shares ”) of the Company for cash at a price of ₹ [●] per equity share 10 (including a share premium of ₹ [●] per equity share) (“ offer price ”) aggregating up to ₹ [●] lakhs comprising a fresh issue of up to 83,50,000 equity shares aggregating up to ₹ [●] lakhs by our company (“ fresh issue ”) and an offer for sale up to 8,75,000 equity shares aggregating up to ₹ [●] lakhs by our Promoter Selling Shareholders
Offer for Sale or Offered Shares	Offer for Sale of up to 8,75,000 Equity Shares of face value ₹10/- each aggregating up to ₹ [●] lakhs by the Promoter Selling Shareholders.
Other Investor	Investors other than Individual Investors. These include individual applicants other than individual investors and other investors including corporate bodies or institutions.
Offer Agreement	The agreement dated April 27, 2026, between our Company, Promoter Selling Shareholders and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer Price	The final price at which Equity Shares will be Allotted to successful ASBA Bidders in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus which will be decided by our Company in consultation with the BRLM, on the Pricing Date, in accordance with the Book-Building Process and in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price, which will be decided by our Company in consultation with the BRLM, on the Pricing Date, in accordance with the Book-Building Process and in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus.
Offer Proceeds	Proceeds to be raised by our Company through this Offer, for further details please refer chapter titled “ <i>Objects of the Offer</i> ” page 104.
Payment through electronic transfer of funds	Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable.
Pricing Date	The date on which our Company, in consultation with the BRLM, will finalize the Offer Price.
Price Band	The price band ranging from the Floor Price of ₹ [●] per Equity Share to the Cap Price of ₹ [●] per Equity Share, including any revisions thereto. The Price Band and minimum Bid Lot, as decided by our Company in consultation with the BRLM, will be advertised in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi being the regional language of Haryana where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Prospectus	The Prospectus to be filed with the RoC, containing, inter alia, the Offer opening and closing dates and other information.
Public Offer Account	Account opened with the Banker to the Offer/ Public Offer Bank i.e. [●] by our Company to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Qualified Institutional Buyers / QIBs	As defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹ 2,500 Lakh, pension fund with minimum corpus of ₹ 2,500 Lakh, NIF and insurance funds set up and managed by army, navy or air force of the Union of India,

Terms	Description
	Insurance funds set up and managed by the Department of Posts, India.
Qualified Foreign Investor/ QFIs	Non-resident investors other than SEBI registered FIIs or sub-accountants or SEBI registered FCVIs who meet know your client requirements prescribed by SEBI.
QIB Portion	The portion of the Offer being not more than 50% of the Offer or [●] Equity Shares, available for allocation to QIBs (including Anchor Investors) on a proportionate basis (in which allocation to Anchor Investors was on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Offer Price.
Red Herring Prospectus/ RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the Offer Price and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC, at least three days before the Bid/Offer Opening Date.
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank(s), from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors was made.
Refund Bank	The Bankers to the Offer with whom the Refund Accounts will be opened, in this case being [●].
Refunds through electronic transfer of funds	Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable
Registered Brokers	Stock-brokers registered with SEBI under the Securities and Exchange Board of India (Stock-Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012, issued by SEBI.
Registrar/ Registrar to the Offer	Registrar to the Offer being Maashitla Securities Private Limited. For more information, please refer " <i>General Information</i> " on page 75.
Registrar Agreement	The agreement dated April 28, 2026, entered into between our Company and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Revision Form	The form used by the Applicants to modify the quantity of the Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s). QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Application Amounts (in terms of quantity of Equity Shares or the Application Amount) at any stage. Individual Applicants can withdraw or revise their Application until Offer Closing Date).
SCSB	Shall mean a Banker to an Offer registered under SEBI (Bankers to an Offer) 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 http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html or at such other website as may be prescribed by SEBI from time to time.
SEBI SCORES	Securities and Exchange Board of India Complaints Redress System.
Securities Law	In accordance with Regulation 2(1)(ccc), 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 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)	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time.
SME Exchange/ SME Platform	The SME Platform of BSE Limited i.e. BSE SME for listing equity shares issued under Chapter IX of the SEBI ICDR Regulations.
Specified securities	The equity shares issued through this Offer Document.

Terms	Description
Share Escrow Agent	Escrow Agent to be appointed pursuant to the Share Escrow Agreement, in this case being [●]
Share Escrow Agreement	The agreement to be entered into amongst our Company, the Selling Shareholders, and the Share Escrow Agent for deposit of the Equity Shares offered by the Selling Shareholders in escrow and credit of such Equity Shares to the demat account of the Allottees.
Sponsor Bank	Sponsor Bank means a Banker to the Offer registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the individual investors into the UPI. In this case being [●].
Syndicate Agreement	Agreement to be entered into among the Company, the Book Running Lead Manager, and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate.
Syndicate Members	Syndicate members as defined under Regulation 2(1) (hhh) of the SEBI ICDR Regulations.
Syndicate or members of the Syndicate	Together, the Book Running Lead Manager and the Syndicate Members.
Systemically Important Non- Banking Financial Company or NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by the member(s) of the Syndicate to the Applicant as proof of registration of the Application.
Underwriter	Underwriter to this Offer is [●]
Underwriting Agreement	The agreement dated [●] entered into between Company, the BRLM and Underwriter.
UPI/ Unified Payments Interface	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c
UPI Bidders	Collectively, individual investors applying as Individual Bidders in the Individual Investor Portion, NIBs Bidding with an application size of more than ₹ 2,00,000 and up to ₹ 5,00,000 in the Non-Institutional Portion and Bidding under the UPI Mechanism Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 05, 2022 issued by SEBI, all individual investors applying in public offers where the application amount is up to ₹ 5,00,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an Offer and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 03, 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 08, 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/DIL2/P/CIR/2021/570 dated June 02, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022 and SEBI master circular with circular no. SEBI/HO/MIRSD/POD1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular with circular no. SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 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 03, 2022; and (ii) the circulars issued by BSE Limited having reference no.20220722-30 dated July 22, 2022 and reference no. 20220803-40 dated August 03, 2022; and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard

Terms	Description
UPI Mandate Request	A request (intimating the UPI Bidders by way of a notification on the UPI linked mobile application and by way of an SMS on directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidders initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment. 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 Bidders Bidding 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 (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time.
UPI Mechanism	The Application mechanism that was used by an II to make an Application in the Offer in accordance the UPI Circulars to make an ASBA Applicant in the Offer.
UPPIN	Password to authenticate UPI transaction.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Wilful Defaulter or Fraudulent Borrower	A wilful defaulter or a fraudulent borrower, as defined under the SEBI ICDR Regulations.
Working Days	The days on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Offer Period, “Working Day” shall mean all days, excluding all Sundays, Saturdays and public holidays, on which commercial banks in Mumbai are open for business; (iii) the time period between the Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI, including the UPI Circulars.

Conventional Terms / General Terms / Abbreviations

Abbreviation	Full Form
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupees, the official currency of the Republic of India
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BIS	Bureau of Indian Standards
BoE	Bank of England
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
DCS	Distributed Control System
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DP	Depository Participant
ECB	European Central Bank
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EMDEs	Emerging Markets and Developing Economies
EPS	Earnings Per Share
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under

Abbreviation	Full Form
FIIIs	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
FIPB	Foreign Investment Promotion Board
FPIs	Foreign Portfolio Investors as defined under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 and as amended thereunder.
F&NG	Father and Natural Guardian
FY / Fiscal/FinancialYear	Period of twelve months ended on March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods and Service Tax
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICSI	Institute of Company Secretaries of India
MAPIN	Market Participants and Investors' Integrated Database
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NGT	National Green Tribunal
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
NSE	National Stock Exchange of India Limited
NYSE	New York Stock Exchange
OCB	Overseas Corporate Bodies
OSP	Other Service Provider
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PCB	Pollution Control Board
PSU	Public Sector Undertaking
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth
Bn	Billion
Rs.	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
Sec.	Section
SPV	Special Purpose Vehicle
STT	Securities Transaction Tax
Stock Exchange/ Exchange	Unless the context requires otherwise, refers to, the SME Platform of BSE Limited.
TPDS	Targeted Public Distribution System
USA/United States	United States of America
U.S. Federal Reserve	The Fed
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
UPI/ Unified Payments Interface	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments

Abbreviation	Full Form
	into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI 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	The request initiated by the Sponsor Bank and received by an II using the UPI Mechanism to authorize blocking of funds on the UPI mobile or other application equivalent to the Bd Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by a RIB to make an application in the Offer in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018S
UPI PIN	Password to authenticate UPI transaction
VCF / Venture CapitalFund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
WEO	World Economic Outlook
WTD	Whole Time Director

Technical / Industry related Terms

Term	Definitions
AHP	Allied Health Professionals
AI	Artificial Intelligence
AMRUT	Atal Mission for Rejuvenation and Urban Transformation
ATUFS	Amended Technology Upgradation Fund Scheme
B2B	Business-to-Business
CAGR	Compound Annual Growth Rate
CCUS	Carbon Capture Utilization and Storage
CEAP	Circular Economy Action Plan
CGTMSE	Credit Guarantee Fund Trust for Micro and Small Enterprises
CLU	Change of Land Use
CPI	Consumer Price Index
CPSEs	Central Public Sector Enterprises
CY	Calendar Year
D2C	Direct-to-Consumer
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
EPR	Extended Producer Responsibility
EU	European Union
FRE	First Revised Estimates
FY	Financial Year
GDP	Gross Domestic Product
GeM	Government e-Marketplace
GFCF	Gross Fixed Capital Formation
GNDI	Gross National Disposable Income
GoI / GOI	Government of India
GVA	Gross Value Added
ICAI	Institute of Chartered Accountants of India

Term	Definitions
ICMAI	Institute of Cost Accountants of India
ICSI	Institute of Company Secretaries of India
IMF	International Monetary Fund
INR	Indian Rupee
IoT	Internet of Things
ISO	International Organization for Standardization
LFPR	Labour Force Participation Rate
MOSPI	Ministry of Statistics and Programme Implementation
MSMEs	Micro, Small and Medium Enterprises
PAT	Profit After Tax
PFCE	Private Final Consumption Expenditure
PIB	Press Information Bureau
PLI	Production Linked Incentive
PM MITRA	Prime Minister Mega Integrated Textile Region and Apparel Parks
PPP	Purchasing Power Parity
PROI	Person Resident Outside India
R&D	Research and Development
RBI	Reserve Bank of India
RCEP	Regional Comprehensive Economic Partnership
ROCE	Return on Capital Employed
RONW	Return on Net Worth
SAE	Second Advance Estimate
SEBI	Securities and Exchange Board of India
SME	Small and Medium Enterprise
SWOT	Strengths, Weaknesses, Opportunities and Threats
Tex-Eco	Textile Ecology Initiative
TReDS	Trade Receivables Discounting System
U.A.E.	United Arab Emirates
USD	United States Dollar
WEO	World Economic Outlook

Key Performance Indicators (as defined in the Basis for Offer Price section)

Financial & Operational Key Performance Indicator	Explanations
Revenue from Operations (₹ in lakhs)	“Revenue from Operations” refers to the income earned by the Company from its core operating activities, excluding other income.
Total Income (₹ in lakhs)	“Total Revenue” denotes the aggregate revenue generated by the Company, including Revenue from Operations and other income, during a given period.
EBITDA (₹ in lakhs)	EBITDA” (Earnings Before Interest, Tax, Depreciation and Amortisation) provides information regarding the operational efficiency of the business by reflecting profits from core operations before accounting for financing and non-cash expenses.
EBITDA Margin (%)	“EBITDA Margin” means EBITDA as a percentage of Revenue from Operations, indicating the operational profitability and financial performance of the Company.
Profit after Tax (₹ in lakhs)	“Profit After Tax” refers to the net profit of the Company after accounting for income tax, reflecting its overall profitability for the period
Net profit ratio (%)	“Net profit ratio” means Profit After Tax expressed as a percentage of Total Income, serving as an indicator of overall profitability and financial performance.
Return on Equity RoE (%)	“Return on Equity” represents the profit attributable to shareholders as a percentage of average shareholders’ equity, showing how efficiently the Company generates profits from shareholders’ funds.
Debt To Equity Ratio	“Debt-to-Equity Ratio” indicates the relationship between total borrowings and shareholders’ equity and is used to evaluate the financial leverage of the Company.
Return on Capital employed (RoCE) (%)	“RoCE” is calculated as Profit Before Tax plus Finance Costs divided by the sum of total equity and borrowings (current and non-current), indicating the efficiency with which capital is employed.
Current Ratio	Current Ratio” means the ratio of current assets to current liabilities, measuring the Company’s ability to meet its short-term obligations

Financial & Operational Key Performance Indicator	Explanations
Interest Coverage Ratio	“Interest Coverage Ratio” measures a company’s ability to meet its interest obligations from its operating profits
Net Fixed Asset Turnover Ratio	“Net Fixed Asset Turnover Ratio” measures the efficiency with which the Company utilizes its net fixed assets to generate revenue and indicates how effectively fixed assets are employed in operations.
Working Capital Cycle	“Working Capital Cycle” represents the number of days required by the Company to convert its investment in inventory and receivables into cash flows from operations, indicating the efficiency of working capital management.

Financial & Operational Key Performance Indicator	Definitions
Revenue from Operations (₹ in lakhs)	Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Information.
Total Income (₹ in lakhs)	Total Income means the Revenue from Operations plus Other Income.
EBITDA (₹ in lakhs)	EBITDA is calculated as restated profit prior to exceptional items and tax and excluding other income and including finance costs, depreciation and amortization expense.
EBITDA Margin (%)	EBITDA Margin refers to EBITDA during a given period as a percentage of Revenue from Operations during that period.
Profit after Tax (₹ in lakhs)	Profit After Tax provides information regarding the overall profitability of the business/company.
Net Profit Ratio	Net Profit Ratio quantifies our efficiency in generating profits from Revenue from Operations and is calculated by dividing net profit after taxes by Total Income.
Return on Equity (RoE)	Return on Equity (RoE) is equal to Net profit after taxes divided by average shareholder’s equity excluding preference share capital.
Total Debt to Equity Ratio	Total Debt to Equity Ratio is calculated by dividing Total Debt by Shareholder’s Equity (excluding preference share capital) and Total Debt comprises of non-current borrowings and current borrowings.
RoCE (Return on Capital Employed)	RoCE (Return on Capital Employed) is calculated as EBIT as a percentage of Capital Employed wherein capital employed refers to sum of total equity, non-current borrowings and current borrowings as at the year end.
Current Ratio	Current Ratio is a liquidity ratio that measures our ability to pay off its short-term obligations (those which are due within one year) using its current assets (those which are convertible to cash within one year) and is calculated by dividing the current assets by current liabilities.
Interest Coverage Ratio	Interest Coverage Ratio measures a company’s ability to meet its interest obligations from its operating profits, typically calculated as EBIT divided by interest expense.
Net Fixed Asset Turnover Ratio (times)	Net Fixed Asset Turnover Ratio (times) measures the efficiency with which a company utilizes its net fixed assets to generate revenue and is calculated by dividing Revenue from Operations by average net fixed assets.
Working Capital Cycle Days	Working Capital Cycle Days is defined as trade receivable days plus inventory days less trade payable days.

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CERTAIN CONVENTIONS, CURRENCY OF PRESENTATION, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references in the Draft Red Herring Prospectus to “India” 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 in the Draft Red Herring Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

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

Financial Data

Unless the context otherwise requires or indicates, the financial information (including financial ratios) and any percentage amounts (excluding certain operational metrics), as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 21, 168 and 282, respectively, and elsewhere in this Draft Red Herring Prospectus have been derived from our Restated Financial Statements.

The Restated Consolidated Financial Statements of our Company, for the Financial Years ended March 31, 2026, 2025, and 2024 prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations; and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time (the “**Guidance Note**”), comprising the restated statement of assets and liabilities for the Financial Years ended March 31, 2026, 2025, and 2024, the restated statements of profit and loss (including other comprehensive income), the restated statement of changes in equity, the restated cash flow statement for the Financial Years ended March 31, 2026, 2025, and 2024, the summary statement of significant accounting policies, and other explanatory information.

For further information on our Company’s financial information, see “*Restated Financial Statements*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 227 and 282, respectively.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year; accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 months period ended on March 31 of that calendar year. Reference in this Draft Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified.

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

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” and elsewhere in the Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in section titled “*Restated Financial Statements*” beginning on page 227.

For additional definitions used in this Draft Red Herring Prospectus, see the section “*Definitions and Abbreviations*” on page 1. In the section titled “*Main Provisions of Articles of Association*”, on page 363 defined terms have the meaning given to such terms in the Articles of Association of our Company.

Currency and units of presentation

In this Draft Red Herring Prospectus, all references to:

- a. 'Rupees' or '₹' or 'Rs.' are to Indian Rupees, the official currency of the Republic of India.
- b. 'U.S.\$', 'U.S. Dollar', 'USD' or 'U.S. Dollars' are to United States Dollars, the official currency of the United States of America.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in “lakhs” of units or in whole numbers where the numbers have been too small to be represented in lakhs. One lakh represents 1,00,000 and ten lakhs represents 10,00,000 and one crore represents 1,00,00,000 and ten crores represents 10,00,00,000. However, where any figures that may have been sourced from third-party industry sources may be expressed in denominations other than lakhs, such figures have been expressed in this Draft Red Herring Prospectus in such denominations as provided in their respective sources.

Exchange Rates

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

Unless otherwise particularly stated in the Draft Red Herring prospectus, the following table set forth, for period indicated, information with respect to the exchange rate between the Rupee and other foreign currencies:

(Amount in ₹)

Currency	Exchange Rate as on		
	March 31, 2026 ⁽¹⁾	March 31, 2025 ⁽²⁾	March 31, 2024 ⁽³⁾
1 USD	94.65	85.58	83.32

Source: RBI / Financial Benchmark India Private Limited (www.fbil.org.in)

⁽¹⁾ Since March 31, 2026, was a Public Holiday, the exchange rate was considered as on March 30, 2026, being the last working day prior to March 31, 2026.

⁽²⁾ Since March 31, 2024, was a Sunday, the exchange rate was considered as on March 28, 2024, being the last working day prior to March 31, 2024.

⁽³⁾ Since March 31, 2025, was a Public Holiday, the exchange rate was considered as on March 28, 2025, being the last working day prior to March 31, 2025.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus, including in the sections titled “Risk Factors”, “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 21, 127, 168, and 282, respectively, has been obtained or derived from the report titled “Textile and Home Furnishing Industry with Special Emphasis on Blanket Manufacturing Sector” dated June 05, 2026 and issued by Infomerics Analytics & Research Private Limited, commissioned and paid for by our Company, exclusively in connection with the Offer is available on the website of our Company at www.decentspinnerslimited.com. Infomerics Analytics & Research Private Limited (“Infomerics”) has, pursuant to their consent letter dated June 05, 2026 (the “Letter”) accorded their no objection and consent to use the Infomerics Report in connection with the Offer. Further, Infomerics has, pursuant to the Letter also confirmed that it is an independent agency and has no conflict of interest while issuing the Infomerics Report, and that it does not have any direct/ indirect interest in or relationship with our Company, our Promoters, our Directors or Key Managerial Personnel or Senior Management or the BRLM. Infomerics was appointed by our Company pursuant to the engagement letter dated March 19, 2026. The Infomerics Analytics & Research Report is subject to the following disclaimer:

This report is prepared by Infomerics Analytics & Research Private Limited. Infomerics Analytics & Research has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in Infomerics Analytics & Research's proprietary database, and other sources considered by Infomerics Analytics & Research as accurate and reliable, including the information in the public domain. The views and opinions expressed herein do not constitute the opinion of Infomerics Analytics & Research to buy or invest in this industry, sector, or companies operating in this sector or industry, and are also not a recommendation to enter into any transaction in this industry or sector in any manner whatsoever.

This report has to be seen in its entirety; the selective review of portions of the report may lead to inaccurate assessments. All forecasts in this report are based on assumptions considered to be reasonable by Infomerics Analytics & Research; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections.

Nothing contained in this report is capable of or intended to create any legally binding obligations on the sender or Infomerics Analytics & Research, which accepts no responsibility whatsoever for loss or damage from the use of the said information. Infomerics Analytics & Research is also not responsible for any transmission errors and specifically states that it, or its directors, employees, parent company – Infomerics Valuation & Rating, or its directors, employees, do not have any financial liabilities whatsoever to the subscribers/users of this report. The subscriber/user assumes the entire risk of any use made of

this report or data herein. This report is for the information of the authorized recipient in India only, and any reproduction of the report or part of it would require explicit written prior approval of Infomerics Analytics & Research Private Limited.

Infomerics Analytics & Research shall reveal the report to the extent necessary and called for by appropriate regulatory agencies, viz., SEBI, RBI, Government authorities, etc., if it is required to do so. By accepting a copy of this Report, the recipient accepts the terms of this Disclaimer, which forms an integral part of this Report.

Except for the Infomerics Report we have not commissioned any report for purposes of this Draft Red Herring Prospectus and any market and industry related data, other than that extracted or obtained from the Infomerics Report, used in this Draft Red Herring Prospectus has been obtained or derived from publicly available documents and other industry sources.

Although the industry and market data used in this Draft Red Herring Prospectus is reliable, the data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. The excerpts of the Infomerics Report are disclosed in this Draft Red Herring Prospectus and there are no parts, information, data (which may be relevant and material for the proposed Offer), left out or changed in any manner. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled “*Risk Factors – Industry and market data included in this Draft Red Herring Prospectus have been derived from a report commissioned and paid for by our Company and may be based on assumptions and estimates.*” on page 48. Accordingly, investment decisions should not be based solely on such information.

The sections titled “*Industry Overview*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on pages 127, 168, and 282, respectively, contain data and statistics from the Infomerics Report which has been commissioned and paid for by our Company for an agreed fee and is available on the website of our Company at www.decentspinnerslimited.com.

In accordance with the SEBI ICDR Regulations, the section titled “*Basis of Offer Price*” on page 116 includes information relating to our listed industry peers. Such information has been derived from publicly available sources believed to be reliable and verified by M/s. Vinay I Aggarwal & Associates, Chartered Accountant, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Accordingly, no investment decisions should be based solely on such information.

The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

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FORWARD LOOKING STATEMENTS

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

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

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

1. We derive a substantial portion of our revenue from the sale of blankets. Any reduction in demand for blankets, changes in consumer preferences, fluctuations in raw material prices, increased competition, supply chain disruptions or inability to respond to market developments may adversely affect our business, results of operations, financial condition and cash flows.
2. A significant portion of our revenue from operations is derived from customers located in Haryana. Any adverse developments affecting economic conditions, customer demand, regulatory environment or business activities in Haryana may adversely affect our business, results of operations, financial condition and cash flows.
3. We do not have long-term agreements or firm purchase commitments with a majority of our customers. Any reduction, delay, modification or cancellation of orders from our customers, particularly our significant customers, may adversely affect our business, results of operations, financial condition and cash flows.
4. We do not have long-term agreements or assured sources of supply for a significant portion of our raw materials. Any disruption in the availability of raw materials, increase in raw material prices, or loss of key suppliers may adversely affect our business, results of operations, financial condition and cash flows.
5. Our business is subject to seasonal and cyclical variations, which may result in fluctuations in our revenue, profitability, cash flows and results of operations.
6. Our operations are manpower intensive and depend on the continued availability of skilled and semi-skilled personnel. Any inability to attract, retain and manage our workforce, increase in employee costs, high attrition levels or labour-related disruptions may adversely affect our business, results of operations, financial condition and cash flows.
7. There is an outstanding legal proceeding involving our Company and one of our Promoters/Directors. Any adverse outcome in such proceeding may adversely affect our business, reputation, financial condition, cash flows and results of operations.
8. We have experienced instances of delays in certain statutory filings and payments in the past. Any future non-compliance with statutory and regulatory requirements may adversely affect our business, financial condition and results of operations.
9. There have been certain instances of delayed or inaccurate RoC filings and certain historical corporate records are not traceable. Any regulatory action or penalties arising from such matters may adversely affect our business, financial condition and results of operations.
10. We have experienced negative cash flows from operating activities and investing activities in certain fiscal years. Any recurrence of negative cash flows in the future could adversely affect our liquidity, financial condition, cash flows and ability to fund our operations and growth plans.

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 21, 168 and 282, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

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

Neither our Company, our Directors, our Promoters, the BRLM nor the Syndicate or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company will ensure that Bidders in India are informed of material developments pertaining to our Company from the date of the Draft Red Herring Prospectus in relation to the statements and undertakings made by our Company, in respect of the offered shares in this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchange for this Offer.

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SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties summarized below, before making an investment in our Equity Shares.

We have described the risks and uncertainties that we believe are material, but these risks and uncertainties may not be the only risks relevant to us, the Equity Shares, or the industry in which we operate. The risks set out in this section may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future and may also impair our business. Unless specified or quantified in the relevant risk factor below, we are not in a position to quantify the financial or other implication of any of the risks mentioned in this section. If any or a combination of the following risks actually materialize, or if any of the risks that are currently not known or deemed not to be relevant or material actually materialize or become material in the future, our business, cash flows, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline and you may lose all or part of your investment. To obtain a more detailed understanding of our business and operations, please read this section in conjunction with the sections “Our Business”, “Industry Overview”, “Key Regulations and Policies”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Restated Financial Statements” on pages 168, 127, 191, 282 and 227, respectively, as well as other financial and statistical information contained in this Draft Red Herring Prospectus.

If any one or more of the following risks as well as other risks and uncertainties discussed in the Draft Red Herring Prospectus were to occur, our business, financial condition and results of our operation could suffer material adverse effects and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of investment. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is therefore subject to a legal and regulatory environment that may differ in certain respects from that of other countries.

This Draft Red Herring Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in the Draft Red Herring Prospectus. These risks are not the only ones that our Company face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.

Unless otherwise indicated or the context otherwise requires, in this section, references to “we”, “us” and “our” are to Decent Spinners Limited.

Materiality

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

1. Some events may not be material individually but may be material when considered collectively.
2. Some events may have an impact which is qualitative though not quantitative.
3. Some events may not be material at present but may have a material impact in the future.

INTERNAL RISK FACTORS

- 1. We derive a substantial portion of our revenue from the sale of blankets. Any reduction in demand for blankets, changes in consumer preferences, fluctuations in raw material prices, increased competition, supply chain disruptions or inability to respond to market developments may adversely affect our business, results of operations, financial condition and cash flows.**

Our Company is engaged in the manufacturing and trading of blankets, including mink blankets, cloudy blankets and semi-cloudy blankets. Consequently, our business performance and growth are significantly dependent on the demand for blankets and our ability to manufacture, source and market such products in accordance with customer requirements and prevailing market conditions.

The following table sets forth the composition of our revenue from operations for the periods indicated:

(₹ in lakhs)

Particulars	For the Financial Year ended March 31, 2026		For the Financial Year ended March 31, 2025		For the Financial Year ended March 31, 2024	
	Revenue from Operations	% of Total Revenue from Operations	Revenue from Operations	% of Total Revenue from Operations	Revenue from Operations	% of Total Revenue from Operations
Revenue from Sale of Products – Manufacturing	7,542.43	87.59	2,752.51	53.94	1,616.79	44.50
Revenue from Sale of Products – Trading	1,056.85	12.27	2,285.55	44.79	1,872.89	51.55
Revenue from Sale of Services ⁽¹⁾	-	-	63.99	1.25	140.09	3.86
Other Operating Revenues ⁽²⁾	12.28	0.14	0.63	0.02	3.61	0.09
Total Revenue from Operations	8,611.56	100.00	5,102.68	100.00	3,633.38	100.00

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

⁽¹⁾ Revenue from sale of services primarily represents job work services rendered by our Company.

⁽²⁾ Other operating revenues comprise income generated in the ordinary course of business and ancillary to our principal operating activities.

The following table sets forth the contribution of revenue from sale of products:

(₹ in lakhs)

Particulars	For the Financial Year ended March 31, 2026		For the Financial Year ended March 31, 2025		For the Financial Year ended March 31, 2024	
	Revenue from Operations	% of Revenue from Sale of Products	Revenue from Operations	% of Revenue from Sale of Products	Revenue from Operations	% of Revenue from Sale of Products
Manufacturing	7,542.43	87.71	2,752.51	54.63	1,616.79	46.33
Trading	1,056.85	12.29	2,285.55	45.37	1,872.89	53.67
Total Revenue from Sale of Products	8,599.28	100.00	5,038.06	100.00	3,489.68	100.00

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

As evident from the tables above, revenue from sale of products contributed 99.86%, 98.73% and 96.05% of our revenue from operations for Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively. Accordingly, our results of operations are substantially dependent upon demand for blankets and our ability to maintain sales volumes and margins in this product category.

Demand for blankets may be affected by several factors, including changes in consumer preferences, purchasing patterns, product design trends, seasonal factors, pricing pressures, availability of competing products, changes in distribution channels, macroeconomic conditions and other factors beyond our control. In addition, the blankets and home furnishing industry is subject to evolving customer preferences relating to quality, comfort, aesthetics, durability, sustainability and pricing. If we are unable to anticipate or respond to such developments in a timely manner, demand for our products may decline.

Further, our operations are dependent upon the availability of raw materials, manufacturing inputs, transportation and logistics services. Any disruption in the procurement of raw materials, increase in input costs, interruption in supply chains, delays in transportation or inability to source products on commercially acceptable terms may adversely affect our ability to meet customer requirements and may result in increased operating costs.

If demand for our products declines or if we are unable to effectively respond to changes in market conditions, customer preferences or competitive developments, we may experience reduced sales volumes, lower capacity utilization, pressure on margins, accumulation of inventory, increased working capital requirements and reduction in profitability. Such circumstances could adversely affect our business, results of operations, financial condition and cash flows.

We seek to mitigate these risks through continuous monitoring of customer requirements and market trends, maintaining relationships with customers and suppliers, reviewing our product mix periodically and undertaking both manufacturing and trading activities to cater to customer demand. However, there can be no assurance that such measures will be sufficient to address future changes in market conditions, customer preferences or industry dynamics. Any inability to effectively manage these risks may adversely affect our business, results of operations, financial condition and cash flows.

2. *A significant portion of our revenue from operations is derived from customers located in Haryana. Any adverse developments affecting economic conditions, customer demand, regulatory environment or business activities in Haryana may adversely affect our business, results of operations, financial condition and cash flows.*

A significant portion of our revenue from operations during Fiscal 2026, Fiscal 2025 and Fiscal 2024 was generated from customers located in Haryana. As a result, our business and financial performance are substantially dependent on demand from customers in Haryana and are exposed to risks associated with concentration in a single geographic region.

The following table sets forth the contribution of revenue from operations from various states during the periods indicated:
(₹ in lakhs)

Name of States	For the Financial Year ended March 31, 2026		For the Financial Year ended March 31, 2025		For the Financial Year ended March 31, 2024	
	Revenue from Operations	% of Total Revenue from Operations	Revenue from Operations	% of Total Revenue from Operations	Revenue from Operations	% of Total Revenue from Operations
Haryana	7,705.99	90.36	4,885.69	95.75	3,505.39	96.48
Delhi	422.84	4.96	61.79	1.21	12.22	0.34
Jharkhand	215.74	2.53	-	-	-	-
Uttar Pradesh	101.75	1.19	55.11	1.08	40.96	1.13
Punjab	26.49	0.31	20.70	0.41	49.07	1.35
West Bengal	14.20	0.17	9.84	0.19	8.98	0.25
Telangana	14.37	0.17	5.70	0.11	-	-
Madhya Pradesh	10.37	0.12	7.01	0.14	10.95	0.30
Rajasthan	7.85	0.09	16.98	0.33	2.56	0.07
Jammu & Kashmir	5.85	0.07	4.85	0.10	-	-
Karnataka	2.39	0.03	-	-	-	-
Himachal Pradesh	-	-	2.10	0.04	1.00	0.03
Bihar	-	-	5.01	0.10	-	-
Chandigarh	-	-	0.58	0.01	-	-
Gujarat	-	-	-	-	0.29	0.01
Nagaland	-	-	27.32	0.54	1.96	0.05
Revenue from Operations	8,527.85	100.00	5,102.68	100.00	3,633.38	100.00

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

Note: Percentages are calculated as a percentage of revenue from operations from domestic sales for the respective financial years based on the Restated Financial Statements.

As indicated above, Haryana contributed 90.36%, 95.75% and 96.48% of our revenue from operations in Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively. Accordingly, our business is exposed to risks arising from economic, regulatory and market conditions prevailing in Haryana.

Any adverse developments in Haryana, including slowdown in economic activity, reduction in consumer spending, changes in government policies or regulations, increased competition, disruptions in transportation and logistics infrastructure, labour shortages, natural calamities, public health emergencies, or any other event affecting business activity in the region, may adversely affect demand for our products and our ability to conduct operations efficiently.

Further, any loss of customers, reduction in orders, delay in collections or decline in demand from customers located in Haryana could result in lower sales volumes, reduced revenue, pressure on margins and increased working capital requirements. Such circumstances may adversely affect our business, results of operations, financial condition and cash flows.

Our future growth depends, in part, on our ability to maintain our customer relationships in Haryana while expanding our customer base in other states. While we continue to evaluate opportunities to broaden our geographic reach, there can be no assurance that we will be successful in diversifying our revenue base or maintaining existing levels of revenue from Haryana. Any significant reduction in revenue generated from Haryana may adversely affect our business, results of operations, financial condition and cash flows.

3. *We do not have long-term agreements or firm purchase commitments with a majority of our customers. Any reduction, delay, modification or cancellation of orders from our customers, particularly our significant customers, may adversely affect our business, results of operations, financial condition and cash flows.*

Our business is substantially dependent on purchase orders received from our customers in the ordinary course of business. We generally do not enter into long-term supply agreements or arrangements containing minimum purchase commitments with a majority of our customers. Orders are typically placed on a purchase order basis and may vary depending upon the customers' procurement requirements, inventory levels, financial condition, business plans and market demand. Consequently, we have limited visibility regarding future order volumes and revenues.

The following table sets forth the contribution of our significant customers to revenue from operations during the periods indicated:

(₹ in lakhs)

Particulars	For the Financial Year ended March 31, 2026		For the Financial Year ended March 31, 2025		For the Financial Year ended March 31, 2024	
	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations
Top 1 Customer	1,371.67	15.94	1,260.79	24.71	714.25	19.66
Top 3 Customer	2,607.75	30.30	2,191.39	42.95	1,430.73	39.38
Top 5 Customer	3,376.69	39.24	2,652.69	51.99	1,723.26	47.43
Top 10 Customer	4,647.41	54.00	3,390.89	66.46	2,181.85	60.05

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

Note: Note: We have not disclosed the identities of individual customers as such information is commercially sensitive in nature, and the requisite consents for such disclosure have not been obtained.

As indicated above, our top 10 customers contributed 54.00%, 66.46% and 60.05% of our revenue from operations during Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively. Accordingly, our business is exposed to risks associated with customer concentration and the absence of long-term contractual arrangements.

Our customers may reduce, postpone, modify or cancel orders at their discretion. Further, our customers are generally not obligated to continue purchasing products from us and may choose to procure similar products from existing or new competitors based on factors such as pricing, product quality, delivery schedules, service levels, credit terms, business requirements or other commercial considerations. Any reduction in procurement by one or more significant customers, loss of a key customer relationship, change in customer sourcing strategies, delay in procurement plans or deterioration in the financial condition of our customers may adversely affect our revenues and profitability.

In addition, the absence of long-term contractual commitments limits our ability to accurately forecast future demand, production requirements, inventory levels and cash flows. Significant variations in customer orders may lead to fluctuations in our operating performance, capacity utilization and working capital requirements.

Our ability to retain existing customers and secure repeat orders depends on several factors, including our ability to maintain product quality standards, competitive pricing, timely delivery schedules, customer service and responsiveness to customer requirements. Any inability to meet customer expectations or changing market conditions may adversely affect our customer relationships and future order inflows.

While we continue to expand and diversify our customer base as part of our business operations, there can be no assurance that we will be able to replace lost business from existing customers in a timely manner, on comparable commercial terms or at all. Any significant reduction in orders from one or more of our customers may adversely affect our business, results of operations, financial condition and cash flows.

4. ***We do not have long-term agreements or assured sources of supply for a significant portion of our raw materials. Any disruption in the availability of raw materials, increase in raw material prices, or loss of key suppliers may adversely affect our business, results of operations, financial condition and cash flows.***

The manufacture of our products requires various raw materials, primarily polyester yarn and other textile-related inputs. We procure such raw materials from third-party suppliers and generally do not enter into long-term supply agreements or arrangements containing minimum supply commitments with a majority of our suppliers. Accordingly, the availability, quality, quantity and pricing of raw materials are subject to market conditions and factors beyond our control.

The following table sets forth the contribution of our significant suppliers to our total purchases during the periods indicated:

(₹ in lakhs)

Particulars	For the Financial Year ended March 31, 2026		For the Financial Year ended March 31, 2025		For the Financial Year ended March 31, 2024	
	Amount	% of Total Purchase	Amount	% of Total Purchase	Amount	% of Total Purchase
Top 1 Supplier	927.03	15.32	1,263.91	33.35	736.31	22.85
Top 3 Suppliers	2,386.71	39.45	2,743.80	72.40	1,610.43	49.98
Top 5 Suppliers	3,402.84	56.25	3,377.74	89.13	2,186.20	67.84
Top 10 Suppliers	4,500.29	74.39	3,716.99	98.09	2,887.11	89.59

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

Note: Purchase includes purchase of raw material and purchase of stock in trade.

As indicated above, a substantial portion of our raw material purchases is sourced from a limited number of suppliers. Accordingly, our business is exposed to risks associated with supplier concentration. Any reduction or interruption in supplies from one or more of our significant suppliers, deterioration in supplier relationships, closure of supplier operations, financial distress faced by suppliers, capacity constraints, quality issues, or inability of suppliers to meet our requirements may adversely affect our ability to procure raw materials in a timely manner and on commercially acceptable terms.

Further, we may not be able to identify alternative suppliers, negotiate comparable commercial terms, or secure adequate quantities of raw materials within the required timeframe. Any delay in sourcing replacement suppliers may disrupt our manufacturing operations, increase procurement costs and adversely affect our ability to meet customer requirements.

The prices and availability of polyester yarn and other raw materials are subject to fluctuations arising from various factors, including changes in demand and supply conditions, availability of petrochemical feedstocks, inflation, transportation costs, geopolitical developments, trade restrictions, regulatory changes and general economic conditions. Any significant increase in raw material prices may adversely affect our margins, particularly if we are unable to pass on such cost increases to our customers in a timely manner or at all.

In addition, we may be required to maintain inventory levels of certain raw materials to support our manufacturing operations and meet customer delivery schedules. Any disruption in the supply chain, shortage of raw materials, deterioration in quality standards, or delay in procurement may affect production schedules and our ability to fulfil customer orders on a timely basis.

Although we have not experienced any material shortage of raw materials during Fiscal 2026, Fiscal 2025 and Fiscal 2024 that had a material adverse effect on our operations, there can be no assurance that we will continue to procure adequate quantities of raw materials at acceptable prices, quality standards or within required timelines. Any inability to procure raw materials on commercially acceptable terms may result in increased costs, lower production volumes, delayed deliveries, reduced profitability and may adversely affect our business, results of operations, financial condition and cash flows.

5. Our business is subject to seasonal and cyclical variations, which may result in fluctuations in our revenue, profitability, cash flows and results of operations.

Demand for blankets and related home textile products is influenced by seasonal factors, particularly weather conditions and the duration and intensity of winter seasons. Consequently, demand for our products may vary during different periods of a financial year, resulting in fluctuations in our revenue, profitability and cash flows.

The following table sets forth the quarter-wise break-up of our revenue from operations for the periods indicated:

(₹ in lakhs)

Particulars	For the Financial Year ended March 31, 2026		For the Financial Year ended March 31, 2025		For the Financial Year ended March 31, 2024	
	Revenue from Operations	% of Total Revenue from Operations	Revenue from Operations	% of Total Revenue from Operations	Revenue from Operations	% of Total Revenue from Operations
Q1 (April to June)	481.23	5.59	834.23	16.35	465.03	12.80
Q2 (July to September)	2,510.39	29.15	1,375.58	26.96	781.36	21.51
Q3 (October to December)	2,966.55	34.45	1,830.35	35.87	1,516.84	41.74
Q4 (January to March)	2,653.39	30.81	1,062.52	20.82	870.15	23.95
Total	8,611.56	100.00	5,102.68	100.00	3,633.38	100.00

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

As reflected in the table above, approximately 65.26%, 56.69% and 65.70% of our revenue from operations in Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively, was generated during the second half of the financial year (Q3 and Q4). Accordingly, our operating results are subject to seasonal fluctuations, and our quarterly performance may vary significantly from period to period.

Demand for our products may be affected by several seasonal factors, including the onset, duration and severity of winter seasons, changes in weather patterns, customer inventory stocking cycles and prevailing market conditions. Any delay in the onset of winter, shorter winter seasons, unseasonably warm weather conditions or reduction in seasonal demand may adversely affect sales volumes, product realizations, revenue and profitability.

Further, the blanket and home textile industry is cyclical in nature and is influenced by broader economic and industry conditions. Demand for our products may be affected by changes in consumer spending patterns, disposable income levels, inflationary pressures, export demand, competitive conditions, inventory levels maintained by customers and overall economic activity. During periods of economic slowdown or reduced consumer demand, customers may reduce purchases, postpone procurement decisions or shift to lower-priced alternatives, which may adversely affect demand for our products.

In addition, a portion of our operating expenses, including employee costs, manufacturing overheads, facility-related expenses, power and fuel costs and certain administrative expenses, are relatively fixed in nature. As a result, any reduction in sales volumes or lower capacity utilization during periods of reduced demand may have a disproportionate impact on our profitability and operating margins.

Seasonal fluctuations may also affect our inventory management, production planning, working capital requirements and cash flows. Consequently, our results of operations for any particular quarter or financial year may not be indicative of our future performance. Any significant decline in demand arising from seasonal factors, cyclical industry conditions or adverse macroeconomic developments may adversely affect our business, results of operations, financial condition and cash flows.

While we seek to manage seasonal fluctuations through production planning, inventory management and customer diversification efforts, there can be no assurance that such measures will adequately mitigate the impact of seasonal or cyclical variations in our business. Any inability to effectively manage such fluctuations may adversely affect our business, results of operations, financial condition and cash flows.

6. ***Our operations are manpower intensive and depend on the continued availability of skilled and semi-skilled personnel. Any inability to attract, retain and manage our workforce, increase in employee costs, high attrition levels or labour-related disruptions may adversely affect our business, results of operations, financial condition and cash flows.***

Our manufacturing operations are manpower intensive and require the continued availability of skilled and semi-skilled personnel across various functions, including production, quality control, warehousing, logistics and administration. Our ability to maintain operational efficiency, production schedules, product quality standards and customer service levels depends substantially on our ability to recruit, train, retain and effectively manage our workforce.

The following table sets forth certain employee-related information for the periods indicated:

Particulars	For the Financial Year ended March 31, 2026	For the Financial Year ended March 31, 2025	For the Financial Year ended March 31, 2024
Opening Employee Strength	33	30	29
Closing Employee Strength	56	33	30
Average Employee Headcount	50	39	40

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

Employee Attrition:

Particulars	For the Financial Year ended March 31, 2026	For the Financial Year ended March 31, 2025	For the Financial Year ended March 31, 2024
Employees Left During the Year	36	10	41
Average Employee Headcount	50	39	40
Attrition Rate (%)	80.90	31.75	138.98

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

As reflected in the table above, our workforce has experienced employee attrition during the reported periods. High employee turnover may result in increased recruitment and training costs, temporary shortages of skilled personnel, loss of operational

knowledge and reduced productivity. Further, any inability to recruit suitable replacements in a timely manner may adversely affect our production schedules, operational efficiency and ability to meet customer requirements.

The availability of skilled and semi-skilled personnel is subject to various factors beyond our control, including competition for labour, migration patterns, demographic changes, labour market conditions and economic factors. Any shortage of manpower or inability to attract and retain qualified personnel may adversely affect our operations and increase our dependence on a limited pool of workers.

Further, we may be required to increase employee compensation and benefits due to inflationary pressures, competition for skilled manpower, revisions in minimum wages, changes in labour regulations and other statutory requirements. Any significant increase in employee-related expenses may adversely affect our operating margins and profitability, particularly if we are unable to pass on such increased costs to our customers.

In addition, our operations may be adversely affected by labour-related disputes, work stoppages, strikes, lockouts, employee dissatisfaction, industrial unrest or non-compliance with applicable labour laws and regulations. Although we have not experienced any material work stoppages, strikes or lockouts during Fiscal 2026, Fiscal 2025 and Fiscal 2024, there can be no assurance that such events will not occur in the future.

Any shortage of manpower, inability to retain key personnel, increase in employee costs, high attrition levels or labour-related disruptions may adversely affect our production capabilities, operational efficiency, profitability, business growth, results of operations, financial condition and cash flows.

7. *There is an outstanding legal proceeding involving our Company and one of our Promoters/Directors. Any adverse outcome in such proceeding may adversely affect our business, reputation, financial condition, cash flows and results of operations.*

Our Company and one of our Promoters/Directors, Naresh Kumar, are parties to an outstanding legal proceeding. The outcome of such proceeding is uncertain and may involve significant time and costs associated with legal representation, management attention and compliance requirements.

The following table sets forth a summary of the outstanding litigation involving our Company, Promoters, Directors, Key Managerial Personnel and Senior Management Personnel:

(₹ in lakhs)

Particulars	Criminal Proceedings	Tax Proceedings	Statutory / Regulatory Proceedings	Disciplinary Actions by SEBI / Stock Exchanges	Material Civil Litigation	Aggregate Amount Involved
By our Company	Nil	Nil	Nil	Nil	Nil	Nil
Against our Company	1	Nil	Nil	Nil	Nil	Not ascertainable
By our Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against our Promoters*	1	Nil	Nil	Nil	Nil	Not ascertainable
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against our Directors**	Nil	Nil	Nil	Nil	Nil	Nil
By our KMPs	Nil	Nil	Nil	Nil	Nil	Nil
Against our KMPs	Nil	Nil	Nil	Nil	Nil	Nil
By our SMPs	Nil	Nil	Nil	Nil	Nil	Nil
Against our SMPs	Nil	Nil	Nil	Nil	Nil	Nil

* Represents the same proceeding involving our Company and Naresh Kumar in his capacity as Director.

** Other than the proceeding involving Naresh Kumar in his capacity as Promoter/Director.

Legal proceedings are inherently uncertain, and there can be no assurance that the aforesaid proceeding will be decided in favour of our Company or the concerned Promoter/Director. Any adverse decision, order or finding in such proceeding may result in penalties, fines, restrictions, additional compliance obligations, costs, or other regulatory actions. Further, any adverse outcome may have an adverse effect on our reputation and may divert management attention and resources away from our business operations.

In addition, any future litigation, regulatory proceeding or governmental action involving our Company, Promoters, Directors, Key Managerial Personnel or Senior Management Personnel may result in additional liabilities, increased legal and compliance costs and potential business disruptions. Any such adverse developments may adversely affect our business, reputation, financial condition, cash flows and results of operations.

8. We have experienced instances of delays in certain statutory filings and payments in the past. Any future non-compliance with statutory and regulatory requirements may adversely affect our business, financial condition and results of operations.

Our Company is subject to various statutory and regulatory compliance requirements under applicable laws, including those relating to goods and services tax, income tax, tax deducted at source, employees' provident fund, employees' state insurance and other labour and corporate law compliances. Compliance with such requirements requires timely filings, reporting obligations and payment of statutory dues.

In the past, there have been certain instances of delays in filing statutory returns and/or remittance of statutory dues with the relevant authorities, including delays relating to GST compliances, TDS compliances and certain labour law related compliances. Such delays have resulted in payment of applicable interest and penalties in certain cases.

The following table sets forth details of delayed statutory compliances during the relevant periods:

Delay in ESIC Payment:

Financial Year	Month	Due date of Payment	Actual Date of Payment	Amount Paid (Rs.)	Delay (in days), if any	Reason for Delay
FY 25-26	November	15-12-2025	16-12-2025	2,583	1 Day	The payment was made with delay due to reconciliation.
	December	15-01-2026	16-01-2026	2,583	1 Day	The payment was made with delay due to reconciliation.
	January	15-02-2026	16-02-2026	2484	1 Day	The payment was made with delay due to reconciliation.
FY 24-25	July	15-08-2024	16-08-2024	3,412	1 Day	The payment was made with delay due to reconciliation.
	August	15-09-2024	18-09-2024	3,418	3 Days	The payment was made with delay due to reconciliation.
FY 23-24	April	15-05-2023	17-05-2023	3,044	2 Days	The payment was made with delay due to reconciliation.
	July	15-08-2023	17-08-2023	3,431	2 Days	The payment was made with delay due to reconciliation.
	September	15-10-2023	17-10-2023	3,438	2 Days	The payment was made with delay due to reconciliation.
	November	15-12-2023	22-12-2023	3,417	7 Days	The payment was made with delay due to reconciliation.

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

Delay in PF Payment

Financial Year	Month	Due date of Payment	Actual Date of Payment	Amount Paid (Rs.)	Delay (in days), if any	Reason for Delay
FY 25-26	September	15-10-2025	16-10-2025	15,695	1 Day	The payment was made with delay due to reconciliation.
	October	15-11-2025	17-11-2025	15,695	2 Days	The payment was made with delay due to reconciliation.
	November	15-12-2025	17-12-2025	15,695	2 Days	The payment was made with delay due to reconciliation.
	January	15-02-2026	16-02-2026	15,695	1 Day	The payment was made with delay due to reconciliation.
FY 24-25	July	15-08-2024	16-08-2024	16,033	1 Day	The payment was made with delay due to reconciliation of records.
	August	15-09-2024	18-09-2024	16,061	3 Days	The payment was made with delay due to reconciliation of records.
FY 23-24	April	15-05-2023	17-05-2023	14,493	2 Days	The payment was made with delay due to reconciliation of records.

Financial Year	Month	Due date of Payment	Actual Date of Payment	Amount Paid (Rs.)	Delay (in days), if any	Reason for Delay
	July	15-08-2023	17-08-2023	16,311	2 Days	The payment was made with delay due to reconciliation of records.
	September	15-10-2023	17-10-2023	16,343	2 Days	The payment was made with delay due to reconciliation of records.
	November	15-12-2023	22-12-2023	16,245	7 Days	The payment was made with delay due to reconciliation of records.

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

TDS Payment

Financial Year	Month	Due date of Payment	Actual Date of Payment	Amount Paid (Rs.)	Delay (in days), if any	Reason for Delay
2025-26	November	07-12-2025	07-01-2026	4,068	31 Days	Due to Reconciliation of Records
	December	07-01-2026	06-03-2026	3,26,001	58 Days	Due to Reconciliation of Records
2024-25	February	07-03-2025	10-03-25	19,125	3 Days	Due to Reconciliation of Records
	March	30-04-2025	04-10-25	324	157 Days	Due to Reconciliation of Records
TDS Return filing						
2023-24	Quarter-1 (Apr-June)	31-07-2023	07-10-2023	NIL	68 Days	Due to Reconciliation of Records

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

TCS Payment

Financial Year	Month	Due date of Payment	Actual Date of Payment	Amount Paid (Rs.)	Delay (in days), if any	Reason for Delay
2024-25	February	07-03-2025	10-03-2026	2,443	3 Days	Due to Reconciliation of Records
2023-24	March	07-04-2024	10-04-2024	10,051	3 Days	Due to Reconciliation of Records
TCS Return Filing						
2023-24	Quarter 4 (Jan-Mar)	15-05-2026	05-06-2026	-	21 Days	Due to Reconciliation of Records

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

GST Payment

GSTIN	FY	Month	Due date	Date of filing	Amount paid (Rs.)	Delay in Days	Reason for Delay
06AAACD7057R1Z5	2024-25	December	20-01-2025	21-01-2025	4,718	1	Due to reconciliation of Records

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

Delay in Filing of GSTR 3B Return

GSTIN	FY	Month	Due date	Date of filing	Delay in Days	Reason for Delay
06AAACD7057R1Z5	2024-25	December	20-01-2025	21-01-2025	7	Due to reconciliation of Records

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

Although the aforesaid delays have been regularised and there are no outstanding material defaults in relation to such matters as of the date of this Draft Red Herring Prospectus, there can be no assurance that regulatory authorities will not initiate proceedings, seek additional information or impose further penalties, interest or other actions in connection with such historical instances of non-compliance.

Further, any future delays in statutory filings, payment of statutory dues or non-compliance with applicable laws and regulations may expose us to penalties, interest, prosecution proceedings, restrictions, additional compliance obligations or other regulatory actions. Such actions may result in increased compliance costs, diversion of management attention and reputational harm.

Our ability to comply with statutory and regulatory requirements depends on the effectiveness of our internal controls, monitoring mechanisms and compliance processes. Any failure in such systems or oversight in monitoring statutory obligations may result in delays or non-compliances.

While we have undertaken measures to strengthen our compliance framework, including assigning responsibility for monitoring statutory obligations and implementing processes to track regulatory due dates and filings, there can be no assurance that instances of delay or non-compliance will not occur in the future.

Any failure to comply with applicable statutory and regulatory requirements, including delays in filing returns or remitting statutory dues, may adversely affect our business, reputation, financial condition, cash flows and results of operations.

9. *There have been certain instances of delayed filings, procedural non-compliances and discrepancies in historical statutory records and filings of our Company. Further, certain historical corporate records and supporting documents are not traceable. Any regulatory action, penalties or liabilities arising from such matters may adversely affect our business, financial condition, reputation, cash flows and results of operations.*

Our Company was incorporated in 1990 and is subject to various filing, reporting, disclosure and record maintenance requirements under the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable) and other applicable laws. During the course of legal and secretarial due diligence undertaken in connection with this Offer, certain instances of delayed filings, procedural non-compliances and deficiencies in historical records were identified.

Pursuant to the secretarial due diligence exercise conducted by M/s. Mahima Khandelwal & Associates, Practising Company Secretaries, certain historical records, statutory filings and supporting documents pertaining to periods governed under the Companies Act, 1956 and the Companies Act, 2013 were found to be unavailable, incomplete or not traceable. Such observations include, inter alia, non-availability of certain historical Forms 2, Forms 32 and Forms 23B and their supporting attachments, non-availability of certain challans and records relating to historical allotments of securities, appointments and resignations of directors, appointments of statutory auditors and other corporate actions. In several cases, while principal forms were available, the underlying supporting documents and attachments could not be traced or independently verified.

Further, certain historical statutory filing related observations were identified, including delay in filing Form ADT-1 relating to appointment of statutory auditors, non-filing of Form ADT-1 in respect of a historical auditor appointment, deficiencies in supporting documentation relating to historical auditor appointments and instances where supporting documents relating to historical corporate actions were either incomplete or unavailable. Additionally, certain historical allotment related documents were observed to be inadequately stamped. Owing to the age of such records and limitations in availability of historical records maintained on the MCA portal, certain corporate actions and statutory compliances undertaken by the Company prior to digitisation of MCA records could not be independently verified.

The following table sets forth certain delayed filings identified during the due diligence exercise:

Sr. No.	Form No.	Particulars	Due Date	Filing Date	Delay (Days)
1	ADT-1	Appointment of Statutory Auditor	October 14, 2019	October 17, 2019	3
2	ADT-1	Appointment of Statutory Auditor due to Casual Vacancy	September 20, 2025	September 30, 2025	10
3	ADT-1	Auditor Appointment approved at AGM held on September 30, 2014	Applicable Due Date	Not Filed	NA

Table: Historical Corporate Records and Supporting Documents Not Traceable

Sr. No.	Form No.	Event / Particulars	Period / Date	Records Not Traceable / Observation
1	Form 2	Allotment of 2,000 Equity Shares	28.05.1990	Form 2 and corresponding list of allottees not traceable.
2	Form 2	Allotment of 2,450 Equity Shares (Rights Issue)	07.04.1992	Supporting attachments and records relating to allotment not traceable.
3	Form 2	Allotment of 7,200 Equity Shares	30.06.1992	Supporting attachments other than Form 2 and list of allottees not traceable.
4	Form 2	Allotment of 7,400 Equity Shares	30.03.1993	Supporting attachments and underlying records not traceable.
5	Form 32	Appointment of First Directors	At Incorporation	Supporting attachments not traceable. Only Form 32 available.
6	Form 32	Resignation of Directors	12.08.1993	Supporting attachments not traceable. Only Form 32 available.
7	Form 32	Appointment of Directors	21.08.1993	Supporting attachments not traceable. Only Form 32 available.

Sr. No.	Form No.	Event / Particulars	Period / Date	Records Not Traceable / Observation
8	Form 32	Appointment of Directors	01.10.1993	Supporting attachments not traceable. Only Form 32 available.
9	Form 32	Appointment of Director	15.04.1997	Supporting attachments not traceable. Only Form 32 available.
10	Form 32	Resignation of Directors	30.06.1997	Supporting attachments not traceable. Only Form 32 available.
11	Form 32	Resignation of Director	24.04.2000	Supporting attachments not traceable. Only Form 32 available.
12	Form 32	Appointment of Directors	01.04.2000	Supporting attachments not traceable. Only Form 32 available.
13	Form 32	Resignation of Director	01.04.2000	Supporting attachments not traceable. Only Form 32 available.
14	Form 32	Appointment of Director	24.10.2003	Supporting attachments not traceable. Only Form 32 available.
15	Form 23B	Auditor Appointment / Re-appointment	FY 1991-92	Form 23B not traceable.
16	Form 23B	Auditor Appointment / Re-appointment	FY 1992-93	Form 23B not traceable.
17	Form 23B	Auditor Appointment	FY 1993-94	Form 23B not traceable.
18	Form 23B	Auditor Re-appointment	FY 1994-95	Form 23B not traceable.
19	Form 23B	Auditor Re-appointment	FY 1995-96	Form 23B not traceable.
20	Form 23B	Auditor Re-appointment	FY 1996-97	Form 23B not traceable.
21	Form 23B	Auditor Re-appointment	FY 1997-98	Form 23B not traceable.
22	Form 23B	Auditor Re-appointment	FY 1998-99	Form 23B not traceable.
23	Form 23B	Auditor Re-appointment	FY 1999-00	Form 23B not traceable.
24	Form 23B	Auditor Appointment	FY 2000-01	Form 23B not traceable.
25	Form 23B	Auditor Re-appointment	FY 2001-02	Form 23B not traceable.
26	Form 23B	Auditor Re-appointment	FY 2002-03	Form 23B not traceable.
27	Form 23B	Auditor Re-appointment	FY 2003-04	Form 23B not traceable.
28	Form 23B	Auditor Re-appointment	FY 2004-05	Form 23B not traceable.
29	Form 23B	Auditor Re-appointment	FY 2005-06	Form 23B not traceable.
30	Form 23B	Auditor Appointment	FY 2006-07	Form 23B not traceable.
31	Form 23B	Auditor Re-appointment	FY 2007-08	Form 23B not traceable.
32	Form 23B	Auditor Re-appointment	FY 2009-10	Form 23B not traceable.
33	Form 23B	Auditor Re-appointment	FY 2010-11	Form 23B not traceable.
34	SH-7 / Form 5	Consolidation of Authorised Capital	25.10.2010	Form not traceable on MCA records. Details derived from minutes and EGM records.
35	Historical ROC Records	Various Corporate Actions prior to MCA digitization	Pre-2006 Period	Certain filings, attachments, challans and supporting documents could not be independently verified despite searches conducted

Sr. No.	Form No.	Event / Particulars	Period / Date	Records Not Traceable / Observation
				through available MCA records and company records.

*Secretarial Due Diligence Report dated June 15, 2026 issued by Mahima Khandelwal & Associates.

Our Company has undertaken corrective measures wherever considered necessary, including obtaining certified copies of available records from the office of the Registrar of Companies, reconstructing records from available statutory registers and corporate documents, filing requisite forms, paying applicable additional filing fees and implementing enhanced compliance monitoring systems and internal controls. Our Company has also strengthened its secretarial and compliance framework through periodic compliance reviews and monitoring mechanisms.

Although, to the best of our knowledge, no show cause notice, adjudication proceeding, penalty order, prosecution or regulatory action has been initiated against our Company in relation to the aforesaid matters as on the date of this Red Herring Prospectus, there can be no assurance that the Registrar of Companies or any other regulatory authority will not review such historical filings, records and compliances, initiate proceedings, seek additional information, impose penalties, levy compounding fees or require corrective actions in the future.

Further, owing to the non-availability of certain historical records and supporting documents, we cannot assure you that all historical filings, approvals and statutory compliances can be independently verified. Any claims, liabilities, penalties, adverse observations, regulatory proceedings or compliance requirements arising from such historical matters may require significant management attention, result in additional expenditure and adversely affect our business, reputation, financial condition, cash flows and results of operations.

Our Board of Directors has taken note of the observations identified during the due diligence process and our Company has instituted additional internal controls and compliance tracking mechanisms to monitor statutory compliances and filings. However, there can be no assurance that similar instances will not occur in the future or that no regulatory action will be initiated in respect of historical matters.

Any penalties, liabilities, adverse observations or regulatory actions arising from delayed filings, procedural non-compliances, discrepancies in statutory records, inability to independently verify historical compliances or non-availability of historical corporate records may adversely affect our business, financial condition, reputation, cash flows and results of operations.

10. Our Company has identified certain historical non-compliances relating to filing of financial statements with the Registrar of Companies and has filed an application for adjudication of penalties before the Registrar of Companies. Any adverse order, penalty, regulatory action or other consequences arising from such proceedings may adversely affect our business, financial condition, reputation, cash flows and results of operations.

Pursuant to an internal compliance review undertaken by our Company, it was observed that while filing Form AOC-4 with the Registrar of Companies for certain financial years, the Cash Flow Statements forming part of the financial statements were inadvertently not attached to the relevant filings. Such omission relates to the financial years 2014-15, 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22. Although the audited balance sheet, statement of profit and loss, auditor's report and other applicable financial statement disclosures were filed with the Registrar of Companies, the Cash Flow Statements for the aforesaid financial years were not attached to the corresponding Form AOC-4 filings due to an inadvertent oversight.

In view of the aforesaid non-compliance, our Company, its promoters and directors have voluntarily filed an application under Section 454 of the Companies Act, 2013 before the Registrar of Companies, Haryana seeking adjudication of penalties for the alleged defaults under Section 137 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014. The Company has submitted before the Registrar of Companies that the omission was unintentional in nature and occurred due to an oversight in the compliance process and that the Cash Flow Statements had been duly prepared and signed by the statutory auditors for the relevant financial years.

As on the date of this Draft Red Herring Prospectus, the adjudication proceedings are pending and no final order has been passed by the adjudicating authority. There can be no assurance that the Registrar of Companies will accept the submissions made by the Company or take a lenient view in the matter. The adjudicating authority may impose penalties on the Company and/or its officers in default, direct additional corrective measures or pass such other orders as may be deemed appropriate under applicable law.

Further, any adverse findings, penalties, regulatory observations or actions arising from the aforesaid proceedings may result in financial liabilities, increased compliance costs, diversion of management time and resources and reputational impact. In addition, any future review by regulatory authorities may result in additional proceedings, observations or compliance requirements in relation to such historical non-compliances.

Accordingly, any penalties, liabilities, adverse orders, regulatory actions or reputational consequences arising from such historical non-compliances may adversely affect our business, financial condition, reputation, cash flows and results of operations.

11. ***We have experienced negative cash flows from operating activities and investing activities in certain fiscal years. Any recurrence of negative cash flows in the future could adversely affect our liquidity, financial condition, cash flows and ability to fund our operations and growth plans.***

Historically, our cash flow generation has been affected by changes in working capital requirements, capital expenditure requirements and other operational factors. We have experienced negative cash flows from operating activities and investing activities during certain periods covered by the Restated Financial Statements.

The following table sets forth our cash flows for the periods indicated:

(₹ in lakhs)

Particulars	For the Financial Year March 31, 2026	For the Financial Year March 31, 2025	For the Financial Year March 31, 2024
Net cash (used in)/ Generated from Operating activities	(231.27)	416.19	(333.91)
Net cash (used in)/ Generated from Investing activities	(499.87)	(225.54)	31.91
Net cash (used in)/ Generated from Finance activities	877.18	(182.67)	304.21
Net increase/ (decrease) in cash and cash equivalents	146.05	7.98	2.21

We recorded negative cash flows from operating activities of ₹231.27 lakhs and ₹333.91 lakhs in Fiscal 2026 and Fiscal 2024, respectively. The negative operating cash flows were primarily attributable to increases in working capital requirements, particularly higher trade receivables, inventory levels and short-term loans and advances. As our business grows, our working capital requirements may continue to increase and may result in pressure on operating cash flows.

Further, we recorded negative cash flows from investing activities of ₹499.87 lakhs and ₹225.54 lakhs in Fiscal 2026 and Fiscal 2025, respectively, primarily on account of capital expenditure incurred towards acquisition of fixed assets, investments and other business requirements. Future capital expenditure requirements may continue to require significant deployment of financial resources.

Negative cash flows may adversely affect our ability to fund working capital requirements, meet debt servicing obligations, undertake capital expenditure, pursue growth opportunities and respond to changing business conditions. If our cash flows from operations are insufficient to meet our liquidity requirements, we may need to obtain additional financing, dispose of assets or defer certain business initiatives. There can be no assurance that such financing will be available on commercially acceptable terms, or at all.

Although our cash and cash equivalents increased to ₹146.05 lakhs as at March 31, 2026 from ₹7.89 lakhs as at March 31, 2025 and ₹2.21 lakhs as at March 31, 2024, there can be no assurance that we will not experience negative cash flows in the future.

Any recurrence of negative cash flows, inability to generate sufficient cash from operations or inability to obtain additional financing when required may adversely affect our business, financial condition, cash flows and results of operations.

12. ***We have entered into related party transactions in the past and may continue to do so in the future. Such transactions may potentially involve conflicts of interest and may not always be in the best interests of our minority shareholders.***

In the ordinary course of our business, we have entered into transactions with certain related parties and may continue to enter into such transactions in the future. These transactions have primarily included remuneration paid to our Directors and Key Managerial Personnel, loans and advances, reimbursement of expenses and other business transactions.

The following table sets forth the aggregate value of related party transactions undertaken by our Company during the periods indicated:

All fig. in Rs. Lakhs otherwise stated

Particulars	For Financial Year ended on March 31,2026	For Financial Year ended on March 31,2025	For Financial Year ended on March 31,2024

Absolute sum of all related party transactions	73.73	51.79	32.75
Revenue from operations	8611.56	5,102.68	3,633.38
Absolute sum of all related party transactions as a percentage of revenue from operations (%)	0.86	1.01	0.90

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

All fig. in Rs. Lakhs otherwise stated

Nature of Transaction	Name of Related Party	Relationship	For Financial Year ended on March 31, 2026	% of Revenue from Operations	For Financial Year ended on March 31, 2025	% of Revenue from Operations	For Financial Year ended on March 31, 2024	% of Revenue from Operations
Managerial Remuneration	Naresh Kumar	Chairman and Managing Director	5.55	0.06	2.40	0.05	2.40	0.07
	Veera Garg	Director	1.62	0.02	2.16	0.04	2.16	0.06
	Parv Gupta	Whole Time Director and CFO	1.40	0.02	-	0.00	-	0.00
	Puja Aggarwal	Company Secretary	0.20	0.00	-	0.00	-	0.00
Sitting Fee	-Pradeep Singh	Independent Director	0.10	0.00	-	0.00	-	0.00
Salary to Relative	Parv Gupta	Relative of Director	5.00	0.06	-	0.00	-	0.00
Reimbursement of Expenses	Parv Gupta	Whole Time Director and Chief Financial Officer	-	0.00	6.05	0.12	-	0.00
Gratuity	Naresh Kumar	Chairman and Managing Director	15.79	0.18	1.26	0.02	1.19	0.03
	Parv Gupta	Whole Time Director and Chief Financial Officer	0.44	0.01	-	0.00	-	0.00
Interest Paid	Naresh Kumar	Chairman and Managing Director	9.22	0.11	8.41	0.16	4.84	0.13
	Gora Lal & Sons	Entities over which KMP's have significant influence or control	-	0.00	-	0.00	1.51	0.04
	Naresh Kumar and Sons HUF	Entities over which KMP's have significant influence or control	12.67	0.15	12.04	0.24	6.27	0.17
	Parv Gupta	Whole Time Director and Chief Financial Officer	5.57	0.06	1.74	0.03	0.88	0.02
	Ritu Garg	Non-Executive Director	3.96	0.05	6.88	0.13	3.60	0.10
	Veera Garg	Director	12.21	0.14	10.85	0.21	9.91	0.27
Total RPT Transactions			73.73	0.86	51.79	1.01	32.75	0.90

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

A summary of related party transactions entered into by our Company during the relevant periods is disclosed in the Restated Financial Information. For further details, see Annexure- XXXII of the Restated Financial Information included in the section titled "Restated Financial Statements" beginning on page 227.

Related party transactions involve inherent risks associated with potential conflicts of interest because the interests of related parties may differ from those of our Company or our public shareholders. Although such transactions may be undertaken for legitimate business purposes, there can be no assurance that all future related party transactions will always be on terms that are as favourable to us as those that could have been obtained from unrelated third parties under similar circumstances.

Further, any future related party transactions may create actual or perceived conflicts of interest among our Promoters, Directors, Key Managerial Personnel, shareholders and other stakeholders. Any dispute arising from such transactions, or any perception that such transactions are not undertaken on an arm's length basis, may adversely affect our reputation and investor confidence.

Our Company has adopted policies and procedures governing related party transactions and, following the listing of our Equity Shares, all related party transactions will be subject to the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, including approvals of the Audit Committee, Board of Directors and shareholders, wherever applicable. However, there can be no assurance that conflicts of interest will not arise in the future or that such transactions, individually or in the aggregate, will not have an adverse effect on our business, financial condition, cash flows and results of operations.

Any actual or perceived conflict of interest arising from related party transactions may adversely affect our business, reputation, financial condition, cash flows and results of operations. For further details, see "Our Promoters and Promoter Group", "Restated Financial Statements" and "Our Management" beginning on pages 221, 227 and 208, respectively.

13. *There have been instances of delays in payments to MSME suppliers in the past. Any continued delay in payments to such suppliers may result in additional liabilities under the MSMED Act and may adversely affect our business, financial condition, cash flows and results of operations.*

We procure raw materials and other goods and services from various suppliers, including suppliers registered as micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"). Pursuant to the provisions of the MSMED Act, delays in payments to eligible MSME suppliers may attract interest liabilities and other consequences prescribed under applicable law.

The following table sets forth details of outstanding dues payable to MSME suppliers during the periods indicated:
Outstanding Dues to MSME Suppliers

(₹ in lakhs)	
Particulars	As at March 31, 2026
Principal Amount Remaining Unpaid	200.60
Interest Accrued and Remaining Unpaid	25.47

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

The existence of outstanding dues to MSME suppliers may expose us to interest liabilities under the MSMED Act and may result in increased finance costs and working capital requirements. Any increase in such outstanding dues or any delay in settlement thereof may adversely affect our liquidity and cash flows.

Further, any delay in making payments to MSME suppliers may adversely affect our business relationships with such suppliers and could result in stricter credit terms, reduction or withdrawal of credit facilities, suspension of supplies, lower supplier confidence or disruption in the procurement of raw materials and other inputs required for our operations. Any disruption in the supply of raw materials may adversely affect our manufacturing activities, production schedules and ability to fulfil customer orders in a timely manner.

In addition, any non-compliance with payment obligations under the MSMED Act may expose us to claims, disputes, legal proceedings, regulatory scrutiny or other actions by suppliers or governmental authorities. Such actions may result in additional costs, diversion of management resources and reputational harm.

Our ability to effectively manage working capital and maintain timely payments to suppliers is important to the continuity of our operations. Although we endeavour to comply with payment obligations within the timelines prescribed under applicable laws and agreed commercial terms, there can be no assurance that delays in payments to MSME suppliers will not occur in the future.

Any continued delay in payments to MSME suppliers, increase in outstanding dues, imposition of interest liabilities or adverse action under the MSMED Act may adversely affect our business, financial condition, cash flows and results of operations.

14. *Our insurance coverage may not be adequate to protect us against all losses that may arise in the course of our business. Any uninsured or underinsured loss may adversely affect our business, financial condition, cash flows and results of operations.*

We maintain insurance policies for certain risks associated with our business and operations, including insurance coverage relating to our manufacturing facilities, plant and machinery, inventories, buildings and vehicles. As on the date of this Draft Red Herring Prospectus, the aggregate sum insured under our existing insurance policies is approximately ₹3,817.13 lakhs. Such insurance coverage is intended to mitigate the financial impact of certain operational risks. However, there can be no assurance that our insurance policies will adequately cover all losses, liabilities, damages or interruptions that may arise in connection with our operations.

The following table sets forth details of our insurance policies as on the date of this Draft Red Herring Prospectus:

Sr. No.	Assets Covered	Insurance Company	Policy Period	Nature of Policy	Sum Insured (₹)
1	Stock, Building and Plant & Machinery	The New India Assurance Company Limited	June 13, 2026 to June 12, 2027	New India Bharat Flexi Laghu Udyam Suraksha Policy	38,00,00,000
2	Toyota Fortuner (HR-06-AN-0007)	Bajaj Allianz General Insurance Company Limited	April 8, 2026 to April 7, 2027	Private Car Package Policy	14,12,100
3	Maruti Swift (HR-70-D-2267)	The New India Assurance Company Limited	October 27, 2025 to October 26, 2026	Private Car Package Policy	2,33,685
4	Honda Activa (HR-05-BN-0007)	The New India Assurance Company Limited	August 8, 2025 to August 7, 2026	Standalone Motor Own Damage Policy	67,014
Total Insurance Coverage					38,17,12,799

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

Our insurance policies are subject to exclusions, deductibles, limitations, policy conditions and coverage thresholds. Accordingly, certain losses, liabilities, damages, consequential losses or business interruptions may not be covered by our insurance policies or the amount recoverable under such policies may be insufficient to compensate us for the full extent of any loss incurred.

Further, the aggregate insurance coverage maintained by us may not be sufficient to cover the replacement value of all our assets, inventories, facilities, machinery and equipment or the losses arising from significant operational disruptions. Any major loss arising from fire, explosion, machinery breakdown, natural calamities, theft, industrial accidents, damage to inventories, interruption of production or other unforeseen events may exceed the limits available under our insurance policies.

There can also be no assurance that claims made under our insurance policies will be accepted, settled in full or settled within a reasonable period of time. Any dispute with insurers, delay in claim settlement, repudiation of claims or insufficiency of insurance proceeds may require us to bear a portion or the entirety of such losses from our own resources.

In addition, our insurance policies are subject to periodic renewal. We may not be able to renew our existing insurance policies on commercially acceptable terms or obtain additional insurance coverage at reasonable costs in the future. Any increase in insurance premiums may also increase our operating costs.

Any significant uninsured or underinsured loss, inability to recover insurance claims, insufficiency of insurance coverage or inability to maintain adequate insurance coverage in the future may adversely affect our business operations, financial condition, cash flows and results of operations.

15. Our profitability and profit margins have improved significantly during the Track Record Period. There can be no assurance that we will be able to sustain our current levels of profitability or profit margins in future periods.

Our financial performance has improved significantly during the Track Record Period. In particular, our Profit After Tax ("PAT") increased from ₹72.19 lakhs in Fiscal 2024 to ₹1,044.34 lakhs in Fiscal 2026, while our PAT margin improved from 1.99% in Fiscal 2024 to 12.13% in Fiscal 2026. The growth in profitability was accompanied by an increase in our revenue from operations from ₹3,633.38 lakhs in Fiscal 2024 to ₹8,611.56 lakhs in Fiscal 2026.

The improvement in our profitability during the Track Record Period has been influenced by several factors, including growth in revenue from operations, improved capacity utilisation of our manufacturing facilities, operating efficiencies, favourable product mix, procurement efficiencies, economies of scale and other business and market factors. However, there can be no assurance that these factors will continue in future periods or continue at the same levels as experienced during the Track Record Period.

Our future profitability remains subject to various risks and uncertainties, many of which are beyond our control, including fluctuations in raw material prices, availability and pricing of recycled fibre and yarn, changes in customer demand, competitive pricing pressures, employee costs, power and fuel costs, transportation expenses, finance costs, changes in product mix, capacity utilisation levels, regulatory developments and general economic and industry conditions. Any adverse change in one or more of these factors may adversely affect our revenues, margins and profitability.

Further, certain benefits derived from improved operating leverage, favourable market conditions, procurement efficiencies and enhanced production efficiencies during the Track Record Period may not continue in future periods. As we continue to expand our operations and implement our growth strategies, we may incur additional costs relating to manufacturing expansion,

working capital requirements, employee costs, compliance obligations, marketing initiatives and other operational expenses, which may adversely affect our profitability and operating margins.

Our historical financial performance may not be indicative of our future results and investors should not place undue reliance on our historical profitability levels or margins as indicators of future financial performance. Any inability to sustain our current profitability levels, maintain our margins or generate future profits comparable to those achieved during the Track Record Period may adversely affect our business, financial condition, cash flows and results of operations.

16. Our business is working capital intensive and requires significant funding for inventory, receivables and day-to-day operations. Any inability to adequately fund our working capital requirements may adversely affect our business, financial condition, cash flows and results of operations.

Our business requires substantial working capital primarily for procurement of raw materials, maintenance of inventory, funding trade receivables and meeting operational expenses. The level of working capital required by us is influenced by several factors, including the scale of our operations, procurement cycles, inventory requirements, customer credit terms, collection efficiency and overall business growth.

The following table sets forth certain working capital related information as of the dates indicated:

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Current Assets			
Inventories	1,997.23	1,800.58	1,764.93
Trade Receivables	2,094.14	264.06	134.92
Short-term Loans and Advances	217.70	3.27	47.09
Other Current Assets	12.94	1.62	1.14
Total Current Assets (A)	4,322.10	2,069.53	1,948.08
Current Liability			
Trade Payables	250.24	21.34	24.29
Other Current Liabilities	170.72	54.77	107.45
Short-term Provisions	337.02	73.26	9.74
Total Current Liabilities (B)	757.98	149.37	141.48
Net Working Capital (A-B)	3,564.03	1,920.16	1,806.60

As reflected above, our net working capital increased from ₹1,806.60 lakhs as at March 31, 2024 to ₹3,564.04 lakhs as at March 31, 2026. Further, net working capital represented a significant portion of our operating scale during the Track Record Period. The increase in our working capital requirements has primarily been driven by higher inventory levels and a substantial increase in trade receivables in line with the growth of our business.

Our working capital requirements have increased in line with the expansion of our operations. In particular, trade receivables increased from ₹134.92 lakhs as at March 31, 2024 to ₹2,094.14 lakhs as at March 31, 2026, while inventories increased from ₹1,764.93 lakhs to ₹1,997.23 lakhs during the same period. Any further increase in receivables, inventory levels or procurement requirements may result in additional working capital requirements.

We finance our working capital requirements through a combination of internal accruals and borrowings from banks and financial institutions. Any reduction in the availability of working capital facilities, withdrawal of banking lines, tightening of credit terms by lenders or increase in borrowing costs may adversely affect our liquidity and ability to fund our operations and growth plans.

Further, delays in collection of receivables, slower inventory turnover, increase in raw material prices, extension of credit periods to customers, reduction in customer demand or any adverse changes in market conditions may increase our working capital requirements and place pressure on our cash flows.

As reflected in our Restated Financial Statements, we have experienced negative cash flows from operating activities in certain fiscal years. Any deterioration in our working capital cycle or inability to efficiently manage receivables, inventories and payables may adversely affect our liquidity position and increase our dependence on external financing.

There can be no assurance that adequate working capital financing will continue to be available to us on commercially acceptable terms, or at all. Any inability to meet our working capital requirements, service our debt obligations or obtain additional financing when required may adversely affect our business operations, financial condition, cash flows and results of operations.

17. Our manufacturing operations are dependent on the efficient functioning of our manufacturing facilities and machinery. Any disruption in manufacturing operations, inability to maintain optimal capacity utilization, delay in implementation of our proposed capacity expansion plans or under- utilization of manufacturing capacity may adversely affect our business, financial condition, cash flows and results of operations.

Our business is dependent on the efficient functioning of our manufacturing facilities, production processes and machinery. Any breakdown, malfunction, damage to, or prolonged shutdown of critical machinery or manufacturing equipment may disrupt production schedules, delay customer deliveries, increase repair and maintenance costs and adversely affect our ability to meet customer requirements.

The following table sets forth our installed capacity, actual production and capacity utilisation for the periods indicated:

Manufacturing Capacity and Capacity Utilisation – Mink Blankets / Cloudy Blankets / Semi-Cloudy Blankets

(Lakh KG, unless otherwise stated)

Particulars	For Financial Year ended on March 31,2026	For Financial Year ended on March 31,2025	For Financial Year ended on March 31,2024
Installed Capacity	18.15	18.15	18.15
Actual Production	16.52	10.87	12.58
Capacity Utilisation (%)	91.00	59.90	69.30

As Certified by Santosh Ramlakhan Jaiswar, Chartered Engineer (Membership No. 77571, Institution of Engineers (India); Registration No. PE/00034/23, Engineering Council of India), associated with SRJ Certification Services Private Limited, vide certificate dated June 02, 2026.

Manufacturing Capacity and Capacity Utilisation – Shoddy Woollen Yarn

(Lakh KG, unless otherwise stated)

Particulars	For Financial Year ended on March 31,2026	For Financial Year ended on March 31,2025	For Financial Year ended on March 31,2024
Installed Capacity	8.58	8.58	8.58
Actual Production	3.08	2.95	4.64
Capacity Utilisation (%)	35.90	34.30	54.00

As Certified by Santosh Ramlakhan Jaiswar, Chartered Engineer (Membership No. 77571, Institution of Engineers (India); Registration No. PE/00034/23, Engineering Council of India), associated with SRJ Certification Services Private Limited, vide certificate dated June 02, 2026.

The information relating to installed capacity has been derived from our internal records and the installed capacity has been certified by an independent Chartered Engineer. However, actual production and capacity utilisation levels may vary from period to period due to factors beyond our control, including changes in market demand, availability of raw materials, labour availability, equipment downtime, maintenance requirements, supply chain disruptions and other operational factors.

As reflected in the table above, capacity utilisation of our blanket manufacturing facilities increased to 91.0% in Fiscal 2026 from 59.9% in Fiscal 2025 and 69.3% in Fiscal 2024. The high level of utilisation achieved during Fiscal 2026 indicates that our existing blanket manufacturing facilities are operating near optimal levels. Consequently, our ability to sustain future growth and meet increasing customer demand may depend, in part, upon our ability to enhance operational efficiencies and undertake capacity expansion in a timely manner.

We intend to augment our manufacturing capacity through the expansion plans described in the chapter titled "Objects of the Offer" beginning on page 104. However, there can be no assurance that such expansion will be completed within the anticipated timelines, within budgeted costs or that it will achieve the intended operational and financial benefits. Any delay in implementation of the proposed expansion project, cost overruns, regulatory approvals, delays in procurement and installation of machinery, shortage of skilled manpower or other unforeseen circumstances may adversely affect our ability to cater to future demand and may constrain our growth prospects. Further, if demand for our products increases beyond the capacity of our existing facilities before the proposed expansion becomes operational, we may be unable to fulfil customer requirements in a timely manner, which may adversely affect customer relationships, revenue growth and profitability.

At the same time, utilisation levels of certain manufacturing facilities, including those relating to shoddy woollen yarn, have remained below installed capacity during the Track Record Period. Any inability to improve utilisation levels of such facilities may result in lower operational efficiencies, higher per-unit production costs, lower absorption of fixed overheads and sub-optimal returns on invested capital.

Further, our manufacturing facilities require periodic maintenance, repairs and replacement of machinery and equipment. Any unexpected equipment failure, accident, fire, power interruption, natural calamity, labour disruption or other event affecting our manufacturing facilities may result in temporary or prolonged production interruptions. Such disruptions may adversely affect our ability to fulfil customer orders on time, maintain customer relationships and generate revenue.

Accordingly, any disruption in manufacturing operations, inability to maintain operational efficiency, significant machinery breakdowns, delay in implementation of proposed capacity expansion plans or failure to effectively utilise existing and proposed manufacturing capacity may adversely affect our business, financial condition, cash flows and results of operations. For further details, see "Our Business", "Objects of the Offer" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 168, 104 and 282, respectively.

18. Our manufacturing operations are concentrated at a single manufacturing facility located in Karnal, Haryana. Any disruption, shutdown, damage to or reduced operations at this facility may adversely affect our business, financial condition, cash flows and results of operations.

Our manufacturing operations are primarily conducted at our manufacturing facility located at Karnal, Haryana. Consequently, our ability to manufacture products, fulfil customer orders and generate revenues is substantially dependent on the continued and efficient operation of this facility.

The manufacturing facility is exposed to various operational and external risks, including fire, equipment breakdown, machinery failure, power outages, industrial accidents, labour disruptions, shortage of raw materials, transportation disruptions, natural calamities, extreme weather conditions, pandemics and other unforeseen events beyond our control. The occurrence of any such event may result in temporary or prolonged interruption of manufacturing activities, damage to inventories, plant and machinery, delays in deliveries, increased operating costs and loss of business opportunities.

On October 4, 2025, a fire incident occurred at our manufacturing facility, resulting in loss of inventory aggregating to ₹67.77 lakhs and damage to machinery aggregating to ₹2.60 lakhs. Although the affected operations were subsequently restored and the incident did not have a material adverse impact on our overall operations, the occurrence of such an incident demonstrates the operational risks associated with concentration of manufacturing activities at a single location.

Further, since our manufacturing operations are concentrated at one facility, any significant disruption or shutdown may adversely affect our ability to meet customer requirements on a timely basis and may result in loss of customers, cancellation or postponement of orders, contractual claims, reputational harm and reduced revenues.

While we maintain insurance coverage for certain operational risks and undertake periodic maintenance and safety measures at our facility, there can be no assurance that such measures will be adequate to prevent or mitigate all losses arising from operational disruptions. Any uninsured or underinsured loss may require us to incur significant expenditure for repair, replacement or restoration of assets.

In addition, any delay in restoration of operations following a disruption, inability to relocate production, shortage of alternative manufacturing arrangements or inability to implement business continuity measures effectively may adversely affect our production capabilities, customer relationships, profitability, growth prospects, financial condition and results of operations. Accordingly, any disruption, shutdown, damage to or reduced operations at our manufacturing facility in Karnal may adversely affect our business, financial condition, cash flows and results of operations.

19. We have incurred significant indebtedness and are subject to restrictive covenants under our financing arrangements. Any inability to service our debt obligations, comply with financing covenants or obtain additional financing may adversely affect our business, financial condition, cash flows and results of operations.

Our business has historically been financed through a combination of internal accruals and borrowings from banks and financial institutions. As a result, we have incurred indebtedness and are required to utilise a portion of our cash flows towards repayment of principal amounts, payment of interest and other obligations under our financing arrangements. This may reduce the funds available for working capital requirements, capital expenditure, business expansion and other general corporate purposes.

The following table sets forth our outstanding borrowings for the periods indicated:

(₹ in lakhs)

Particulars	For Financial Year ended on March 31, 2026	For Financial Year ended on March 31, 2025	For Financial Year ended on March 31, 2024
Total Borrowings	3,255.29	2,144.88	2,119.01

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

Our financing arrangements contain various affirmative and negative covenants that require us to comply with specified financial and operational conditions and, in certain circumstances, obtain prior consent of lenders before undertaking specified actions. Such restrictions may relate to, among other things, incurrence of additional indebtedness, creation of security interests, undertaking certain corporate actions, disposal of assets, changes in capital structure and entering into specified transactions.

Any failure to comply with the terms and conditions of our financing arrangements, including financial covenants and reporting obligations, may result in an event of default. Upon the occurrence of an event of default, our lenders may, among other things, accelerate repayment obligations, cancel available credit facilities, enforce security interests created over our assets or exercise other rights available under the relevant financing documents. Any such action may adversely affect our liquidity, financial condition and ability to continue our operations.

Further, our borrowings expose us to interest rate risk. Any increase in interest rates or borrowing costs may increase our finance expenses and adversely affect our profitability and cash flows. In addition, our ability to refinance existing borrowings, renew working capital facilities or obtain additional financing may be affected by our financial performance, lender policies, prevailing market conditions and other factors beyond our control.

Certain credit facilities availed by our Company are secured by personal guarantees provided by our Promoters and may also be secured by charges over certain assets of our Company. If such guarantees are withdrawn, become unenforceable or are otherwise unavailable, or if additional security is required by lenders, our ability to obtain or maintain financing on existing terms may be adversely affected.

Further, a portion of the Net Proceeds is proposed to be utilised towards repayment and/or prepayment of certain borrowings. While such repayment is expected to reduce our indebtedness, there can be no assurance that it will eliminate our future financing requirements or reduce our dependence on external borrowings.

Any inability to service our debt obligations, comply with financing covenants, refinance existing borrowings or obtain additional financing on commercially acceptable terms may adversely affect our business, financial condition, cash flows and results of operations.

20. Our Company has historically relied on debt financing and has maintained a relatively high level of leverage. Any increase in our indebtedness or inability to effectively manage our leverage may adversely affect our financial flexibility, business, financial condition and results of operations.

Our business has historically been financed through a combination of internal accruals and borrowings from banks and financial institutions. As a result, we have maintained a relatively high level of leverage during the Track Record Period. The extent of our indebtedness may affect our ability to fund future growth initiatives, withstand adverse economic conditions and respond to changing business requirements.

The following table sets forth our debt position and debt-to-equity ratio for the periods indicated:

(₹ in lakhs, unless otherwise stated)

Particulars	For Financial Year ended on March 31,2026	For Financial Year ended on March 31,2025	For Financial Year ended on March 31,2024
Total Debt	3,255.29	2,144.88	2,119.01
Total Equity	1,657.12	612.78	375.38
Debt-to-Equity Ratio (times)	1.96	3.50	5.64

As reflected above, our debt-to-equity ratio was 5.64 times in Fiscal 2024 and 3.50 times in Fiscal 2025 before declining to 1.96 times in Fiscal 2026. Although our leverage profile has improved during the Track Record Period, we continue to maintain a significant level of indebtedness relative to our equity base.

A higher level of leverage may reduce our financial flexibility and limit our ability to obtain additional financing for working capital requirements, capital expenditure, business expansion, acquisitions or other strategic initiatives. Further, a significant portion of our cash flows may be required to support debt servicing requirements, thereby reducing funds available for operational and growth-related activities.

Our leverage position may also increase our exposure to adverse business and economic conditions, fluctuations in interest rates, tightening of credit markets and changes in lending policies of financial institutions. In addition, any future borrowings undertaken to fund working capital requirements, capacity expansion plans or other business requirements may further increase our leverage levels.

While a portion of the Net Proceeds is proposed to be utilised towards repayment and/or prepayment of certain borrowings, there can be no assurance that our indebtedness will not increase in the future or that we will be able to maintain our current leverage levels.

Accordingly, any significant increase in our indebtedness, deterioration in our capital structure or inability to effectively manage our leverage may adversely affect our financial flexibility, business, financial condition, cash flows and results of operations.

21. Our ability to sustain and grow our business depends on our ability to attract new customers, retain existing customers and generate repeat orders. Any inability to do so may adversely affect our business, revenues, profitability, financial condition, cash flows and growth prospects.

The growth and sustainability of our business depend on our ability to maintain relationships with existing customers, generate repeat business and continuously expand our customer base. Our ability to attract and retain customers is influenced by several factors, including product quality, pricing, timely delivery, customer service, market reputation, product availability and our ability to meet evolving customer requirements.

We operate in a competitive industry and face competition from organized and unorganized manufacturers and suppliers of blankets and home textile products. Customers may choose to procure products from our competitors based on factors such as pricing, product quality, delivery timelines, product range, credit terms and customer relationships. Any inability on our part to effectively compete may adversely affect our ability to attract new customers and retain existing customers.

Further, our customers are generally not bound by long-term purchase commitments and may reduce, postpone or discontinue purchases at their discretion. As a result, we are dependent on repeat orders and continued customer relationships to sustain and grow our revenues. Customer retention may be affected by various factors, including customer satisfaction levels, pricing pressures, changes in customer preferences, financial condition of customers, competitive actions and overall market conditions.

Our future growth also depends on our ability to expand our presence in existing markets and penetrate new geographic markets and customer segments. There can be no assurance that our efforts to acquire new customers or expand into new markets will be successful or that new customers will generate business volumes comparable to those of our existing customers.

In addition, customer acquisition and retention require continued investments in sales, marketing, distribution and relationship management activities. There can be no assurance that such investments will generate the expected level of customer additions, repeat orders or revenues. If our customer acquisition costs increase or if we are unable to recover such costs through increased sales, our profitability may be adversely affected. Any inability to attract new customers, retain existing customers or generate repeat orders may adversely affect our revenues, profitability, business growth, financial condition, cash flows and results of operations.

22. Our contingent liabilities and capital commitments may require significant financial resources and could adversely affect our liquidity, cash flows, financial condition and results of operations.

As part of our business operations, we may from time to time incur contingent liabilities and enter into commitments for capital expenditure. Although contingent liabilities do not represent actual obligations as of the date of the Restated Financial Statements, they may crystallize upon the occurrence of certain events and require us to incur financial obligations. Similarly, capital commitments represent future obligations that may require deployment of significant financial resources.

The following table sets forth our contingent liabilities and capital commitments for the periods indicated:

(₹ in lakhs)

Particulars	For Financial Year ended on March 31,2026	For Financial Year ended on March 31,2025	For Financial Year ended on March 31,2024
Contingent Liabilities	6.93	6.93	6.93
Capital Commitments	196.70	641.75	Nil

As at March 31, 2026, our contingent liabilities aggregated ₹6.93 lakhs and primarily comprised bank guarantees issued in the ordinary course of business. Further, as at March 31, 2026, our capital commitments aggregated ₹196.70 lakhs. The fulfilment of such commitments may require us to utilise cash flows generated from operations, internal accruals, borrowings or other financing sources.

Any crystallisation of contingent liabilities may result in additional financial obligations and could adversely affect our profitability, liquidity and cash flows. Further, there can be no assurance that our existing capital commitments will not increase in the future as a result of business expansion plans, procurement of plant and machinery, infrastructure development or other operational requirements.

In addition, our ability to meet such commitments depends on the availability of adequate financial resources, including cash flows from operations and access to external financing. Any inability to generate sufficient cash flows or arrange additional funding on commercially acceptable terms may adversely affect our ability to meet such obligations.

There can be no assurance that our contingent liabilities will not materialise or that our future capital expenditure requirements will not exceed current estimates. Any significant increase in contingent liabilities, crystallisation of such liabilities or inability to meet our capital commitments may adversely affect our business, financial condition, cash flows and results of operations.

23. *Our manufacturing operations depend on the uninterrupted availability of electricity and other utilities. Any disruption in the supply of such utilities or increase in utility costs may adversely affect our business, financial condition, cash flows and results of operations.*

Our manufacturing operations are dependent on the continuous and reliable supply of electricity and other utilities required for operating machinery, production processes, warehousing and other operational activities. Any interruption, shortage or disruption in the supply of electricity or other utilities may adversely affect our ability to operate our manufacturing facility efficiently and meet customer requirements in a timely manner.

The supply of electricity and other utilities is subject to various factors beyond our control, including power outages, transmission failures, infrastructure constraints, natural calamities, accidents, regulatory changes, shortages in fuel supply and disruptions in the utility distribution network. Any such disruption may result in temporary suspension of production activities, lower operational efficiency, delay in execution of customer orders and increased operating costs.

The following table sets forth our power and fuel expenses during the periods indicated:

(₹ in lakhs)

Particulars	For Financial Year ended on March 31,2026	For Financial Year ended on March 31,2025	For Financial Year ended on March 31,2024
Power and Fuel Expenses	244.52	196.56	232.79

Power and fuel expenses constitute an important component of our manufacturing costs. Any significant increase in electricity tariffs, fuel prices or other utility charges may increase our operating expenses and adversely affect our profitability, particularly if we are unable to pass on such increased costs to our customers.

Further, prolonged disruptions in utility supply may lead to under-utilisation of manufacturing capacity, production losses, delays in delivery schedules and potential loss of business opportunities. Such disruptions may also require us to incur additional expenditure on alternative power sources or other contingency arrangements.

Although we have not experienced any material disruption in the supply of electricity or other utilities during the Track Record Period, there can be no assurance that such disruptions or significant cost increases will not occur in the future. Any interruption in utility supply or increase in utility costs may adversely affect our production schedules, operational efficiency, profitability, cash flows, financial condition and results of operations.

24. *We do not own the premises in which our warehouse is located and any termination, non-renewal or disruption of our lease arrangement may adversely affect our warehousing operations, inventory management, business and results of operations.*

Our warehouse facility is located on premises occupied by our Company pursuant to a lease arrangement. We do not own such premises and our continued use and occupation thereof is dependent upon the validity, continuation and renewal of the applicable lease arrangement.

Upon expiry of the lease term, there can be no assurance that the lease will be renewed on commercially acceptable terms, or at all. Further, the lease arrangement may be terminated in accordance with its terms or may become subject to disputes, litigation, regulatory actions or other events beyond our control.

Any termination, non-renewal, interruption or impairment of our right to use the warehouse premises may require us to identify and relocate to an alternate facility. Such relocation may involve substantial time and costs and may result in operational disruptions, interruption in inventory management activities, delays in dispatches and deliveries, temporary reduction in storage capacity, loss or damage to inventory and diversion of management attention.

Further, there can be no assurance that suitable alternative premises will be available on commercially acceptable terms or within the required timeframe. Any inability to secure alternative warehousing facilities may adversely affect our ability to store, manage and distribute inventory efficiently.

Accordingly, any termination, non-renewal or disruption of our lease arrangement may adversely affect our business operations, financial condition, cash flows and results of operations.

25. *We operate in a highly competitive and fragmented industry and any inability to effectively compete may adversely affect our business, market share, profitability and growth prospects.*

The blanket and home furnishing industry in which we operate is highly competitive and fragmented, comprising both organized and unorganized manufacturers, traders and distributors. We compete with various participants on factors including product quality, pricing, product range, customer relationships, delivery timelines, credit terms, brand recognition and customer service.

Competitive pressures may increase due to entry of new participants, expansion by existing competitors, technological advancements, changes in customer preferences, consolidation within the industry or pricing strategies adopted by competitors. Certain competitors may possess greater financial resources, larger manufacturing capacities, stronger distribution networks, established brands or greater market presence than us.

Any inability on our part to maintain product quality, competitive pricing, timely delivery schedules or customer relationships may result in loss of customers, reduction in sales volumes, decline in market share and pressure on margins. Further, competitors may introduce products with improved features, designs or pricing structures which may adversely affect demand for our products.

There can be no assurance that we will be able to effectively compete with existing or future competitors or maintain our current competitive position in the industry. Any inability to effectively compete may adversely affect our business, financial condition, cash flows and results of operations.

26. *Our business is subject to various approvals, licenses, registrations and permits and any failure to obtain, renew, maintain or comply with the conditions thereof may adversely affect our operations and financial condition.*

Our business operations are subject to various central, state and local laws and regulations. Accordingly, we are required to obtain and maintain certain approvals, licenses, registrations, permits and consents from governmental and regulatory authorities in connection with our manufacturing and business operations.

Certain approvals are required to be renewed periodically and remain subject to compliance with applicable laws and conditions imposed by the relevant authorities. Any delay in obtaining, renewing or maintaining such approvals may result in interruption of operations, penalties, fines, suspension of activities or other regulatory actions.

Further, regulatory authorities may modify the terms of existing approvals, impose additional conditions, require further approvals or amend applicable laws and regulations. Compliance with such requirements may involve additional costs, management attention and operational changes.

While we believe that we possess the material approvals required for our present operations, there can be no assurance that future approvals required for expansion plans, increased production capacity or other business initiatives will be granted within the anticipated timelines or at all.

Any failure to obtain, renew, maintain or comply with applicable approvals, licenses, registrations or permits may adversely affect our business, financial condition, cash flows and results of operations.

27. *Potential conflicts of interest may arise between our Company and certain Promoter Group entities engaged in similar or related business activities.*

Certain entities forming part of our Promoter Group have objects in their constitutional documents that permit them to undertake activities which may be similar or related to certain aspects of our business operations. Consequently, potential conflicts of interest may arise in relation to business opportunities, allocation of resources, strategic decisions, customer relationships and commercial arrangements.

Further, our Promoters may devote time, attention and resources to other entities in which they have ownership or management interests. In circumstances where business opportunities are available to both our Company and such entities, conflicts may arise regarding the allocation of such opportunities.

Although our Company has adopted corporate governance measures and has entered into arrangements intended to mitigate potential conflicts, there can be no assurance that actual or perceived conflicts of interest will not arise in the future.

Any conflict of interest involving our Promoters, Directors or Promoter Group entities may adversely affect decision-making, corporate governance standards, investor confidence and our business, financial condition, cash flows and results of operations.

28. *Our Promoters will continue to exercise significant control over our Company after the Offer and may influence matters requiring shareholder approval.*

Upon completion of the Offer, our Promoters will continue to hold a substantial portion of our Equity Share capital and will be in a position to exercise significant influence over matters requiring shareholder approval.

As a result, our Promoters may influence decisions relating to the appointment and removal of directors, approval of mergers, acquisitions, corporate restructurings, raising of capital, declaration of dividends, amendment of constitutional documents and other significant corporate actions.

The interests of our Promoters may differ from those of other shareholders. Accordingly, actions taken by our Promoters may not always be aligned with the interests of minority shareholders.

The concentration of ownership among our Promoters may also delay, deter or prevent a change in control of our Company that other shareholders may consider beneficial.

Accordingly, the significant influence exercised by our Promoters may adversely affect the interests of our public shareholders and the market price of our Equity Shares.

29. Our business is dependent on the continued services, experience and industry relationships of our Promoters, Directors, Key Managerial Personnel and Senior Management Personnel.

Our success is substantially dependent upon the continued services, experience, industry knowledge and business relationships of our Promoters, Directors, Key Managerial Personnel and Senior Management Personnel.

Our Promoters have played a significant role in developing our business, establishing customer and supplier relationships, formulating business strategies and overseeing day-to-day operations. The loss of services of any of our Promoters or key management personnel could adversely affect our operations and strategic initiatives.

Further, competition for experienced management personnel remains intense. We may not be able to attract, retain or replace qualified personnel on commercially acceptable terms or within a reasonable timeframe.

Any inability to retain key personnel, manage succession planning or recruit qualified replacements may adversely affect our operational efficiency, customer relationships, business continuity, growth plans and profitability.

Accordingly, the loss of services of our Promoters, Directors, Key Managerial Personnel, Senior Management Personnel or other key employees may adversely affect our business, financial condition, cash flows and results of operations.

30. Any failure to maintain effective internal financial controls, compliance systems and operational controls may adversely affect our business, financial reporting and reputation.

Our business operations require effective internal controls, financial reporting systems, compliance procedures and operational monitoring mechanisms. Such controls are designed to ensure accuracy of financial reporting, compliance with applicable laws and safeguarding of assets.

As our business grows, our internal control systems may become increasingly complex and may require continuous strengthening and monitoring. Internal controls are subject to inherent limitations, including human error, management override, fraud, system failures and lapses in judgment.

Any deficiency in our internal control systems may result in inaccurate financial reporting, failure to comply with regulatory requirements, loss of assets, fraud, operational inefficiencies or reputational harm.

Further, any material weakness identified in our internal controls may adversely affect investor confidence, result in regulatory scrutiny and adversely affect the trading price of our Equity Shares.

Accordingly, any failure to maintain effective internal controls may adversely affect our business, financial condition, cash flows and results of operations.

31. We are dependent on third-party logistics and transportation service providers and any disruption in their services may adversely affect our business and operations.

We rely on third-party logistics and transportation service providers for procurement of raw materials and delivery of finished products to our customers.

Our logistics requirements are subject to risks associated with transportation delays, accidents, labour disruptions, fuel price increases, infrastructure constraints, port congestion, weather-related disruptions, regulatory restrictions and other events beyond our control.

Further, we generally do not maintain long-term arrangements with logistics service providers and may be exposed to fluctuations in transportation costs and service availability.

Any interruption or deterioration in logistics services may result in delays in procurement of raw materials, disruption in production schedules, delayed deliveries, increased operating costs, customer dissatisfaction and loss of business opportunities.

There can be no assurance that alternative transportation arrangements will be available on commercially acceptable terms or within the required timeframe. Accordingly, any disruption in logistics and transportation services may adversely affect our business, financial condition, cash flows and results of operations.

32. *Our business may be adversely affected by fraud, theft, employee misconduct, operational lapses, cybersecurity incidents or other similar events.*

Our operations depend upon the integrity and performance of our employees, personnel, systems and operational processes. We may be exposed to risks arising from employee misconduct, fraud, theft, embezzlement, unauthorized transactions, negligence, operational errors and other irregularities.

Further, our information technology systems may be vulnerable to cybersecurity incidents including hacking, malware attacks, ransomware attacks, unauthorized access, data breaches and other malicious activities.

Such incidents may result in financial loss, disruption of operations, theft or compromise of confidential information, regulatory investigations, legal liabilities and reputational harm.

Although we have implemented various controls and monitoring procedures, such measures may not always be effective in preventing or detecting misconduct, fraud or cybersecurity incidents.

Any material fraud, theft, employee misconduct, operational lapse or cybersecurity incident may adversely affect our business, reputation, financial condition, cash flows and results of operations.

33. *Our future growth and profitability depend upon successful implementation of our business strategies and expansion plans.*

Our future growth depends upon our ability to successfully execute our business strategies, including expansion of manufacturing capacity, enhancement of operational efficiencies, strengthening customer relationships, diversification of products and implementation of growth initiatives.

The successful execution of such strategies involves various risks, including changes in market conditions, customer demand, competitive pressures, regulatory developments, availability of financing, supply chain disruptions and operational challenges.

Further, our expansion plans may require significant capital expenditure, management attention and operational resources. There can be no assurance that such initiatives will be implemented within the anticipated timelines, budgets or expected performance parameters.

If we are unable to effectively execute our business strategies or if such strategies fail to generate the anticipated benefits, our growth prospects, profitability and competitive position may be adversely affected.

Accordingly, any failure in implementing our business strategies and expansion plans may adversely affect our business, financial condition, cash flows and results of operations.

34. *Any failure to adequately protect our intellectual property rights or any infringement of third-party intellectual property rights may adversely affect our business, reputation, financial condition and results of operations.*

Our business depends, in part, on the protection of our intellectual property, including trademarks, trade names, logos, proprietary know-how, product designs, business processes and other intellectual property rights used in connection with our operations.

Although we have taken steps to protect our intellectual property rights, there can be no assurance that such protections will be adequate to prevent unauthorized use, infringement, imitation or misappropriation by third parties. Further, any failure to obtain, maintain, renew or enforce our intellectual property rights may adversely affect our ability to protect our brand identity and market position.

In addition, we may be subject to claims alleging infringement, violation or misappropriation of intellectual property rights belonging to third parties. Any such claim, whether or not successful, may require us to incur substantial legal expenses, divert management attention, pay damages, obtain licenses, modify products or cease use of certain intellectual property.

Any inability to adequately protect our intellectual property rights or any claim relating to infringement of third-party intellectual property rights may adversely affect our business, reputation, financial condition, cash flows and results of operations.

35. *We have not identified any alternate source of financing for the Objects of the Offer and any delay in raising or deploying the Net Proceeds may adversely affect the implementation of our business plans and growth strategy.*

We intend to utilise the Net Proceeds towards the objects described in the chapter titled "*Objects of the Offer*" beginning on page 104. The timely implementation of such objects is dependent upon the successful completion of the Offer and receipt of the Net Proceeds.

We have not identified any alternate source of financing for the proposed utilisation of the Net Proceeds. Accordingly, any delay in completion of the Offer, shortfall in the Net Proceeds or inability to deploy the Net Proceeds in a timely manner may adversely affect the implementation of our proposed business plans.

Further, the estimated costs and timelines relating to the proposed utilisation of the Net Proceeds are based on management estimates and assumptions and may be subject to revision due to changes in market conditions, inflation, regulatory requirements, vendor performance or other unforeseen factors.

Any delay in implementation of the Objects of the Offer, increase in project costs or inability to arrange additional funding, if required, may adversely affect our business, financial condition, cash flows and growth prospects.

36. *Our funding requirements and the proposed deployment of the Net Proceeds have been determined by our management based on internal estimates and have not been independently appraised by any bank, financial institution, government authority or other independent agency. Any variation in the utilization of the Net Proceeds from the estimates disclosed in this Draft Red Herring Prospectus may adversely affect our business and financial condition.*

The Objects of the Offer and the funding requirements described in this Draft Red Herring Prospectus have been determined by our management based on current business plans, operational requirements, market conditions and internal estimates. Our estimated funding requirements have not been appraised by any bank, financial institution, external consultant, governmental authority or any other independent agency and are based on assumptions regarding future events and circumstances, which may not materialize as anticipated.

The actual costs and expenditures to be incurred by us in relation to the Objects of the Offer may vary from the estimates disclosed in this Draft Red Herring Prospectus due to various factors, including changes in market conditions, fluctuations in the prices of machinery, equipment, raw materials and services, changes in regulatory requirements, delays in implementation schedules, inflationary pressures, unforeseen circumstances and other factors beyond our control. Consequently, the amount and timing of expenditure in respect of the proposed objects may differ from our current estimates.

In addition, as is customary for projects of this nature, our management may be required to reallocate funds within the objects of the Offer, modify implementation schedules or revise estimated costs based on business requirements and prevailing circumstances. Any such variation shall be undertaken in accordance with applicable law and, where required, subject to obtaining the requisite approvals, including approval of our shareholders.

Further, if the Net Proceeds are insufficient to meet the actual funding requirements for the proposed objects, we may be required to raise additional funds through debt or equity financing, which may not be available on acceptable terms or at all. Conversely, if the actual expenditure is lower than currently estimated, the surplus funds may be utilized in accordance with applicable laws and regulatory requirements.

Investors will not have the opportunity to evaluate the economic, financial or commercial merits of the proposed deployment of the Net Proceeds beyond the disclosures contained in this Draft Red Herring Prospectus. Any inability to deploy the Net Proceeds in the manner currently contemplated, delays in implementation of the proposed objects, cost overruns or variations in the utilization of the Net Proceeds may adversely affect our business, financial condition, cash flows and results of operations.

37. *The average cost of acquisition of Equity Shares held by our Promoters is lower than the Offer Price.*

The average cost of acquisition of Equity Shares held by our Promoters is lower than the Offer Price. Consequently, our Promoters may realise significant gains upon listing or appreciation in the market price of our Equity Shares.

The acquisition cost of Equity Shares by our Promoters may not be indicative of the Offer Price or the market price of our Equity Shares after listing. Investors should not consider the historical acquisition cost incurred by our Promoters as a basis for determining the value of an investment in our Equity Shares.

Further, any sale of Equity Shares by our Promoters after expiry of applicable lock-in requirements or other permitted periods may affect the market price of our Equity Shares.

For details regarding the average cost of acquisition of Equity Shares by our Promoters, see "*Capital Structure*" beginning on page 86.

38. *Our business is capital intensive and may require additional financing in the future. Any inability to obtain such financing on commercially acceptable terms may adversely affect our business, financial condition and growth prospects.*

Our business requires significant capital investment for manufacturing facilities, plant and machinery, technology upgrades, maintenance, working capital requirements and future expansion initiatives.

As our business grows, we may require additional funding through debt financing, equity issuances or other sources of capital. There can be no assurance that such financing will be available when required, on commercially acceptable terms or at all.

Our ability to obtain additional financing depends on various factors, including our financial performance, credit profile, market conditions, lender requirements, investor sentiment and regulatory considerations.

Any inability to obtain adequate financing may limit our ability to undertake expansion plans, meet capital expenditure requirements, maintain operational efficiency or respond to changing market opportunities.

Further, any additional debt financing may increase our interest costs and financial obligations, while any equity financing may result in dilution of shareholding of existing shareholders.

Accordingly, any inability to raise additional capital when required may adversely affect our business, financial condition, cash flows and results of operations.

39. *Any variation in the utilization of the Net Proceeds would be subject to applicable legal and regulatory requirements, including shareholders' approval in certain circumstances.*

We intend to utilise the Net Proceeds for the purposes described in the chapter titled "Objects of the Offer". However, circumstances may arise in the future that necessitate changes in the proposed utilisation of the Net Proceeds.

In accordance with applicable provisions of the Companies Act, 2013, the SEBI ICDR Regulations and other applicable laws, any material variation in the utilisation of the Net Proceeds may require approvals from shareholders and compliance with specified regulatory requirements.

There can be no assurance that such approvals will be obtained in a timely manner or at all. Any delay in obtaining the necessary approvals may affect the implementation of our business plans and deployment of funds. Further, compliance with such requirements may involve additional costs, management time and procedural delays.

Any inability to utilise the Net Proceeds in the manner currently contemplated or any delay in obtaining required approvals for variation thereof may adversely affect our business, financial condition, cash flows and growth strategy.

40. *Our ability to access financing at competitive rates depends on several factors, including our financial performance, credit profile and prevailing market conditions.*

Our business requires access to financing for working capital requirements, capital expenditure, expansion initiatives and other corporate purposes.

The availability and cost of financing are influenced by several factors, including our financial performance, leverage levels, liquidity position, banking relationships, credit profile, interest rate environment and general economic conditions.

Any deterioration in our financial condition, reduction in profitability, adverse industry developments or tightening of credit markets may adversely affect our ability to obtain financing on commercially acceptable terms.

Further, any downgrade in our credit profile or adverse assessment by lenders may increase borrowing costs, restrict access to credit facilities or impose additional financing conditions.

Accordingly, any inability to access financing at competitive rates may adversely affect our business, liquidity, financial condition, cash flows and results of operations.

41. *None of our Directors have prior experience serving on the board of a listed company, which may require additional time and resources to adapt to listed company governance and compliance requirements.*

None of our Directors have previously served on the board of a listed company. Following the listing of our Equity Shares, we will be required to comply with enhanced corporate governance, disclosure and regulatory requirements under applicable laws, including the SEBI Listing Regulations and the Companies Act, 2013.

Although our Directors possess relevant business and industry experience, the transition to a listed company environment may require additional time and resources to familiarize themselves with the regulatory and governance framework applicable to listed entities.

Any delay in adapting to such requirements may result in procedural lapses, increased compliance costs, regulatory scrutiny or reputational concerns.

Accordingly, the absence of prior listed-company board experience among our Directors may adversely affect our ability to efficiently comply with applicable governance and disclosure requirements.

42. *Improper storage, handling or processing of raw materials and finished products may adversely affect product quality, inventory levels and profitability.*

Our manufacturing operations involve procurement, storage, handling and processing of raw materials and finished products, including polyester yarn and other textile-related inputs.

Such materials may be susceptible to damage, contamination, deterioration, pilferage, moisture-related losses, improper handling, storage deficiencies or manufacturing defects if not managed appropriately.

Any deterioration in inventory quality may result in increased wastage, product rejection, customer complaints, returns, replacement costs and loss of business opportunities.

Further, improper storage or handling may require us to incur additional expenditure towards maintenance, repairs, inventory replacement, quality control measures and infrastructure improvements. Any material loss, damage or deterioration of inventory or products may adversely affect our business, profitability, financial condition, cash flows and results of operations.

43. *Industry and market data included in this Draft Red Herring Prospectus have been derived from a report commissioned and paid for by our Company and may be based on assumptions and estimates.*

Certain industry, market and competitive information included in this Draft Red Herring Prospectus has been derived from an industry report prepared by Infomerics Analytics & Research and commissioned by our Company for the purposes of the Offer.

Industry reports are generally based on information obtained from various sources, market surveys, assumptions, estimates and methodologies which may not be capable of independent verification. Such information may be subject to revisions, differing interpretations and changes in market conditions.

Further, there can be no assurance that the assumptions, forecasts, estimates and conclusions contained in the industry report will prove to be accurate or that future developments will be consistent with such projections.

Investors should not place undue reliance on industry and market information contained in the report while making an investment decision. Any variation between actual industry conditions and the assumptions underlying such report may affect investor perception of our business and industry position. For further details, see "*Industry Overview*" beginning on page 127.

44. *Employee misconduct, negligence, fraud or errors may adversely affect our business, reputation, financial condition and results of operations.*

Our operations depend on the integrity, competence and conduct of our employees across various functions, including manufacturing, procurement, finance, sales, logistics and administration.

We may be exposed to risks arising from employee misconduct, fraud, theft, misappropriation of assets, negligence, non-compliance with internal policies, unauthorized disclosure of confidential information, accounting irregularities and operational errors. Such incidents may result in financial losses, disruption of operations, regulatory investigations, legal proceedings, customer disputes and reputational damage.

Although we have implemented internal control mechanisms, monitoring procedures and approval processes designed to mitigate such risks, there can be no assurance that such measures will be effective in preventing or detecting all instances of misconduct or negligence.

Any material employee misconduct, fraud, negligence or operational error may adversely affect our business, reputation, financial condition, cash flows and results of operations.

45. *We are dependent on a single vendor for procurement of certain machinery proposed to be acquired from the Net Proceeds and any delay or failure by such vendor may adversely affect implementation of our expansion plans.*

We propose to utilise a portion of the Net Proceeds towards procurement and installation of certain plant and machinery as described in the chapter titled "Objects of the Offer".

We are dependent on a limited number of vendors, including a single vendor for certain machinery proposed to be acquired pursuant to the Objects of the Offer. Our dependence on such vendor exposes us to risks relating to delays in manufacturing, dispatch, installation, commissioning and after-sales support.

Any failure by such vendor to supply machinery in accordance with agreed specifications, timelines or quality standards may result in delays in implementation of our expansion plans, increased project costs and postponement of anticipated operational benefits.

Further, if such vendor experiences financial difficulties, operational disruptions, supply chain constraints or other adverse developments, we may be required to identify alternate suppliers, which may not be available on commercially acceptable terms or within the required timeframe.

Any delay, disruption or failure in procurement or installation of such machinery may adversely affect our expansion plans, business growth, financial condition, cash flows and results of operations.

46. *We have issued Equity Shares during the preceding one year at prices which may be lower than the Offer Price. Our Company has issued Equity Shares during the preceding one year at prices that may be lower than the Offer Price.*

The offer price of such Equity Shares was determined based on factors prevailing at the relevant time, including the financial position of our Company, business requirements, valuation considerations and commercial negotiations.

Investors in this Offer should not consider previous issuances of Equity Shares as indicative of the Offer Price or future market price of our Equity Shares. The Offer Price has been determined in consultation with the Book Running Lead Manager and is based on various qualitative and quantitative factors, including our business prospects, industry conditions and prevailing market conditions.

Any perceived disparity between the Offer Price and historical issue prices may affect investor perception and the trading price of our Equity Shares following listing. For further details, see "*Capital Structure*" and "*Basis for Offer Price*" beginning on pages 86 and 116, respectively.

47. *We are subject to evolving data protection and privacy laws and any non-compliance or data security incident may adversely affect our business, reputation and financial condition.*

Our business involves collection, storage, processing and use of information relating to customers, employees, vendors and other stakeholders. Consequently, we are subject to various data protection, privacy and cybersecurity laws and regulations.

The legal framework governing data protection and privacy in India continues to evolve, including pursuant to the Digital Personal Data Protection Act, 2023 and rules that may be notified thereunder. Compliance with such requirements may necessitate additional investments in technology, systems, processes and personnel.

Any failure to comply with applicable data protection or privacy laws may expose us to penalties, investigations, claims, litigation, restrictions on business activities and reputational harm.

Further, our systems may be vulnerable to unauthorized access, cyberattacks, ransomware attacks, phishing incidents, data breaches and other cybersecurity threats. Any compromise of confidential information may result in financial loss, business interruption, legal liability and loss of stakeholder confidence.

Accordingly, any non-compliance with applicable data protection laws or occurrence of a data security incident may adversely affect our business, reputation, financial condition, cash flows and results of operations.

48. *Our ability to sustain growth depends on our ability to anticipate and respond to evolving customer preferences, maintain product quality standards and meet customer expectations.*

The blanket and home furnishing industry is influenced by changing customer preferences, purchasing behaviour, product design trends, quality expectations, pricing considerations and market developments.

Our success depends on our ability to identify and respond to evolving customer requirements in a timely manner. If we fail to anticipate market trends, introduce products aligned with customer preferences or maintain competitive product offerings, demand for our products may decline.

Further, maintaining product quality standards is critical to customer retention and business growth. Any deterioration in product quality, manufacturing standards or customer service may result in customer dissatisfaction, product returns, loss of business and reputational harm.

The market perception of our products and brand may change over time and there can be no assurance that customer preferences will continue to favour our products. Any inability to anticipate customer requirements, maintain quality standards or meet customer expectations may adversely affect our business, financial condition, cash flows and results of operations.

49. *Our proposed product diversification initiatives may not achieve the anticipated benefits and may adversely affect our business, financial condition and growth prospects.*

As part of our growth strategy, we may seek to diversify our product portfolio and enter into new product categories, customer segments or markets.

Such initiatives involve various risks, including changing customer preferences, demand uncertainty, increased competition, operational challenges, supply chain constraints, regulatory requirements and execution risks.

We may be required to incur significant expenditure towards product development, manufacturing capabilities, marketing, distribution and working capital before realizing any benefits from such initiatives.

Further, we may not possess the same level of experience, market presence or customer relationships in new product segments as existing participants in such markets.

There can be no assurance that our diversification initiatives will achieve the anticipated commercial success or financial returns. Any failure of such initiatives may adversely affect our business, financial condition, cash flows and growth prospects.

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50. *Our operations are dependent on information technology systems and any disruption, failure, cyberattack or data breach may adversely affect our business and operations.*

We rely on information technology systems and software applications for various aspects of our business, including finance, inventory management, procurement, customer management, accounting and administrative functions.

Any failure, interruption, malfunction or inadequacy of our information technology systems may disrupt business operations, affect productivity and result in loss of critical information.

Further, our systems may be vulnerable to cyberattacks, malware, ransomware, phishing attempts, unauthorized access, data theft and other cybersecurity incidents. Such incidents may result in loss of confidential information, operational disruption, financial loss and reputational damage.

Although we have implemented information technology infrastructure and security measures, there can be no assurance that such measures will be sufficient to prevent all system failures or cybersecurity incidents.

Any disruption, failure or compromise of our information technology systems may adversely affect our business, financial condition, cash flows and results of operations.

51. *Certain peer comparison data included in this Draft Red Herring Prospectus may not be directly comparable with our operational and financial metrics.*

Pursuant to the requirements of the SEBI ICDR Regulations, this Draft Red Herring Prospectus includes certain financial and operational information relating to listed industry peers in the chapter titled "Basis for Offer Price".

The peer comparison data has been derived from publicly available information and financial statements of the relevant companies. However, differences in accounting policies, business models, scale of operations, product mix, geographical presence, capital structure and reporting practices may affect comparability.

Accordingly, investors should exercise caution while comparing our financial and operational performance with that of other companies included in the peer comparison analysis.

Any reliance on such comparative information as a basis for investment decisions may not accurately reflect our relative competitive position, valuation or future prospects.

52. An increase in interest rates may increase our borrowing costs and adversely affect our profitability and cash flows.

We have availed borrowings from banks and financial institutions for financing our working capital requirements and business operations.

A substantial portion of our borrowings may carry floating interest rates or may be subject to periodic repricing based on prevailing market conditions. Consequently, our finance costs may increase if interest rates rise.

Any increase in borrowing costs may adversely affect our profitability, cash flows and ability to finance future growth initiatives. Further, we may not be able to pass on increased financing costs to our customers through higher product prices.

Changes in monetary policy, inflation, economic conditions or other factors beyond our control may lead to increases in interest rates. Accordingly, any significant increase in interest rates may adversely affect our business, financial condition, cash flows and results of operations.

53. Future issuances of equity securities or additional borrowings may result in dilution of shareholding or increased financial obligations.

We may require additional capital in the future to fund working capital requirements, capital expenditure, expansion plans, acquisitions or other corporate purposes.

Such funding may be raised through issuance of Equity Shares, convertible securities, preference shares, debt instruments or other financing arrangements.

Any future issuance of Equity Shares or securities convertible into Equity Shares may dilute the shareholding of existing shareholders and could adversely affect the market price of our Equity Shares.

Further, any additional debt financing may increase our leverage, debt servicing obligations, finance costs and restrictions under financing arrangements, which may adversely affect our financial flexibility.

There can be no assurance that future financing will be available on commercially acceptable terms or that such financing will not adversely affect the interests of existing shareholders.

Accordingly, future issuances of securities or additional borrowings may adversely affect our business, financial condition, cash flows, profitability and the market price of our Equity Shares.

EXTERNAL RISK FACTORS

54. The Offer Price, market capitalization to revenue from operations multiple and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of the Company on listing or thereafter

Set forth below are details regarding our revenue from operations and restated profit after tax for the Financial Year 2025 and Financial Year 2026:

(₹ in lakhs)		
Particulars	For Financial Year ended on March 31,2025	For Financial Year ended on March 31,2026
Revenue from operations	5,102.68	8,611.56
Restated profit for the year from continuing operations	237.40	1,044.34

Our market capitalization to revenue from operations (Fiscal 2026) multiple is [●] times of the Offer Price and our price to earnings ratio (based on Fiscal 2026 restated profit after tax) is [●] times of the Offer Price. The Offer Price of the Equity Shares has been determined on the basis of assessment of market demand for the Equity Shares offered through a book-building process, and certain quantitative and qualitative factors as set out in “*Basis of Offer Price*” on page 116, and the Offer Price, multiples and ratios may not be indicative of the market price of the Company on listing or thereafter. Investors were advised to make an informed decision while investing in our Company taking into consideration the price per share that was published in price advertisement, the revenue generated per share in the past and the market capitalization of our Company vis-à-vis the revenue generated per share.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Accordingly, any valuation exercise undertaken for the purposes of the Offer by our Company would not be based on a benchmark with our industry peers. The relevant financial parameters based on which the Price Band would be determined, shall be disclosed in the advertisement that would be issued for publication of the Price Band.

The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions to the industry we operate in, developments relating to India, announcements by us or our competitors of significant acquisitions, strategic alliances, announcements by third parties or governmental entities of significant claims or proceedings against us, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

55. *Changing laws, rules and regulations in India and legal uncertainties including any adverse application of corporate and tax laws, may adversely affect our business, cash flows, prospects and results of operations.*

Our business, results of operations, financial condition and cash flows could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. Our business, results of operations, financial condition and cash flows may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. The regulatory and policy environment in which we operate are evolving and are subject to change. The GoI may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements.

We are subject to laws and government regulations, including in relation to safety, health, environmental protection and labour. These laws and regulations impose controls on air and water discharge, employee exposure to hazardous substances and other aspects of our manufacturing operations. Further, laws and regulations may limit the amount of hazardous and pollutant discharge that we may release into the air and water. The discharge of materials that hazardous into the air, soil or water beyond these limits may cause us to be liable to regulatory bodies or third parties. Any of the foregoing could subject us to litigation, which could lower our profits in the event we were found liable and could also adversely affect our reputation. Additionally, the government or the relevant regulatory bodies may require us to shut down our manufacturing facilities, which in turn could lead to product shortages that delay or prevent us from fulfilling our obligations to customers.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, cash flows, financial condition and prospects. Further, pursuant to the Finance (No.2) Act of 2024 and Finance Act, 2025, notified on August 16, 2024 and March 29, 2025, respectively, the Government of India has introduced new income tax slabs, an increase in standard deduction and an increase in the deduction available in respect of private sector employer’s contribution to National Pension Scheme from 10% to 14% of the salary of the concerned employees. There is no certainty on the impact of the full union budget on tax laws or other regulations, on our business, results of operations, financial condition and cash flows, or on the industry in which we operate.

56. *Investors may have difficulty enforcing foreign judgments in India against us or our management.*

Our Company is incorporated under the laws of India. Our Company’s assets are located in India and all of our Company’s Directors, Key Managerial Personnel and Senior Management Personnel are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. The United Kingdom, Singapore, United Arab Emirates, and Hong Kong have been declared by the GoI to be reciprocating territories for purposes of Section 44A of the Civil Code. Section 44A of the Civil Code provides that where a foreign judgement has been rendered by a superior court, within the meaning of such section, in any country or territory outside of India which the GoI has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgement had been rendered by the relevant court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalties. A judgement of a court of a country which is not a reciprocating territory may be enforced in India only by a suit on the judgement under Section 13 of the Civil Code, and not by proceedings in execution. Under the Civil Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgement, presume that the judgement was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the Civil Code, such presumption may be displaced by proving that the court did not have jurisdiction. The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties.

Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. A final judgement for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgement in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. Any such suit must be brought in India within three years from the date of the judgement in the same manner as any other suit filed to enforce a civil liability in India.

However, the party in whose favour such final judgement is rendered may bring a new suit in a competent court in India based on a final judgement that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgement. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action were brought in India. Moreover, it is unlikely that an Indian court will award damages to the extent awarded in a final judgement rendered outside India if it believes that the number of damages awarded were excessive or inconsistent with public policy or Indian law. In addition, any person seeking to enforce a foreign judgement in India is required to obtain the prior approval of the RBI under the FEMA to execute such a judgement or to repatriate any amount recovered.

57. *The occurrence of natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could adversely affect our business, results of operations, financial condition and cash flows.*

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19 and man-made disasters, including acts of war, terrorist attacks and other events such as political instability, including strikes, demonstrations, protests, marches or other types of civil disorder, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn adversely affect our business, results of operations, financial condition and cash flows. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. 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.

58. *We may be affected by competition laws in India, the adverse application or interpretation of which could adversely affect our business.*

The Competition Act, 2002, of India, as amended (“**Competition Act**”), regulates practices having an appreciable adverse effect on competition in the relevant market in India (“**AAEC**”). Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of consumers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention 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 also guilty of the contravention and may be punished.

Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. In the event we pursue an acquisition in the future, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows and prospects. The manner in which the Competition Act and the CCI affect the business environment in India may also adversely affect our business, results of operations, financial condition and cash flows.

The Competition (Amendment) Act, 2023 (“**Competition Amendment Act**”) was notified on April 11, 2023, which amends the Competition Act and give the CCI additional powers to prevent practices that harm competition and the interests of consumers. The Competition Amendment Act, inter alia, modifies the scope of certain factors used to determine AAEC, reduces the overall time limit for the assessment of combinations by the CCI from 210 days to 150 days and empowers the CCI to impose penalties based on the global turnover of entities, for anticompetitive agreements and abuse of dominant position. We have not experienced any instances wherein we were subject to any penalty or received any notice from the CCI in the last three Fiscals, we cannot assure you such instances will not arise in the future.

59. *Adverse geopolitical developments, changes in international trade policies, foreign currency fluctuations and global economic uncertainties may adversely affect our business, results of operations and financial condition.*

Our business may be adversely affected by geopolitical developments, changes in international trade policies, global economic uncertainties and fluctuations in foreign exchange rates. Geopolitical events such as increased tensions between India and its neighbouring countries, the Russia-Ukraine conflict, conflicts and instability in the Middle East, trade disputes between major economies, changes in tariff regimes, economic sanctions and other international political developments may adversely impact global trade, supply chains, commodity prices, freight costs, availability of raw materials and overall economic activity. Further, recent geopolitical developments, including continuing tensions in the Middle East, the Russia-Ukraine conflict, evolving trade and tariff policies of the United States and other major economies, and any escalation of regional or global conflicts, may result in increased market volatility, disruptions in international trade and supply chains, inflationary pressures and reduced investor confidence. Any such developments could adversely affect demand for our products, procurement of raw materials, transportation and logistics costs and our overall business operations.

In addition, to the extent we undertake import or export transactions, procure imported raw materials, machinery or equipment, or otherwise have exposure to foreign currencies, we are subject to risks arising from fluctuations in foreign exchange rates. Any significant depreciation of the Indian Rupee against foreign currencies may increase our procurement and capital expenditure costs, while volatility in foreign exchange markets may adversely impact our profitability, cash flows and financial condition. Further, our ability to effectively manage foreign currency risks may be limited and any adverse movement in exchange rates could have a material adverse effect on our business and results of operations.

There can be no assurance that geopolitical events, changes in trade policies, tariff measures, economic sanctions, disruptions in global supply chains or adverse foreign exchange movements will not adversely affect our business, financial condition, cash flows and results of operations. For further details regarding our business operations and industry, please refer to the chapters titled “*Our Business*” and “*Industry Overview*” beginning on pages 168 and 127, respectively.

60. *Political changes could adversely affect economic conditions in India.*

We are incorporated in India and derive all of our revenue from operations in India. Our business depends on a number of general macroeconomic and demographic factors in India which are beyond our control. In particular, our revenue and profitability are strongly correlated to user discretionary spending, which is influenced by general economic conditions, unemployment levels, the availability of discretionary income and customer confidence. Recessionary economic cycles, a protracted economic slowdown, a worsening economy, increased unemployment, increased food and grocery prices, increased energy prices, rising interest rates or other industry-wide cost pressures could also affect consumer behaviour and spending for dining, events, premium products or occasions and lead to a decline in our sales and earnings.

Factors that may adversely affect the Indian economy and hence our results of operations and cash flows, may include the macroeconomic climate, including any increase in Indian interest rates or inflation; exchange rate fluctuations; scarcity of credit or other financing in India; prevailing income conditions among Indian consumers and Indian companies; epidemics, pandemics or any other public health crisis in India or in countries in the region or globally; 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; occurrence of natural or man-made disasters; other significant regulatory or economic developments in or affecting India or its consumption sector; international

business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws; protectionist and other adverse public policies, including local content requirements, import/ export tariffs, increased regulations or capital investment requirements; logistical and communications challenges; downgrading of India's sovereign debt rating by rating agencies; changes in political environment on account of upcoming elections; difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms or on a timely basis; and being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so. Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, cash flows and financial condition and the price of the Equity Shares.

61. *Significant differences exist between Indian GAAP and accounting principles used in other jurisdictions, which may affect the comparability of our financial information.*

The financial information included in this Draft Red Herring Prospectus has been derived from our restated financial statements, which have been prepared in accordance with Indian GAAP and the applicable provisions of the Companies Act and the SEBI ICDR Regulations. No attempt has been made to reconcile the financial information included in this Draft Red Herring Prospectus to any other accounting principles, including U.S. GAAP or International Financial Reporting Standards ("IFRS").

Indian GAAP differs in certain significant respects from accounting principles and disclosure standards applicable in other jurisdictions. Accordingly, the financial information contained in this Draft Red Herring Prospectus may not be comparable to financial statements prepared in accordance with U.S. GAAP, IFRS or other internationally accepted accounting standards. Prospective investors should consult their own professional advisors regarding the differences between Indian GAAP and other accounting frameworks and the impact of such differences on their investment decision.

62. *We are subject to anti-bribery, anti-corruption and sanctions laws and regulations.*

We are subject to anti-bribery and anti-corruption laws which prohibit us, our employees and other intermediaries from bribing government officials for the purpose of obtaining or keeping business or otherwise obtaining favourable treatment. Our operations are also subject to laws and regulations restricting dealings with certain parties, including activities involving restricted countries, organizations, entities and persons that are subject to international economic sanctions.

We cannot assure you that we will not discover any issues or violations with respect to anti-bribery, anti-corruption and economic sanctions laws by us or our employees or other intermediaries. Any violations of these laws and regulations could result in restrictions being imposed on our operations, affect our eligibility to bid for projects, expose us to administrative, civil or criminal penalties or fines and could adversely affect our reputation, business, financial condition, results of operations and the trading price of our Equity Shares.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe, Middle East and certain emerging economies in Asia. Currencies of a few Asian countries have in the past suffered depreciation against the U.S. Dollar owing to various factors. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. These developments, or the perception that any related developments could occur, have had and may continue to have a material adverse effect on global economic conditions and financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

64. *Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing*

India's sovereign debt rating could be downgraded due to several factors, including changes in tax or Fiscal policy or a decline in India's foreign exchange reserves, all of which are outside the control of our Company. Our borrowing costs and our access to the debt capital markets depend significantly on the sovereign credit ratings of India. Any adverse reactions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This

could have an adverse effect on our capital expenditure plans, business and financial performance and the price of our Equity Shares.

65. *Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (“ASM”) and Graded Surveillance Measures (“GSM”) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors*

SEBI and the Stock Exchanges have introduced various pre-emptive surveillance measures in order to enhance market integrity and safeguard the interests of investors, including ASM and GSM. ASM and GSM are imposed on securities of companies based on various objective criteria such as significant variations in price and volume, enhance the integrity of the market and safeguard the interest of the investors, concentration of certain client accounts as a percentage of combined trading volume, average delivery, securities which witness abnormal price rise not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net worth, price / earnings multiple, market capitalization, etc. Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, low trading volumes, and a large concentration of client accounts as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include requiring higher margin requirements, requirement of settlement on a trade for trade basis without netting off, limiting trading frequency, reduction of applicable price band, requirement of settlement on gross basis or freezing of price on upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. In the event our Equity Shares are subject to such surveillance measures implemented by the Stock Exchanges, we may be subject to certain additional restrictions in connection with trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active trading market for our Equity Shares. The imposition of these restrictions and curbs on trading may have an adverse effect on market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company.

66. *Equity Shares of our Company have never been publicly traded, and after the Offer, the Equity Shares may be subject to price and volume fluctuations, and an active trading market for the Equity Shares may or may not develop. Further, the Offer Price may not be indicative of the market price of the Equity Shares after the Offer.*

Prior to this Offer of our Company, no public market existed for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation of Equity Shares does not guarantee that a market for the same will develop, or if developed, the liquidity of such market for the Equity Shares cannot be guaranteed. The Offer Price of the equity Shares is proposed to be determined through a book building process in compliance with Schedule XIII of the SEBI ICDR and the same may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The Offer Price will be based on numerous factors, as described in the section “Basis of Offer Price” beginning on page 116. This price may not necessarily be indicative of the market price of our Equity Shares after the Offer is completed. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in.

Our Equity Shares are expected to trade on BSE after the Offer, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops, that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

67. *The determination of the Price Band will be 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. The Equity Shares may experience price and volume fluctuations. Further, the current market price of some securities listed pursuant to certain previous issues managed by the BRLM is below their respective offer prices.*

The Price Band of the Equity Shares will be determined by the Company in consultation with the BRLM. The Price Band will be based on numerous factors and assumptions, as described under “Basis of Offer Price” on page 116 and the Offer Price determined by the Book Building Process may not be indicative of the market price for the Equity Shares after the offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer and may decline below the Offer Price. The current market price of some securities listed pursuant to certain previous issuers managed by the BRLM is below their respective offer prices. We cannot assure you that investors will be able to resell their Equity Shares at or above the Offer Price.

The market price of the Equity Shares can be volatile as a result of several factors beyond our control, including volatility in the Indian and global securities markets, our results of operations, the performance of our competitors, developments in the

infrastructure industry, changing perceptions in the market about investments in this sector in India, investor perceptions of our future performance, the public's reaction to our press releases and adverse media reports about us or our sector, changes in the estimates of our performance or recommendations by financial analysts, future sales of Equity Shares by our Company or our Shareholders, fluctuations in stock market prices and volumes, significant developments in India's economic liberalization and deregulation policies, and significant developments in India's fiscal regulations. In addition, the Stock Exchanges may experience significant price and volume fluctuations from time to time that are unrelated or disproportionate to the operating performance of a particular company, which may have an adverse effect on the market price of the Equity Shares. Such fluctuations and other afore-mentioned factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

68. *If inflation rises in India, increased costs may impact our ability to maintain or achieve profitability.*

India has experienced high inflation relative to developed countries in the recent past. Increasing inflation in India could cause a rise in the costs of rent, wages, raw materials and other expenses. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our users, whether entirely or in part, and may adversely affect our business and financial condition. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows. Furthermore, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

69. *Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares and dividends paid on the Equity Shares.*

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. A securities transaction tax ("STT") is levied on equity shares sold on an Indian stock exchange. Investors may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Furthermore, any capital gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India's right to impose tax on capital gains arising from the sale of shares of an Indian company. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India's right to impose tax on capital gains arising from the sale of shares of an Indian company.

Taxes payable by an assessee on the capital gains arising from transfer of long-term capital assets on or after July 23, 2024, shall be calculated at the rate of 12.5% on such long-term capital gains, where the long-term capital gains exceed ₹ 1,25,000 (this exemption shall be available only where the shares are sold on a Stock Exchange), subject to certain exceptions in case of resident individuals and Hindu Undivided Families. Furthermore, the short-term capital gains on transfer of listed shares shall be taxed at 20% where the shares are sold on Stock Exchange and at applicable rates if otherwise (30% in case of foreign institutional investors).

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident read with the Multilateral Instrument, if and to the extent applicable, and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain realised upon the sale of the Equity Shares.

The stamp duty for transfer of certain securities, other than debentures, on a delivery basis is currently specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in our Equity Shares. Any dividends paid by an Indian company will be subject to tax in the hands of the shareholders at applicable rates. Such taxes will be withheld by the Indian company paying dividends. We may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

70. *We have not declared dividends in the past and there can be no assurance that we will declare or pay dividends on our Equity Shares in the future.*

Our Company has not declared or paid any dividends on its Equity Shares during Fiscal 2026, Fiscal 2025 and Fiscal 2024. Further, as of the date of this Draft Red Herring Prospectus, our Company does not have a formal dividend distribution policy. The declaration and payment of dividends in the future, if any, will depend upon various factors, including our future earnings, financial condition, cash flows, working capital requirements, capital expenditure plans, debt servicing obligations, contractual restrictions under financing arrangements, applicable legal and regulatory requirements and such other factors as our Board of Directors may consider relevant from time to time.

Our Company may decide to retain all or a substantial portion of its future earnings to finance business growth, expansion plans, working capital requirements, repayment of borrowings and other corporate purposes. Accordingly, investors may need to rely on appreciation in the market price of our Equity Shares, if any, to realize a return on their investment.

In addition, certain financing arrangements entered into by our Company may contain restrictions or conditions relating to the declaration and payment of dividends. Any future indebtedness incurred by our Company may also contain similar restrictions. There can be no assurance that our Company will generate sufficient distributable profits or that our Board of Directors will recommend the declaration of dividends in any particular financial year. Consequently, investors may not receive any return on their investment by way of dividends and should not rely on any expectation of dividend income from our Equity Shares.

71. *There can be no assurance that our Equity Shares will be listed and admitted to trading on the BSE SME Platform in a timely manner or at all.*

Our Company proposes to list its Equity Shares on the BSE SME Platform and intends to make an application to BSE Limited ("BSE") for obtaining in-principle approval for such listing in accordance with the provisions of the SEBI ICDR Regulations and other applicable laws. The listing and trading of our Equity Shares pursuant to the Offer shall be subject to receipt of the necessary approvals from BSE and compliance with the applicable statutory, regulatory and listing requirements, including completion of the Offer, allotment of Equity Shares and fulfillment of the conditions prescribed by BSE, SEBI and other relevant authorities.

While we intend to complete all necessary formalities within the timelines prescribed under applicable laws and regulations, there can be no assurance that the Equity Shares will be listed and admitted to trading on the BSE SME Platform within the anticipated timeframe or at all. Any delay in obtaining listing and trading approvals may postpone the commencement of trading in our Equity Shares and may affect the liquidity of an investment in the Equity Shares.

Further, any failure to obtain or maintain listing approvals, or any delay arising from regulatory, procedural, technical or operational reasons beyond our control, may restrict investors' ability to trade or dispose of their Equity Shares and may adversely affect the market price and liquidity of the Equity Shares.

Investors should note that an active or liquid trading market for our Equity Shares may not develop upon listing or, if developed, may not be sustained. Consequently, investors may not be able to sell their Equity Shares at the desired time or price, or at all.

72. *Compliance with the requirements applicable to a listed company may increase our costs and require substantial management time and resources.*

Upon listing of our Equity Shares on the BSE SME Platform, our Company will be required to comply with various provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and other applicable laws and regulations governing listed entities. As a result, we will be subject to enhanced corporate governance standards, disclosure obligations, periodic reporting requirements and increased regulatory scrutiny.

Compliance with these requirements may require us to incur significant additional legal, accounting, secretarial, compliance, investor relations and other administrative expenses. Further, we will be required to establish, maintain and periodically review systems, procedures and internal controls relating to financial reporting, corporate governance, disclosures and regulatory compliance. Such requirements may necessitate the engagement of additional personnel, consultants and professional advisors and may increase our operating costs.

In addition, our management and senior personnel will be required to devote substantial time and attention towards ensuring compliance with applicable regulatory and reporting requirements. This may divert management attention from day-to-day business operations, strategic initiatives and growth opportunities.

Any failure or delay in complying with applicable disclosure, reporting, governance or regulatory requirements may expose us to regulatory actions, penalties, reputational harm and adverse investor perception. Further, there can be no assurance that we

will be able to implement and maintain all systems, processes and controls required for a listed company in a timely or cost-effective manner.

Accordingly, the increased compliance obligations and regulatory requirements associated with being a publicly listed company may result in higher costs and increased management burden, which may adversely affect our business, financial condition, cash flows and results of operations.

73. *The Indian tax regime has undergone substantial changes which could adversely affect our business and the trading price of the Equity Shares*

Any change in Indian tax laws could have an effect on our operations. The Government of India has implemented two major reforms in Indian tax laws, namely the Goods and Services Tax (“GST”), and provisions relating to general anti-avoidance rules (“GAAR”). The indirect tax regime in India has undergone a complete overhaul. The indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge and excise have been replaced by GST with effect from July 01, 2017. Further, on September 03, 2025, the 56th GST Council approved a significant rate rationalisation package consolidating existing slabs into 5% and 18% (with 40% for luxury/sin goods) and reducing GST on individual health and life insurance premiums from 18% to 0%, effective September 22, 2025. The GST regime continues to be subject to amendments and its interpretation by the relevant regulatory authorities is constantly evolving. GAAR became effective from April 01, 2017. The tax consequences of the GAAR provisions being applied to an arrangement may result in, among others, a denial of tax benefit to us and our business. In the absence of any substantial precedents on the subject, the application of these provisions is subjective. If the GAAR provisions are made applicable to us, it may have an adverse tax impact on us. Further, if the tax costs associated with certain of our transactions are greater than anticipated because of a particular tax risk materializing on account of new tax regulations and policies, it could affect our profitability from such transactions.

Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Equity Shares. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether if at all, any laws or regulations would have an adverse effect on our business. Further, any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability. In addition, we are subject to tax related inquiries and claims.

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

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Offer. 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 Offer Price of the Equity Shares is proposed to be determined through a book building process and may not be indicative of the market price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter. Furthermore, the price of the Equity Shares may be volatile, and the investors may be unable to resell the Equity Shares at or above the Offer Price, or at all. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and volatility in the Stock Exchanges and securities markets elsewhere in the world.

There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Offer could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Draft Red Herring Prospectus. The market price of our Equity Shares may be influenced by many factors, some of which are beyond our control, including:

- failure of security analysts to cover the Equity Shares after this Offer, or changes in the estimates of our performance by analysts;
- activities of competitors and suppliers;
- future sales of the Equity Shares by us or our shareholders;
- investor perception of us and the industry in which we operate;
- our quarterly or annual earnings or those of our competitors;

- developments affecting fiscal, industrial or environmental regulations;
- the public's reaction to our press releases and adverse media reports; and
- general economic conditions.

Furthermore, a decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment. Such fluctuations may also impact the valuation of our Company, reflecting in our share price performance.

75. *Any future issuance of Equity Shares or securities linked to Equity Shares may dilute investor's shareholding, and sale of our Equity Shares by our major shareholders may also adversely affect the trading price of the Equity Shares.*

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including on exercise of options pursuant to employee stock option plans, may lead to dilution of your shareholding in the Company. In addition, any sales of substantial amounts of our Equity Shares in the public market after the completion of this Offer, including by our major shareholders after the completion of this Offer (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations), or any other change in our shareholding structure to comply with minimum public shareholding norms applicable to listed companies in India, or the perception that any sales, pledge or encumbrance could occur, could adversely affect the market price of our Equity Shares and could impair our future ability to raise capital through offerings of our Equity Shares. We cannot assure you that we will not make equity issuances or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future. Further, we cannot predict what effect, if any, market sales of our Equity Shares held by our major Shareholders or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

76. *Our ability to raise foreign capital may be constrained by Indian law.*

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

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

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and wide-spread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder of our Company than as a shareholder of an entity in another jurisdiction.

78. *QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the submission of their Bid, and the Individual Investors applying for minimum application size are not permitted to withdraw their Bids after closure of the Bid/ Offer Closing Date.*

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Individual Investors applying for minimum application size can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within Three Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by the SEBI, events affecting the investors' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Investors' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

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

The Equity Shares will be listed on the Stock Exchange. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in the Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately two Working Days from

the Bid/ Offer Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within three Working Days of the Bid/ Offer Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

80. *Holders of Equity Shares 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 equity 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.

However, if the laws of the jurisdiction the investors are located in does not permit them to exercise their pre-emptive rights without our 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 we make 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 the 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-emption rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

81. *A third-party could be prevented from acquiring control of us post this Offer, because of anti-takeover provisions under Indian law.*

As a listed Indian company, there are provisions in Indian legal regime that may delay, deter or prevent a future takeover or change in control of our Company. Under the 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 subsequent to completion of the Offer. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of Takeover Regulations.

82. *Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.*

Under foreign exchange regulations currently in force in India, the transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Further, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries and/or departments are responsible for granting approval for foreign investment. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Furthermore, this conversion is subject to the shares having been held on are patriation basis and, either the security having been sold in compliance with the pricing guidelines or, the relevant regulatory approval having been obtained for the sale of shares and corresponding remittance of the sale proceeds.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, investments where the beneficial owner of the equity shares is situated in or is a citizen of a country which shares a land border with India, can only be made through the Government approval route. 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 and/or purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Non-debt Instruments Rules. We cannot assure investors that any required approval from the RBI or any other government agency can be obtained on any particular terms or conditions or at all. For further information, see "*Restriction on Foreign Ownership of Indian Securities*" on page 362.

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SECTION III- INTRODUCTION

THE OFFER

Following table summarises the present Offer in terms of this Draft Red Herring Prospectus:

(₹ in Lakhs except share data)

Particulars	Details of Number of Shares
Equity Shares Offered through Public Offer (1)(2)	Up to 92,25,000* Equity Shares of face value of ₹ 10 each fully paid- up for cash at price of ₹ [●]/- per Equity Share (including a share premium of ₹ [●] per Equity share) aggregating ₹ [●]
The Offer Consists of	
Fresh Issue	Up to 83,50,000 Equity Shares of face value of ₹ 10 each fully paid-up for cash at price of ₹ [●]/- per Equity Share (including a share premium of ₹ [●] per Equity share) aggregating ₹ [●].
Offer for Sale (5)	Up to 8,75,000 Equity Shares of face value of ₹ 10 each fully paid-up for cash at price of ₹ [●]/- per Equity Share (including a share premium of ₹ [●] per Equity share) aggregating ₹ [●]
Of which:	
Reserved for Market Maker	Up to [●] Equity Shares of face value of ₹ 10 each fully paid-up for cash at price of ₹ [●]/- per Equity Share (including a share premium of ₹ [●] per Equity share) aggregating ₹ [●].
Net Offer to the Public	Up to [●] Equity Shares of face value of ₹ 10 each fully paid-up for cash at price of ₹ [●]/- per Equity Share (including a share premium of ₹ [●] per Equity share) aggregating ₹ [●].
Of which*:	
A. QIB portion (3)(4)	Not more than [●] Equity Shares
Of which	
(a) Anchor Investor Portion	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs
(b) Net QIB Portion (assuming the anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs
Of which:	
(i) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to [●] Equity Shares of face value of ₹ 10 each fully paid-up for cash at price of ₹ [●] /- per Equity Share aggregating to ₹ [●] Lakhs
(ii) Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares of face value of ₹ 10 each fully paid-up for cash at price of ₹ [●] /- per Equity Share aggregating to ₹ [●] Lakhs
B. Non – institutional portion	Not less than [●] Equity Shares of face value of ₹ 10 each fully paid-up for cash at price of ₹ [●] /- per Equity Share aggregating to ₹ [●] Lakhs
Of which:	
i) One-third of the Non- Institutional Portion available for allocation to Bidders with an application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs	Up to [●]* Equity Shares having face value of ₹ 10 each at an Offer Price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakhs
ii) Two-third of the Non- Institutional Portion available for allocation to Bidders	Up to [●]* Equity Shares having face value of ₹ 10 each at an Offer Price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating to ₹ [●]

Particulars	Details of Number of Shares
with an application size of more than ₹10 lakhs	
C. Individual Investor Portion	Not Less than [●]* Equity Shares of face value of ₹ 10 each fully paid-up for cash at price of ₹ [●] per Equity Share aggregating to ₹ [●] Lakhs
Pre-and Post-Offer Equity Shares:	
Equity Shares outstanding prior to the Offer (as on the date of this Draft Red Herring Prospectus)	1,47,10,300 Equity Shares of ₹ 10 each
Equity Shares outstanding after the Offer [#]	[●] Equity Shares of ₹10 each
Use of Proceeds	Please see the chapter titled “Objects of the Offer” on page 104.

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

Notes:

- 1) The Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. The Offer is being made by our Company in terms of Regulation 229 (2) of SEBI (ICDR) Regulation, read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post offer paid-up equity share capital of our Company are being offered to the public for subscription.
- 2) The Offer has been authorized by our Board pursuant to a resolution passed at its meeting held on April 20, 2026, and by our Shareholders pursuant to a resolution passed at the Extra Ordinary General Meeting held on April 20, 2026. This Offer is made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer to section titled “Offer Structure” beginning on page 324.

The Equity Shares being offered by the Promoter Selling Shareholders have been held for a period of at least one year immediately preceding the date of the Draft Red Herring Prospectus, and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations:

ss	Name of Promoter Selling Shareholder	Date of consent letter	No. of Equity shares will be offered
1.	Naresh Kumar	April 20, 2026	Up to 5,84,000
2.	Ritu Garg	April 20, 2026	Up to 2,91,000

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

- 3) The SEBI (ICDR) Regulations permit the Offer of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation on a proportionate basis to Individual Bidders and not more than 50% of the Net Offer shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Offer Price. Accordingly, not more than 50% of the Net Offer to QIB and not less than 35% of the Net Offer shall be available for allocation to Individual Investors and not less than 15% of the Net Offer shall be available for allocation to non-institutional bidders. Further, (a) 1/3rd of the portion available to NIBs shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹ 10 lakhs, and (b) 2/3rd of the portion available to NIBs shall be reserved for applicants with application size of more than ₹ 10 lakhs. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), could be allocated to applicants in the other sub-category of NIBs. The allocation to each NIB shall not be less than the minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, was available for allocation on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

- 4) *Subject to valid Bids being received at or above the Offer Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.*
- 5) *The Equity Shares being offered by the Promoter Selling Shareholders are eligible for being offered for sale as part of the Offer in terms of the SEBI ICDR Regulations. For details of authorizations received for the Offer, see “Other Regulatory and Statutory Disclosures” on page 302.*

For further details regarding the Offer Structure and Procedure, please refer to the chapters titled “Offer Structure” and “Offer Procedure” beginning on pages 324 and 328 respectively.

Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations. Forty per cent of the anchor investor portion, within the limits specified in sub-paragraph (b) of paragraph 10 (d) of Part A of Schedule XIII of the SEBI ICDR Regulations, 2018, shall be reserved as under: (i) 33.33% for domestic mutual funds and (ii) 6.67% for life insurance companies and pension funds. Any undersubscription in the reserved category specified in clause (ii) above may be allocated to domestic mutual funds. In the event of undersubscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion, in accordance with the SEBI ICDR Regulations. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders in proportion to their Bids.

SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025 effective from the date of their publication in official gazette, has prescribed the allocation to each Individual Investors which shall not be less than minimum application size applied by such individual investors and Subject to the availability of shares in non-institutional investors' category, the allotment to Non- Institutional Investors shall be more than two lots which shall not be less than the minimum application size in the Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Further, SEBI through its circular SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, has prescribed that all individual Investors applying in initial public offerings opening on or after May 01, 2022, where the Bid amount is up to ₹ 5,00,000 shall use UPI. UPI Bidders using the UPI Mechanism, shall provide their UPI ID in the Bid cum Application Form for Bidding through Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

SUMMARY OF FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Financial Information for the Financial years ended on March 31, 2026, 2025 and 2024. The Restated Financial Information referred to above is presented under the section titled “Restated Financial Statements” beginning on Page No. 227. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the chapters titled “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on Page Nos. 227 and 282, respectively.

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RESTATED STATEMENT OF ASSETS AND LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	133.73	133.73	133.73
(b) Reserves and surplus	1,523.39	479.05	241.65
Total Shareholder's Fund	1,657.12	612.78	375.38
Non-current liabilities			
(a) Long-term Borrowings	1,105.92	571.25	766.96
(b) Deferred tax liabilities (Net)	-	12.09	7.86
(c) Long term provisions	28.55	8.87	6.09
Total Non-Current Liabilities	1,134.47	592.21	780.91
Current liabilities			
(a) Short term borrowings	2,149.37	1,573.63	1,352.05
(b) Trade payables			
(i) total outstanding dues of micro and small enterprises; and	200.60	19.46	-
(ii) total outstanding dues of creditors other than micro and small enterprises	49.64	1.88	24.29
(c) Other current liabilities	170.72	54.77	107.45
(d) Short-term provisions	337.02	73.26	9.74
Total Current Liabilities	2,907.35	1,723.00	1,493.53
TOTAL	5,698.94	2,927.99	2,649.82
ASSETS			
Non-current assets			
(a) Property, plant and equipment and Intangible assets			
(i) Property, Plant and Equipment	991.86	605.64	647.65
(ii) Capital Work in Progress	-	16.77	-
(b) Deferred tax assets (net)	0.60	-	-
(c) Non-Current Investment	27.75	18.75	9.75
(d) Long-term loans and advances	158.44	165.07	-
(e) Other non-current assets	41.04	41.04	41.13
Total Non-Current Assets	1,219.69	847.27	698.53
Current assets			
(a) Inventories	1,997.23	1,800.58	1,764.93
(b) Trade receivables	2,094.14	264.06	134.92
(c) Cash and bank balances	157.24	11.19	3.21
(d) Short-term loans and advances	217.70	3.27	47.09
(e) Other current assets	12.94	1.62	1.14
Total Current Assets	4,479.25	2,080.72	1,951.29
TOTAL	5,698.94	2,927.99	2,649.82

RESTATED STATEMENT OF PROFIT AND LOSS

Particulars	For the financial year ended March 31, 2026	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Income			
Revenue from operations	8,611.56	5,102.68	3,633.38
Other income	7.32	1.63	4.91
TOTAL INCOME	8,618.88	5,104.31	3,638.29
Expenses			
(a) Cost of Materials consumed	5,354.17	1,833.70	1,745.74
(b) Purchase of stock-in-trade	1,030.94	2,216.69	1,772.04
(c) Changes in inventories of finished goods and stock in trade	-256.22	1.74	-725.09
(d) Employee benefits expense	220.04	169.01	163.84
(e) Finance costs	253.2	209.98	191.81
(f) Depreciation	97.32	77.98	85.86
(g) Other expenses	421.3	261.97	319.76
TOTAL EXPENSES	7,120.75	4,771.07	3,553.96
Profit / (Loss) before tax and exceptional item	1,498.13	333.24	84.33
Exceptional Items	70.37	-	-
Profit / (Loss) before tax	1,427.76	333.24	84.33
Tax expenses:			
(a) Current tax expense	396.11	91.61	14.08
(b) Deferred tax expense / (benefit)	-12.69	4.23	-1.94
Net tax expense/(benefit)	383.42	95.84	12.14
Profit / (Loss) for the year	1,044.34	237.4	72.19
Earnings per share			
Basic & Diluted (Post Bonus)	7.1	1.61	0.49

RESTATED CASH FLOW STATEMENT

Particulars	For the financial year ended March 31, 2026	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
A. Cash flow from operating activities:			
Net profit before tax	1,427.76	333.24	84.33
Adjustments:			
Depreciation & Amortisation	97.32	77.98	85.86
(Profit) or Loss on Sale/Fire of Machinery	32.23	-	-
Interest Income	(1.51)	(1.18)	(1.61)
Interest on Income tax refund	-	-	(0.12)
Foreign Currency Exchange Fluctuation	1.39	-	-
Interest on Income tax and statutory dues	19.97	1.44	-
Profit on Sale of Mutual Fund	-	-	(3.30)
Finance Cost	233.22	208.54	191.69
Provision for Gratuity	20.53	2.88	1.38
	403.15	289.66	273.90
Operating cash flow before working capital changes	1,830.92	622.90	358.23
<u>Movement in working capital</u>			
I. Adjustments for (Increase)/decrease in operating assets:			
Trade receivables	(1,831.47)	(129.14)	39.70
Inventories	(196.65)	(35.65)	(749.85)
Short-term loans & advance	(214.43)	43.82	12.36
Other Current Assets	(11.32)	(0.48)	(0.40)
II. Adjustments for Increase/(decrease) in operating liabilities:			
Trade payables	228.90	(2.95)	8.68
Other current liabilities	115.95	(52.68)	3.95
Provisions	-	-	-
	(1,909.01)	(177.08)	(685.57)
Cash generated from operations	(78.09)	445.82	(327.34)
Net income taxes paid	(153.18)	(29.62)	(6.57)
Net cash (used in) / provided by operating activities (A)	(231.27)	416.19	(333.91)
B. Cash flows from investing activities:			
Purchase of fixed assets	(548.86)	(52.74)	(7.26)
Long term loan and advances	6.63	(165.07)	-
Investment Made	(9.00)	(9.00)	-
Proceeds from sale of Investment	-	-	12.23
Proceeds from Sales of fixed assets	49.86	-	36.43
Term Deposit	-	-	(6.93)
Security Deposits (paid)/received	-	0.09	(4.17)
Interest Received	1.51	1.18	1.61
Net cash provided by / (used in) investing activities (B)	(499.87)	(225.54)	31.91
C. Cash flows from Financing activities:			
Proceeds from Borrowings	1,439.72	355.90	842.00
(Repayment) of Borrowings	(329.31)	(330.03)	(346.10)

Particulars	For the financial year ended March 31, 2026	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Proceeds from sale of Investment	-	-	
Net cash flow from/ (used in) financing activities (C)	877.18	(182.67)	304.21
Net increase / (decrease) in cash & cash equivalents (A+B+C)	146.05	7.98	2.21
Cash & cash equivalents as at the beginning of the year	11.19	3.21	1.00
Cash & cash equivalents as at the end of the year	157.24	11.19	3.21
Notes to Cash Flow Statement			
Component of cash and cash equivalent:			
- Cash in hand	4.58	11.14	3.16
- Balance with Bank	152.66	0.05	0.05
Total	157.24	11.19	3.21

SUMMARY OF CONTINGENT LIABILITIES

Following are the details as per the Restated Financial Information for the Financial Years ended on March 31, 2026, 2025 and 2024:

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
I. Contingent liabilities			
(a) Claim against the company not acknowledged as debt	-	-	-
(b) Other money for which the company is contingently liable	-	-	-
-Bank Guarantee (<i>Refer below note A</i>)	6.93	6.93	6.93

Note A: The Company has issued bank guarantees in the normal course of business to third parties on its behalf in respect of gas supply. These are disclosed as contingent liabilities, as the likelihood of outflow of economic resources is not considered probable as at the reporting date. The Company does not expect any material loss from these guarantees.

For further details, please refer to Annexure- XXXV – Contingent Liabilities & Capital Commitment of the chapter titled “*Restated Financial Statements*” of the Company” on page 227.

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SUMMARY OF RELATED PARTY TRANSACTIONS

Following are the details as per the Restated Financial Information for the Financial Years ended on March 31, 2026, 2025 and 2024:

Nature of Transaction	Name of Related Party	Relationship	For Year ended on March 31,2026	% of Revenue from Operations	For Year ended on March 31,2025	% of Revenue from Operations	For Year ended on March 31,2024	% of Revenue from Operations
Managerial Remuneration	- Naresh Kumar	Chairman and Managing Director	5.55	0.06	2.40	0.05	2.40	0.07
	- Veera Garg	Director	1.62	0.02	2.16	0.04	2.16	0.06
	- Parv Gupta	Whole Time Director and CFO	1.40	0.02	-	0.00	-	0.00
	- Puja Aggarwal	Company Secretary	0.20	0.00	-	0.00	-	0.00
Salary to Relative	- Parv Gupta	Relative of Director	5.00	0.06	-	0.00	-	0.00
Sitting Fee	-Pradeep Singh	Independent Director	0.10	0.00	-	0.00	-	0.00
Sales of goods/services	- Parv International	Entities over which KMP's have significant influence or control	-	0.00	63.99	1.25	140.09	3.86
Reimbursement of Expenses	- Parv Gupta	Whole Time Director and Chief Financial Officer	-	0.00	6.05	0.12	-	0.00
Rent Income	- Parv International	Entities over which KMP's have significant influence or control	0.60	0.01	0.45	0.01	-	0.00
Gratuity	- Naresh Kumar	Chairman and Managing Director	15.79	0.18	1.26	0.02	1.19	0.03
	- Parv Gupta	Whole Time Director and Chief Financial Officer	0.44	0.01	-	0.00	-	0.00
Interest Paid	-Naresh Kumar	Chairman and Managing Director	9.22	0.11	8.41	0.16	4.84	0.13
	- Gora Lal & Sons	Entities over which KMP's have significant influence or control	-	0.00	-	0.00	1.51	0.04
	- Naresh Kumar and Sons HUF	Entities over which KMP's have significant influence or control	12.67	0.15	12.04	0.24	6.27	0.17
	- Parv Gupta	Whole Time Director and Chief Financial Officer	5.57	0.06	1.74	0.03	0.88	0.02
	- Ritu Garg	Non-Executive Director (w.e.f. 02-01-2026)	3.96	0.05	6.88	0.13	3.60	0.10
	- Veera Garg	Director	12.21	0.14	10.85	0.21	9.91	0.27
Loans	-Naresh Kumar	Chairman and Managing Director						
	Opening Balance		88.72	1.03	112.65	2.21	55.34	1.52
	Add: Loan Taken During the Year		136.40	1.5	23.75	0.47	101.65	2.80
	Add: Interest Paid (Net of TDS)		8.30	0.10	7.57	0.15	4.36	0.12

Nature of Transaction	Name of Related Party	Relationship	For Year ended on March 31,2026	% of Revenue from Operations	For Year ended on March 31,2025	% of Revenue from Operations	For Year ended on March 31,2024	% of Revenue from Operations
	Less: Repayment of Loan During the year		102.60	1.19	55.25	1.08	48.70	1.34
	Closing Balance		130.82	1.52	88.72	1.74	112.65	3.10
	- Gora Lal & Sons	Entities over which KMP's have significant influence or control						
	Opening Balance		-	0.00	1.36	0.03	74.70	2.06
	Add: Loan Taken During the Year		-	0.00	39.64	0.78	32.30	0.89
	Add: Interest Paid (Net of TDS)		-	0.00	-	0.00	1.36	0.04
	Less: Repayment of Loan During the year		-	0.00	41.00	0.80	107.00	2.94
	Closing Balance		-	0.00	-	0.00	1.36	0.04
	- Naresh Kumar and Sons HUF	Entities over which KMP's have significant influence or control						
	Opening Balance		142.91	1.66	217.58	4.26	63.74	1.75
	Add: Loan Taken During the Year		108.50	1.26	27.00	0.53	149.70	4.12
	Add: Interest Paid (Net of TDS)		11.40	0.13	10.83	0.21	5.64	0.16
	Less: Repayment of Loan During the year		68.00	0.79	112.50	2.20	1.50	0.04
	Closing Balance		194.81	2.26	142.91	2.80	217.58	5.99
	- Parv Gupta	Whole Time Director and Chief Financial Officer (w.e.f. 23-01-26 and 05-02-26 respectively) and relative to director up to 22-01-26						
	Opening Balance		39.72	0.46	17.06	0.33	4.16	0.11
	Add: Loan Taken During the Year		35.30	0.41	21.55	0.42	27.20	0.75
	Add: Interest Paid (Net of TDS)		5.01	0.06	1.57	0.03	0.79	0.02
	Less: Repayment of Loan During the year		18.38	0.21	0.45	0.01	15.10	0.42
	Closing Balance		61.66	0.72	39.72	0.78	17.06	0.47
	- Ritu Garg	Non-Executive Director (w.e.f. 02-01-2026)						
	Opening Balance		61.80	0.72	78.61	1.54	102.37	2.82
	Add: Loan Taken During the Year		97.95	1.14	15.00	0.29	73.00	2.01
	Add: Interest Paid (Net of TDS)		3.56	0.04	6.19	0.12	3.24	0.09

Nature of Transaction	Name of Related Party	Relationship	For Year ended on March 31,2026	% of Revenue from Operations	For Year ended on March 31,2025	% of Revenue from Operations	For Year ended on March 31,2024	% of Revenue from Operations
	Less: Repayment of Loan During the year		60.50	0.70	38.00	0.74	100.00	2.75
	Closing Balance		102.81	1.19	61.80	1.21	78.61	2.16
	- Veera Garg	Director						
	Opening Balance		133.64	1.55	121.71	2.39	99.30	2.73
	Add: Loan Taken During the Year		2.00	0.02	2.16	0.04	15.00	0.41
	Add: Interest Paid (Net of TDS)		10.99	0.13	9.77	0.19	8.91	0.25
	Less: Repayment of Loan During the year		-	0.00	-	0.00	1.50	0.04
	Closing Balance		146.63	1.70	133.64	2.62	121.71	3.35

For further details, please refer “Annexure – XXXII -Related Party Disclosures” from the chapter titled “*Restated Financial Statements*” beginning on Page 267.

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GENERAL INFORMATION

Our Company was originally incorporated on May 23, 1990 under the Companies Act, 1956 as “Decent Spinners Private Limited”, a private limited company, with its registered office situated at 3-D Jalan Market, 2nd Floor Maliwada, Chandni Chowk, Delhi-110006, India. A Certificate of Incorporation was granted by the Registrar of Companies, Delhi and Haryana (“RoC”), under Corporate Identity Number (“CIN”) U74899DL1990PTC040239. Pursuant to a Special Resolution passed by the Shareholders of the Company at the Extra-Ordinary General Meeting held on November 03, 2025, and subsequently confirmed by an Order of the Regional Director (Northern Region), Ministry of Corporate Affairs (“RD Order”) dated February 27, 2026 (bearing Order ID: Sec 12(5)/ROC Delhi I/AB9774578/RD Delhi/2026), the registered office of the Company was shifted from the Union Territory of Delhi to the State of Haryana, outside the jurisdiction of the erstwhile Registrar of Companies, Delhi, to the jurisdiction of the Registrar of Companies, Haryana (“RoC Haryana”). Consequent upon such shifting, the Registrar of Companies, Haryana issued a Certificate of Registration of the Regional Director Order for Change of State under Section 13(5) of the Companies Act, 2013 on March 19, 2026. The registered office of the Company is presently situated at V.P.O. Kohand, Gharunda, Karnal, Haryana – 132 114.

Subsequently, our Company was converted from a private limited company to a public limited company pursuant to a Special Resolution passed by the members of the Company at the Extra-Ordinary General Meeting held on March 30, 2026. Consequent upon such conversion, the name of the Company was changed from “Decent Spinners Private Limited” to “Decent Spinners Limited”. A fresh Certificate of Incorporation consequent upon conversion from a private limited company to a public limited company was issued by the Assistant Registrar of Companies / Deputy Registrar of Companies/ Registrar of Companies, Central Processing Centre on April 09, 2026. The Corporate Identity Number (CIN) of our Company, as presently standing, is U74899HR1990PLC143283. Our Company is registered with the Registrar of Companies, Haryana (RoC Haryana), situated at 3rd Floor, Corporate Bhawan, Plot No. 4-B, Sector 27-B, Chandigarh – 160 019.

For details of changes in registered offices of our Company, please refer to the section titled “History and Certain Corporate Matters” beginning on page 204.

BRIEF ABOUT THE COMPANY AND OFFER

Registered Office	Decent Spinners Limited V.P.O KOHAND, Gharunda, Karnal, Gharunda, Haryana-132114, India Telephone No.: +91-99922 26959 Website: www.decentspinnerslimited.com Email id: info@decentspinnerslimited.com
Corporate Office	NA
Date of Incorporation	May 23, 1990
Corporate Identification Number	U74899HR1990PLC143283
Company Category	Company limited by shares
Company Sub Category	- Non-government company
Address of the Registrar of Companies	Registrar Of Companies, Haryana, Corporate Bhawan, Plot No.4-B, Sector 27-B, Chandigarh. PIN- 160019 Phone: 0172-2639415 Email id: roc.haryana@mca.gov.in Website: www.mca.gov.in
Designated Stock Exchange ^	BSE SME BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001, Maharashtra, India Tel No: +91 22 2272 8017 Website: www.bseindia.com
Company Secretary and Compliance Officer	Puja Aggarwal Decent Spinners Limited V.P.O KOHAND, Gharunda, Karnal, Gharunda, Haryana-132114, India Telephone No.: +91-99922 26959 Email id: cs@decentspinnerslimited.com
Chief Financial Officer	Parv Gupta Decent Spinners Limited V.P.O KOHAND, Gharunda, Karnal, Gharunda, Haryana-132114, India Telephone No: +91-99922 26959 Email Id: parvgupta@decentspinnerslimited.com
Offer Program	Offer Opens on: [●] Offer Closes on: [●]

^ In compliance with Regulation 230(1)(a) of SEBI (ICDR) Regulation, 2018, we have made an application to the SME Platform of BSE only for listing of our equity shares.

BOARD OF DIRECTORS OF OUR COMPANY

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

Name	Designation	DIN	Residential Address
Naresh Kumar	Chairman and Managing Director	00736018	Opp. Police Line, H. No. 2, Ashoka Colony, Karnal-132001, Haryana, India.
Parv Gupta	Whole time Director	11032995	H. No. 2, Ashoka Colony, Opp. Police Line, Karnal-132001, Haryana, India
Ritu Garg	Non-executive Director	11032984	H. No. 2, Ashoka Colony, Opp. Police Line, Karnal-132001, Haryana, India
Sanjay Kumar	Non-executive Independent Director	08920598	Seervasu Chand, Afzalgarh, Bijnor, UP-246722
Pradeep Singh	Non-executive Independent Director	09431813	2070 Gram Rasulpur Post Ahamadpur Kusumba, Fatehpur- 212641, Uttar Pradesh, India

For further details of our directors, see “*Our Management*” on page 208.

Investor Grievances

Investors may contact the Company Secretary and Compliance Officer and /or the Registrar to the Offer and/or Book Running Lead Manager in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account and non-receipt of funds by electronic mode.

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

In terms of SEBI Master Circular, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹ 100 or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for nonallotted/partially-allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Manager shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount. Further, in terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

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

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

Details of Key Intermediaries pertaining to this Offer and our Company

Book Running Lead Manager to the Offer	Registrar to the Offer
Cumulative Capital Private Limited B 309-311, 215 Atrium, Nr. Courtyard Marriott Hotel, Andheri Kurla Road, Andheri East Chakala MIDC, Mumbai – 400 093 Maharashtra, India. Tel: +91 +91 9819662664/ +91 7014800380 Email: contact@cumulativecapital.group Investor Grievance email ID: investor@cumulativecapital.group Website: www.cumulativecapital.group Contact Person: Swapnilsagar Vithalani/ Ayush Garodia SEBI Registration No.: INM000013129 CIN: U64910MH2023PTC414974	Maashitla Securities Private Limited 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi - 110034, India Telephone: 011-4781432 Email: investor.ipo@maashitla.com Investor Grievance email ID: investor.ipo@maashitla.com Website: www.maashitla.com Contact Person: Mukul Agrawal SEBI Registration Number: INR000004370 CIN: U67100DL2010PTC208725
Legal Counsel to the Offer	Statutory and Peer Reviewed Auditors
 Acuity Law LLP Address: B2-201, Marathon Nextgen Innova, Off Ganpatro, Kadam Marg, Lower Parel, Mumbai-400013, Maharashtra, India. Telephone: +91-83690 75981 Email: mohit.parekh@acuitylaw.co.in Website: www.acuitylaw.co.in Contact Person: Mohit Parekh	M/s Vinay I Aggarwal & Associates Address: AN-10B, Shalimar Bagh, New Delhi-110088 Telephone: +91-8800692442 Email: shobhitgupta2003@gmail.com Contact Person: Shobhit Gupta Membership Number: 502897 FRN No.: 019631N Peer Review Number: 021252
Banker to the Company	Share Escrow Agent*
Union Bank of India Address: Ward No. 06, Bali Nagar, GT road, Gharunda-132114, Haryana Telephone: +91 9717118331 Email: ubin0908312@unionbankofindia.bank.in Website: www.unionbankonline.bank.in Contact Person: Nishant	[●]
Sponsor Bank*	Syndicate Member*
[●]	[●]

*Will be updated at the time of filing of Red Herring Prospectus.

Designated Intermediaries

Self-Certified Syndicate Bank(s)

The list of banks that have been notified by SEBI to act as the SCSBs (i) in relation to the ASBA (other than through UPI Mechanism) is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> or <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>, as applicable or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI Mechanism), a list of which is available on the website of SEBI at <https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> or such other website as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, refer to the above-mentioned link or any other such website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investor) 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 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 Application Forms from the members of Syndicate at Specified Locations, see the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>).

Self-Certified Syndicate Banks Eligible as Sponsor Banks for UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41>.

For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above-mentioned SEBI link.

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the website of SEBI (www.sebi.gov.in) 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 RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of SEBI (www.sebi.gov.in) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

Collecting Depository Participants

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

EXPERTS TO THE OFFER

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

Our Company has received written consent dated June 15, 2026, from the Statutory Auditor, namely, M/s. Vinay I Aggarwal & 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 Red Herring Prospectus, and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of (i) their examination report on the Restated Financial Information; and (ii) their report on the statement of possible special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

In addition, our Company has received written consent dated June 02, 2026 from SRJ Certification Services Pvt. Ltd. (Membership no. 77571), as Chartered Engineer to include its name as an “expert” as defined under Section 2 (38) and other applicable provisions of the Companies Act, 2013 in respect of the report dated June 02, 2026, on installed capacity, actual production and capacity utilisation at our manufacturing facility owned and/or controlled by the Company and estimated cost for the Proposed Project, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated June 15, 2026 from Mahima Khandelwal & Associates, Company Secretary in whole time practice, to include its name as a company secretary in practicing under Section 26(5) of the Companies Act and as an “expert” as defined under Section 2(38) of the Companies Act and in respect of their certificate dated June 15, 2026 issued by them in connection with the past compliances of the Company as per applicable laws.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S Securities Act. However, the term expert shall not be construed to mean an expert as defined under the U.S. Securities Act, as amended (the “U.S. Securities Act”).

MONITORING AGENCY

In case the size of the Fresh Issue exceeds ₹5,000 Lakhs, the Company shall appoint a monitoring agency for monitoring the utilization of the Net Proceeds of the Fresh Issue in accordance with Regulation 262(1) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including pursuant to the SEBI (ICDR) (Amendment) Regulations, 2025. Until such appointment, and where applicable, the Audit Committee of our Company shall monitor the utilization of the proceeds of the Offer in accordance with Section 177 of the Companies Act, 2013.

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

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

APPRAISING AUTHORITY

None of the objects of the Offer for which the Net Proceeds will be utilized have been appraised by any agency. Accordingly, no appraising entity has been appointed in the Offer.

CREDIT RATING

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

IPO GRADING

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

TRUSTEES

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

GREEN SHOE OPTION

No green shoe option is applicable for the Offer.

FILING OF DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/ PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES

The Draft Red Herring Prospectus have been filed with BSE SME situated at Phiroze Jeejeebhoy Towers, Dalal St, Kala Ghoda, Fort, Mumbai, Maharashtra 400001 and Prospectus is being filed with BSE SME. As per SEBI Circular No. *SEBI/HO/CFD/PoD-1/P/CIR/2023/29* dated *February 15, 2023*, company shall upload the Issue Summary Document (ISD) on exchange portal.

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

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

STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Cumulative Capital Private Limited is the sole Book Running Lead Manager (BRLM) to the Offer and all the responsibilities relating to co-ordination and other activities in relation to the Offer shall be performed by them.

CHANGES IN THE AUDITORS

The following changes have taken place in the Auditors during the last three years preceding the date of this Draft Red Herring Prospectus:

Details of Auditor	Date of change	Reason for change
Deepak G C Goel & Associates 205-R, Model Town, Panipat, Haryana- 132103, India. Tel.: +91-9253476999 Email: kumarvikasassociates@yahoo.in Contact Person: Vikas Garg Membership No.: 504008 FRN No.: 020389N	September 30, 2024	Appointment as the statutory auditor of our Company for a period of five years i.e. from April 01, 2024 to March 31, 2029
Deepak G C Goel & Associates 205-R, Model Town, Panipat, Haryana- 132103, India. Tel.: +91-9253476999 Email: kumarvikasassociates@yahoo.in Contact Person: Vikas Garg Membership No.: 504008 FRN No.: 020389N	August 31, 2025	Resigned from the post of Statutory Auditor
M S K G & Co. Shop No.11-12, Azad Market, Near Nirankari Satsang Bhawan, Karnal Road, Kaithal Haryana- 136027, India Contact details: +91-9267770000 Tel.: 01746-222223 Email: - mskgconnect@yahoo.com Contact Person: Kavish Grover Membership no.: 532617 FRN No.: 008262N	September 05, 2025	Statutory Auditor appointed to fill the casual vacancy caused on account of resignation of the erstwhile auditor
	September 30, 2025	Appointment as the statutory auditor of our Company for a period of five years i.e. from April 01, 2025 to March 31, 2030
	January 16, 2026	Resigned from the post of Statutory Auditor due to Pre-occupation
Vinay I Aggarwal & Associates AN-10B, Shalimar Bagh, New Delhi-110088, India Contact details: +91-9717203270 Email: - akashgoelca@gmail.com Contact Person: Shobhit Gupta Membership no.: 502897 FRN No.: 019631N Peer Review No.: 021252	January 27, 2026	Statutory Auditor appointed to fill the casual vacancy caused on account of resignation of the erstwhile auditor

BOOK BUILDING PROCESS

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

Principal parties involved in the Book Building Process are-

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

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

The Offer is being made through the Book Building Process wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “**Anchor Investor Portion**”), of which 40% shall be reserved as follows: (i) 33.33% for domestic Mutual Funds; and (ii) 6.67% for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the Anchor Investor Offer Price. In case the aggregate demand from Life Insurance Companies and Pension Funds is less than 6.67%, the remaining Equity Shares will be added to the portion allocated to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer price.

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

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

In accordance with the SEBI ICDR Regulations, Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bidding Date.

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

In terms of SEBI Circular No. *CIR/CFD/POLICYCELL/11/2015* dated *November 10, 2015* and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. *SEBI/HO/CFD/DIL2/CIR/P/2018/138* dated *November 01, 2018*, Individual Investors applying in public Offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “*Offer Procedure*” beginning on page 328.

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

For further details on the method and procedure for Bidding, please see section entitled “*Offer Procedure*” on page 328.

Illustration of the Book Building and Price Discovery Process:

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

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

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

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “Offer Procedure” on page 328;
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Offer will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

Bid/Offer Program:

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

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

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Offer Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. SEBI pursuant to its circular bearing reference number *SEBI/HO/CFD/TPD1/CIR/P/2023/140* dated August 09, 2023 has reduced the time taken for listing of specified securities after the closure of public Offer to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); ‘T’ being Offer closing date. Our Company shall follow the timelines provided under the aforementioned circular.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Offer Period (except for the Bid/Offer Closing Date). On the Bid/ Offer Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for Individual bidders and non- individual bidders. The time for applying for Individual Applicant on Bid/ Offer Closing Date maybe extended in consultation with the BRLM, RTA and BSE Limited taking into account the total number of applications received up to the closure of timings.

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

In accordance with SEBI ICDR Regulations, Bidders are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Allocation to Individual Applicants, in this Offer will be on a proportionate basis.

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

WITHDRAWAL OF THE OFFER

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

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

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

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

Underwriting Agreement

This Offer is 100% underwritten. The Underwriting agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Offer:

Details of the Underwriter	No. of Shares Underwritten	Amount Underwritten	% of total Offer size underwritten
[●]	[●]	[●]	[●]

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

As per Regulation 260(2) & (3) of SEBI (ICDR) Regulations, 2018, the Book Running Lead manager has agreed to underwrite to a minimum extent of [●] % of the Offer out of its own account. In the opinion of the Board of Directors (based on a certificate given by the Underwriters), the resources of the above-mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

Market Maker

Name:	[●]
Address:	[●]
Tel No:	[●]
Fax No:	[●]
Contact Person:	[●]
Email:	[●]
Website:	[●]
Contact Person:	[●]
SEBI Registration No.:	[●]
Market Maker Registration No.:	[●]

Details of the Market Making Arrangement for this Offer

Our Company and the Book Running Lead Manager have entered into an agreement dated [●] with [●], a Market Maker registered with BSE SME in order to fulfil the obligations of Market Making.

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

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

1. The Market Maker 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 shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1,00,000 shall be allowed to offer their holding to the Market Maker 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.
3. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
4. 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 Offer Size (Including the [●] Equity Shares of face value of ₹10 each ought to be allotted under this Offer). Any Equity Shares allotted to Market Maker under this Offer over and above [●] Equity Shares of face value of ₹10 each would not be taken in to consideration of computing the threshold of 25% of Offer Size. As soon as the Shares of market maker in our Company reduce to 24% of Offer Size, the market maker will resume providing 2-way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE Limited may intimate the same to SEBI after due verification.
6. There would not be more than five Market Makers for a scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
7. On the first day of listing, there will be a pre-open session (call auction) and there after trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.
8. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
9. 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 or 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.
10. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

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 Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.

11. **Risk containment measures and monitoring for Market Maker:** BSE SME Limited will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.

12. **Punitive Action in case of default by Market Maker:** BSE SME will monitor the obligations on a real-time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (Issuing 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.

13. 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.

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

In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

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

15. Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform

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

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.

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

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

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

CAPITAL STRUCTURE

Our Company's equity share capital, as on the date of this Draft Red Herring Prospectus, is disclosed below:

(₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate Nominal Value	Aggregate Value at Offer Price ⁽¹⁾
A.	Authorised Share Capital		
	2,45,00,000 Equity Shares of ₹ 10 each	2,450.00	-
B.	Issued, Subscribed and Paid-Up Share Capital before the Offer		
	1,47,10,300 Equity Shares of ₹ 10 each	1,471.03	-
C.	Present Offer in terms of this Draft Red Herring Prospectus ⁽²⁾		
	Offer of up to 92,25,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] lakhs	[●]	[●]
	of which:		
	Fresh Issue of 83,50,000* Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] lakhs	[●]	[●]
	Offer for Sale of up to 8,75,000* Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] lakhs	[●]	[●]
Of Which: ⁽³⁾			
	Reserved for Market Makers Up to [●]* Equity Shares of face value of ₹ 10 each fully paid-up for cash at price of ₹ [●]/- per Equity Share (including a share premium of ₹ [●] per Equity share) aggregating ₹ [●].	[●]	[●]
	Net Offer to the Public Up to [●]* Equity Shares of face value of ₹ 10 each fully paid-up for cash at price of ₹ [●]/- per Equity Share (including a share premium of ₹ [●] per Equity share) aggregating ₹ [●].	[●]	[●]
	Of which:		
	Not more than [●] Equity Shares of ₹ 10/- each at an Offer Price of ₹ [●]/- per Equity Share will be available for allocation to Qualified Institutional Buyers	[●]	[●]
	Not Less than [●] Equity Shares of ₹ 10/- each at an Offer Price of ₹ [●]/- per Equity Share will be available for allocation to Non-Institutional Investors	[●]	[●]
	Not less than [●] Equity Shares of ₹ 10/- each at an Offer Price of ₹ [●]/- per Equity Share will be available for allocation to Individual Investors who apply for the minimum application size.	[●]	[●]
D.	Issued, Subscribed and Paid-up Share Capital after the Offer ⁽¹⁾		
	[●] Equity Shares of ₹ 10 each (assuming full subscription in the Offer)		[●]
E.	Securities Premium		
	Before the Offer (₹ in lakhs)		Nil
	After the Offer (₹ in lakhs)		[●]

(1) To be updated upon finalization of the Basis of Allotment

(2) The present Offer was authorized pursuant to a resolution of our Board dated April 20, 2026 and pursuant to a special resolution of our Shareholders passed in an Extra Ordinary General Meeting on shorter consent dated April 26, 2026 under Section of the Companies Act, 2013.

(3) Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Offer Price. Under-subscription, if any, in any of the categories, would be allowed to be met with spillover from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

(4) of which (a) one third of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than two lots and up to such lots equivalent to not more than ₹ 10 lakhs and (b) two-thirds of the Non Institutional Portion shall be reserved for Bidders with an application size exceeding ₹ 10 lakhs provided undersubscription in either of these two subcategories of Non-Institutional Portion may be allocated to Bidders in the other subcategory of Non-Institutional Portion.

CLASSES OF SHARES

Our Company has only one class of share capital i.e. Equity Shares of face value of ₹10 each only. All the issued Equity Shares are fully paid-up. There are no outstanding convertible securities or any warrant, option or right to convert a debenture, loan or other instrument which would entitle any person any option to receive Equity Shares, as on the date of this Prospectus.

NOTES TO THE CAPITAL STRUCTURE

1) Changes in Authorized Share Capital of our Company since incorporation:

The initial authorised capital of our Company was ₹ 20,00,000 (Rupees twenty lakhs only) divided into 20,000 Equity Shares of face value of ₹ 100/- each. Further, the authorised share capital of our Company has been altered in the manner set forth below:

Sr. No.	Particulars of Amendment	Date of Shareholders Approval
1.	Amendment to the MOA to reflect the subdivision from ₹ 20,00,000 comprising 20,000 equity shares of face value of ₹ 100 each to ₹ 20,00,000 comprising of 2,00,000 equity shares of face value of ₹ 10 each.	September 22, 2010
2.	Increase in authorized share capital of our Company from ₹ 20,00,000 divided into 2,00,000 Equity shares of ₹ 10 each to ₹ 50,00,000 divided into 5,00,000 Equity shares of ₹ 10 each.	September 22, 2010
3.	Amendment to the MOA to reflect the consolidation from ₹ ₹ 50,00,000 divided into 5,00,000 Equity shares of face value of ₹ 10 each to ₹ 50,00,000 comprising of 50,000 equity shares of face value of ₹ 100 each.	October 25, 2010
4.	Increase in authorized share capital of our Company from ₹ 50,00,000 divided into 50,000 Equity shares of ₹ 100 each to ₹ 1,50,00,000 divided into 1,50,000 Equity shares of ₹ 100 each.	February 01, 2021
5.	Amendment to the MOA to reflect the subdivision from ₹ 1,50,00,000 divided into 1,50,000 Equity shares of ₹ 100 each to ₹ 1,50,00,000 comprising of 15,00,000 Equity shares of face value of ₹ 10 each.	January 27, 2026
6.	Increase in authorized share capital of our Company from ₹ 1,50,00,000 comprising of 15,00,000 Equity shares of face value of ₹ 10 each to ₹ 22,00,00,000 divided into 2,20,00,000 Equity shares of ₹ 10 each.	March 16, 2026
7.	Increase in authorized share capital of our Company from ₹ 22,00,00,000 divided into 2,20,00,000 Equity shares of ₹10 each to ₹ 24,50,00,000 divided into 2,45,00,000 Equity shares of ₹ 10 each.	April 20, 2026

2. Equity Share capital history of our Company:

(a) *The following table sets forth the history of the Equity Share capital of our Company:*

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of allotment	Nature of consideration	Name of allottees		Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital
May 23, 1990	30	100	100	Initial subscription to the Memorandum of Association	Cash	Name of Allottees	Number of shares	30	3,000
						Ramesh Kumar Mehra	10		
						Rajesh Mehra	10		
						Ashish Mehra	10		
						Total	30		

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of allotment	Nature of consideration	Name of allottees		Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital
May 28, 1990	2,000	100	100	Further Allotment	Cash	Name of Allottees	Number of shares	2,030	2,03,000
						Ashish Mehra	300		
						Rajiv Mehra	250		
						Tripta Mehra	300		
						Manju Mehra	300		
						Ram Labhaya HUF	250		
						Ramesh Kumar Mehra HUF	300		
						Rajesh Kumar Mehra HUF	300		
						Total	2,000		
April 07, 1992	2,450	100	100	Further Allotment	Cash	Name of Allottees	Number of shares	4,480	4,48,000
						Ramesh Kumar Mehra	200		
						Rajesh Mehra	200		
						Ram Labhaya HUF	2,050		
						Total	2,450		
June 30, 1992	7,200	100	100	Further Allotment	Cash	Name of Allottees	Number of shares	11,680	11,68,000
						Ramesh Kumar Mehra	450		
						Rajesh Mehra	450		
						Ashish Mehra	650		
						Manju Mehra	500		
						Ram Labhaya HUF	700		
						Shivani Mehra	750		
						Sumit Mehra	750		
						Sunita Rani Sharma	950		
						Amrik Singh	550		

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of allotment	Nature of consideration	Name of allottees		Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital
						Narinder Kaur	550		
						Mesh Exports Private Limited	900		
						Total	7,200		
March 30, 1993	7,400	100	100	Further Allotment	Cash	Name of Allottees	Number of shares	19,080	19,08,000
						Ramesh Kumar Mehra	300		
						Rajesh Mehra	300		
						Ram Labhaya HUF	450		
						Sheetal Arora	1,350		
						Seema Jain	150		
						Raghav Arora	850		
						Kamal Arora	850		
						Jawahar Jain	150		
						Ashok Kumar Vij	100		
						Madhu Balal Vij	100		
						Vinod Vahi	100		
						Veena Vahi	100		
						Shashi Bhushan Sharma	150		
						Veena Sharma	100		
						Sidharth Goswami	200		
						Tarik Arora	700		
						Riti Kapur	600		
						Vishva Nath Kapur	500		
						Rakesh Kapur	350		
						Total	7,400		

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of allotment	Nature of consideration	Name of allottees		Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital
Each equity share of our Company of face value of ₹ 100 was sub-divided to 10 equity shares of face value of ₹ 10 each, pursuant to the resolution passed by our Shareholders on 22th September 2010.									
October 11, 2010	2,00,000	10	10	Further Allotment	Cash	Name of Allottees	Number of shares	3,90,800	39,08,000
						Naresh Kumar	50,000		
						Ritu Garg	70,000		
						Veera Gard	80,000		
						Total	2,00,000		
Each equity share of our Company of face value of ₹ 10 was consolidated to equity shares of face value of ₹ 100 each, pursuant to the resolution passed by our Shareholders on 25th October 2010									
May 01, 2021	94,650	100	221.95	Rights Issue	Cash	Name of Allottees	Number of shares	1,33,730	1,33,73,000
						Naresh Kumar	35,000		
						Ritu Garg	30,000		
						Veera Garg	25,000		
						Naresh Kumar and Sons HUF	4,650		
Total	94,650								
Each equity share of our Company of face value of ₹ 100 was sub-divided to 10 equity shares of face value of ₹ 10 each, pursuant to the resolution passed by our Shareholders on 27th January 2026									
April 09, 2026	1,33,73,000	10	NA	Bonus Issue	Other than Cash	Name of Allottees	Number of shares	14,71,030	1,47,10,300
						Naresh Kumar	88,29,800		
						Ritu Garg	34,38,000		
						Parv Gupta	3,20,000		
						Naresh Kumar and Sons HUF	4,65,000		
						Vishesh Gupta	3,20,000		
						Krishan Mohan Singh	100		
						Shivansh Gupta	100		
						Total	1,33,73,000		

Secondary Transactions involving the Promoters, Promoter Group and the Promoter Selling Shareholders

Except as disclosed in “*Capital Structure–Build-up of the Promoters’ Contribution*” on page 86 and as set out below, there are no secondary transactions of Equity Shares by our Promoters, the members of the Promoter Group and Promoter Selling Shareholders as on the date of this Draft Red Herring Prospectus:

Date of transfer	Name of transferor	Name of transferee	Number of Equity Shares of transferred	Face value per Equity Shares (₹)	Transfer price per Equity Share (₹)	Nature for transaction
May 10, 2000	Arun Gupta	Naresh Kumar	2,700	100	100	Transfer
May 10, 2000	Deepika Gupta	Naresh Kumar	250	100	100	Transfer
May 10, 2000	Neeta Gupta	Naresh Kumar	2,600	100	100	Transfer
March 31, 2003	Naresh Kumar	B. K. Gupta	50	100	100	Transfer
March 30, 2009	Raj Kumar Gupta	Ritu Garg	580	100	100	Transfer
May 23, 2025	Veera Garg	Naresh Kumar	42,800	100	NA	Gift
May 23, 2025	Veera Garg	Parv Gupta	3,200	100	NA	Gift
March 24, 2026	Naresh Kumar	Krishan Mohan Singh	10	10	125	Transfer
March 24, 2026	Naresh Kumar	Shivansh Gupta	10	10	125	Transfer
March 24, 2026	Ritu Garg	Vishesh Gupta	32,000	10	NA	Gift

(b) Equity Shares issued for consideration other than cash or by way of bonus issue

Except as stated below, our Company has not issued any Equity Shares out of consideration other than cash:

Date of allotment	Reason/ Nature for allotment	Number of equity shares allotted	Issue price per equity share (₹)
April 09, 2026	Bonus Issue in the ratio of 10 new equity shares for every 1 equity share	1,33,73,000	NA

Our Company has not issued any Equity Shares out of revaluation reserves, as on the date of this Draft Red Herring Prospectus since incorporation.

Further, no benefits have accrued to our Company on account of issuance of Equity Shares for consideration other than cash or out of the revaluation reserves, as on the date of this Draft Red Herring Prospectus since incorporation.

(c) Equity Shares allotted in terms of any schemes of arrangement

Our Company has not allotted any Equity Shares in terms of any scheme approved under Section 391 to 394 of the Companies Act, 1956 or Section 230 to 232 of the Companies Act, 2013, as applicable.

(d) Equity Shares allotted at a price lower than the Offer Price in the last year

The Offer Price for the Equity Shares is ₹ [●]. Except as disclosed in “*Capital Structure- Notes on Capital Structure*” on page 86 our Company has not made an issue of specified securities at a price which may be lower than the Offer Price during the period of one year preceding the date of filing of this Draft Red Herring Prospectus.

(e) Details of allotment made in the last one year preceding the date of Draft Red Herring Prospectus:

Date of Allotment	No. of Equity Shares Allotted	Face Value per Equity Share (₹)	Offer Price (₹)	Nature of Consideration	Nature of Allotment
April 09, 2026	1,33,73,000	10	NA	Other than Cash	Bonus Issue

3. Equity Shares issued pursuant to employee stock option schemes:

As on date of this Draft Red Herring Prospectus, our Company does not have employee stock option schemes.

4. Our Company has not revalued its assets since inception and has not issued equity shares (including bonus shares) by capitalizing any revaluation reserves. Our company has issued bonus shares from the capital redemption reserve and surplus, for further information please refer “*Restated Financial Statements*” on page 227.
5. Our Company has not made any public issue (including any rights issue to the public) since its incorporation.
6. All allotment of shares to the public over the years is done in accordance with applicable provisions of the Companies Act, 2013.
7. The company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Draft Red Herring Prospectus.
8. All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of Equity Shares on SME Platform of BSE Limited.
9. As on the date of this Draft Red Herring Prospectus, our Promoters do not hold any preference shares in our Company.
10. Our Company has Seven shareholders, as on the date of this Draft Red Herring Prospectus
11. We hereby confirm that none of the Promoters, members of the Promoter Group, Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

12. Preference Shares:

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

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

Sr. No	Particulars	Yes/ No	Promoters and Promoter Group	Public Shareholder	Non-Promoter-Non-Public
1.	Whether the Company has issued any partly paid-up shares?	No	No	No	No
2.	Whether the Company has issued any Convertible Securities?	No	No	No	No
3.	Whether the Company has issued any Warrants?	No	No	No	No
4.	Whether the Company has any shares against which depository receipts are issued?	2No	No	No	No
5.	Whether the Company has any shares in locked-in? *	No	No	No	No
6.	Whether any shares held by promoter are pledge or otherwise encumbered?	No	No	No	No
7.	Whether Company has equity shares with differential voting rights?	No	No	No	No

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

14. Details of Shareholding of our Promoter and members of the Promoter Group in our Company:

As on the date of this Draft Red Herring Prospectus, our Promoters, Naresh Kumar, Ritu Garg and Parv Gupta, hold 97,12,780 37,81,800, and 3,52,000 Equity Shares, respectively, of face value ₹ 10 each, aggregating to 94.13% of the pre-offer, subscribed and paid-up Equity Share Capital of our Company. Further, other than Promoters, promoter group members, Naresh Kumar &

Sons HUF and Vishesh Gupta, hold 5,11,500 and 3,52,000 Equity Share, respectively, aggregating to 5.87% of the pre-offer, subscribed and paid-up Equity Share Capital of our Company. No other member of the Promoter Group holds any Equity Shares in our Company. All Equity Shares held by our Promoters are in dematerialized form as on the date of this Draft Red Herring Prospectus.

(i) Build-up of the Promoters' shareholding in our Company

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

Date of allotment/transfer/Transmission	Details of allotment/transfer	No. of Equity Shares of face value of ₹ 10 each	Nature of consideration	Face value per Equity Share (₹)	Issue price/transfer price per Equity Share (₹)	Percentage of pre-Offer Equity Share capital	Percentage of post-Offer Equity Share capital*
NARESH KUMAR							
May 10, 2000	Transfer from Arun Gupta	2,700	Cash	100	100	0.02	[●]
May 10, 2000	Transfer from Neeta Gupta	2,600	Cash	100	100	0.02	[●]
May 10, 2000	Transfer from Deepika Gupta	250	Cash	100	100	Negligible	[●]
March 21, 2003	Transfer to B. K. Gupta	(50)	Cash	100	100	Negligible	[●]
<i>Each equity share of our Company of face value of ₹ 100 was sub-divided to 10 equity shares of face value of ₹ 10 each, pursuant to the resolution passed by our Shareholders on 22nd September 2010.</i>							
October 11, 2010	Further Allotment	50,000	Cash	10	10	0.34	[●]
<i>Each equity share of our Company of face value of ₹ 10 was consolidated to equity shares of face value of ₹ 100 each, pursuant to the resolution passed by our Shareholders on 25th October 2025.</i>							
May 01, 2021	Rights Issue	35,000	Cash	100	221.95	0.24%	[●]
May 23, 2025	Transfer from Veera Garg by way of Gift	42,800	Other than Cash	100	NA	0.29%	[●]
<i>Each equity share of our Company of face value of ₹ 100 was sub-divided to 10 equity shares of face value of ₹ 10 each, pursuant to the resolution passed by our Shareholders on 27th January 2026.</i>							
March 24, 2026	Transfer to Krishan Mohan Singh	(10)	Cash	10	125	Negligible	[●]
March 24, 2026	Transfer to Shivansh Gupta	(10)	Cash	10	125	Negligible	[●]

Date of allotment/transfer/Transmission	Details of allotment/transfer	No. of Equity Shares of face value of ₹ 10 each	Nature of consideration	Face value per Equity Share (₹)	Issue price/transfer price per Equity Share (₹)	Percentage of pre- Offer Equity Share capital	Percentage of post- Offer Equity Share capital*
April 09, 2026	Allotment of Bonus Shares	88,29,800	Other than Cash	10	NA	60.02	[●]
Total (A)		97,12,780				66.03%	[●]
RITU GARG							
March 30, 2009	Transfer from Raj Kumar Gupta	580	Cash	100	100	Negligible	[●]
<i>Each equity share of our Company of face value of ₹ 100 was sub-divided to 10 equity shares of face value of ₹ 10 each, pursuant to the resolution passed by our Shareholders on 22nd September 2010.</i>							
October 11, 2010	Further Allotment	70,000	Cash	10	10	0.48%	[●]
<i>Each equity share of our Company of face value of ₹ 10 was consolidated to equity shares of face value of ₹ 100 each, pursuant to the resolution passed by our Shareholders on 25th October 2010.</i>							
May 01, 2021	Rights Issue	30,000	Cash	100	221.95	0.20%	[●]
<i>Each equity share of our Company of face value of ₹ 100 was sub-divided to 10 equity shares of face value of ₹ 10 each, pursuant to the resolution passed by our Shareholders on 27th January 2026.</i>							
March 24, 2026	Transfer to Vishesh Gupta by way of Gift	(32,000)	Other than Cash	10	NA	0.22%	[●]
April 09, 2026	Allotment of Bonus Shares	34,38,000	Other than Cash	10	NA	23.37%	[●]
Total (B)		37,81,800				25.71%	[●]
PARV GUPTA							
May 23, 2025	Transfer from Veera Garg by way of Gift	3,200	Other than Cash	100	NA	0.02%	[●]
<i>Each equity share of our Company of face value of ₹ 100 was sub-divided to 10 equity shares of face value of ₹ 10 each, pursuant to the resolution passed by our Shareholders on 27th January 2026.</i>							
April 09, 2026	Allotment of Bonus Shares	3,20,000	Other than Cash	10	NA	2.18%	[●]
Total (C)		3,52,000				2.39%	[●]
Total (A+B+C)		1,38,46,580				94.13%	[●]

* Subject to finalisation of Basis of Allotment.

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

(ii) Equity Shareholding of the Promoters and Promoter Group

As on the date of this Draft Red Herring Prospectus, equity shareholding of our Promoters and members of our Promoter Group, has been provided below:

Sr. No.	Name of Shareholder	Pre-offer No. of Equity Shares of face value of ₹ 10 each	% of total pre-offer paid up Equity Share capital (%)	Post-offer No. of Equity Shares of face value of ₹ 10 each*	% of total post-offer paid up Equity Share capital (%)
Promoters					
1.	Naresh Kumar	97,12,780	66.03%	[•]	[•]
2.	Ritu Garg	37,81,800	25.71%	[•]	[•]
3.	Parv Gupta	3,52,000	2.39%	[•]	[•]
Total (A)		1,38,46,580	94.13%	[•]	[•]
Promoter Group					
4.	Naresh Kumar & Sons HUF	5,11,500	3.48%	[•]	[•]
5.	Vishesh Gupta	3,52,000	2.39%	[•]	[•]
Total (B)		8,63,500	5.87%	[•]	[•]
Total (A+B)		1,47,10,080	100.00%	[•]	[•]

* Subject to finalisation of Basis of Allotment.

Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the Listing of the Equity Shares. The Shareholding Pattern will be uploaded on the Website of the BSE before commencement of trading of such Equity Shares.

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15. Shareholding pattern of our company

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of Equity Shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C 2)	Number of Voting Rights held in each class of securities (IX)				Number of shares underlying outstanding convertible securities (X)	Total number of shares on fully diluted basis (including warrants, ESOPs, convertible securities, etc.) (XI) = (VII)+(X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage share capital) (XII) = (VII)+(X) As a % of (A+B+C 2)	Number of Locked in Equity Shares (XIII)		Number of Shares pledged (XIV)		Non-Disposal Undertaking (XV)		Other encumbrances, if any (XVI)		Total number of shares encumbered (XVII) = (XIV)+(XV)+(XVI)		Number of Equity Shares held in dematerialized form (XVIII)
								Number of voting rights			Total as a % of (A+B + C)				Number (a)	As a % of total shares held (b)	Number (a)	As a % of total shares held (b)	Number (a)	As a % of total shares held (b)	Number (a)	As a % of total shares held (b)	Number (a)	As a % of total shares held (b)	
								Class eg: Equity Shares	Classes eg: Others	Total															
(A)	Promoters and Promoter Group	5	1,47,10,080	-	-	1,47,10,080	100.00%	1,47,10,080	-	1,47,10,080	100.00%	-	100.00%	-	-	-	-	-	-	-	-	-	-	-	1,47,10,080
(B)	Public	2	220	-	-	220	-	220	-	220	-	-	-	-	-	-	-	-	-	-	-	-	-	-	220
(C)	Non-Promoter- Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)(1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (A)+(B)+(C)		7	1,47,10,300	-	-	1,47,10,300	100.00%	1,47,10,300	-	1,47,10,300	100.00%	-	100.00%	-	-	-	-	-	-	-	-	-	-	-	1,47,10,300

16. Details of Equity Shareholding of Major shareholders of our Company:

- (a) The details of our Shareholders holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing of this Draft Red Herring Prospectus are set forth below:

Sr. No.	Name of the Shareholder	Number of Equity Shares of face value of ₹ 10 each held	% of the pre-Offer share capital
1.	Naresh Kumar	97,12,780	66.02%
2.	Ritu Garg	37,81,800	25.71%
3.	Naresh Kumar & Sons HUF	5,11,500	3.48%
4.	Parv Gupta	3,52,000	2.39%
5.	Vishesh Gupta	3,52,000	2.39%
Total		1,47,10,080	99.99%

- (b) The details of our Shareholders holding 1% or more of the paid-up Equity Share capital of our Company ten days prior to the date of filing of this Draft Red Herring Prospectus are set forth below:

Sr. No.	Name of the Shareholder	Number of Equity Shares of face value of ₹ 10 each held	% of the pre-Offer share capital
1.	Naresh Kumar	97,12,780	66.02%
2.	Ritu Garg	37,81,800	25.71%
3.	Naresh Kumar & Sons HUF	5,11,500	3.48%
4.	Parv Gupta	3,52,000	2.39%
5.	Vishesh Gupta	3,52,000	2.39%
Total		1,47,10,080	99.99%

- (c) The details of our Shareholders holding 1% or more of the paid-up Equity Share capital of our Company one year prior to the date of filing of this Draft Red Herring Prospectus are set forth below:

Sr. No.	Name of the Shareholder	Number of Equity Shares of face value of ₹ 100 each held	% of the pre-Offer share capital
1.	Naresh Kumar	88,300	66.02%
2.	Ritu Garg	37,580	28.10%
3.	Parv Gupta	3,200	2.39%
4.	Naresh Kumar & Sons HUF	4,650	3.48%
Total		1,33,730	99.99%

- (d) The details of our Shareholders holding 1% or more of the paid-up Equity Share capital of our Company two years prior to the date of filing of this Draft Red Herring Prospectus are set forth below:

Sr. No.	Name of the Shareholder	Number of Equity Shares of face value of ₹ 100 each held	% of the pre-Offer share capital
1.	Veera Garg	46,000	34.40%
2.	Naresh Kumar	45,500	34.02%
3.	Ritu Garg	37,580	28.10%
4.	Naresh Kumar & Sons HUF	4,650	3.48%
Total		1,33,730	100.00%

17. Pre-Offer shareholding as on the date of the Price Band and post-Offer shareholding as at Allotment of our Promoters, members of our Promoter Group and additional top 10 shareholders

The aggregate shareholding of each of our Promoters, members of our Promoter Group and additional top 10 shareholders (apart from our Promoters) as on the date of the Price Band and as at the date of Allotment is set forth below:

Sr. No.	Pre-Offer shareholding as at the date of Draft Red Herring Prospectus			Post-Offer shareholding as at the date of Allotment [^]			
	Name of the shareholder	Number of Equity Shares of face value of ₹ 10 each*	Shareholding on a fully diluted basis (in %) *	At the lower end of the price band (₹ [●])		At the upper end of the price band (₹ [●])	
				Number of Equity Shares of face value of ₹ 10 each*	Shareholding (in %) *	Number of Equity Shares of face value of ₹ 10 each*	Shareholding (in %) *
Promoter							
1.	Naresh Kumar	97,12,780	66.02%	[●]	[●]	[●]	[●]
2.	Ritu Garg	37,81,800	25.71%	[●]	[●]	[●]	[●]
3.	Parv Gupta	3,52,000	2.39%	[●]	[●]	[●]	[●]
Promoter Group							
1.	Naresh Kumar & Sons HUF	5,11,500	3.48%	[●]	[●]	[●]	[●]
2.	Vishesh Gupta	3,52,000	2.39%	[●]	[●]	[●]	[●]
Additional top 10 Shareholders[#]							
1.	Krishan Mohan Singh	110	0.00%	[●]	[●]	[●]	[●]
2.	Shivansh Gupta	110	0.00%	[●]	[●]	[●]	[●]

* The pre-offer and post-Offer shareholding shall be updated in the Prospectus.

[^] Assuming full subscription in the Offer. The post-Offer shareholding details as at Allotment will be based on the actual subscription and the Offer Price and updated in the Abridged Prospectus and Prospectus, subject to finalization of the Basis of Allotment.

[#] To be updated in the Abridged Prospectus and Prospectus.

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

(i) Details of Promoter's contribution locked in for three years:

Pursuant to Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20.00% of the fully diluted post-Offer capital of our Company held by the Promoters shall be locked in for a period of three years from the date of Allotment ("**Minimum Promoters' Contribution**"). 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 Red Herring Prospectus, our Promoters hold 1,38,46,580 Equity Shares constituting [●] % of the post-offered, subscribed and paid-up Equity Share Capital of our Company, which are eligible for the promoter's contribution.

Our Promoters has given written consent to include [●] Equity Shares held by them and subscribed by them as part of Promoters' Contribution constituting [●] % of the post Offer Equity Shares 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 Offer.

Name of the Promoter	Number of Equity Shares locked-in ⁽¹⁾⁽²⁾	Date of acquisition of Equity Shares and when made fully paid-up	Nature of transaction	Face value (₹)	Offer/Acquisition price per Equity Share (₹)	Pre- Offer Equity Share capital (%)	Percentage of post- Offer Equity Share capital	Date of allotment/ transfer of Equity Shares*Date up to which Equity Shares are subject to lock-in
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

Note: To be completed prior to filing of the Prospectus with the RoC.

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

(2) All Equity Shares were fully paid-up at the time of on the respective dates of the allotment or acquisition, as the case may be, of such Equity Shares.

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

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

The entire pre-offer shareholding of the Promoters, other than the Minimum Promoters' contribution which is locked in for three years, shall be locked in a phased manner from the date of allotment in this offer as below:

- (a) 50% promoters' holding shall be locked in for 1 year.
- (b) 50% promoters' holding shall be locked in for 2 years.

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

Regulation Number	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
237(1)(a)(i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction;	The minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible.
237(1)(a)(ii)	Specified securities acquired during the preceding three years, resulting from a bonus Issue by utilization of revaluation reserves or unrealized profits of the Issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters' contribution;	The minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible.
237(1)(b)	Specified securities acquired by promoter 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 offer 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 promoter	The minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible.

Regulation Number	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
	of the Issuer and there is no change in the management: Provided that specified securities, allotted to promoter against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible;	
237(1)(d)	Specified securities pledged with any creditor.	Our Promoter has not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible.

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

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

Details of pre-offer equity shares held by persons other than the promoters locked-in for One Year

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoters contribution as per regulation 238(a) and 238(b) of the SEBI (ICDR) Regulations, 2018, the entire pre-offer equity shares held by persons other than the promoters constituting [●] Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this offer.

Inscription or recording of non-transferability

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

Other requirements in respect of lock-in:

1. In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018 the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution or a systemically important non-banking finance company or a housing finance company as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Offer.

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

2. In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 the Equity Shares held by persons other than the Promoters prior to the Offer may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 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, 2018 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 promoter 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.

19. The average cost of acquisition of or subscription of shares by our promoters and selling shareholders are set forth in the table below:

Sr. No.	Name of Promoters/ Selling Shareholder	No. of Equity Shares held	Average cost of acquisition (in ₹ per equity share) *
1.	Naresh Kumar [#]	97,12,780	0.91
2.	Ritu Garg [#]	37,81,800	1.88
3.	Parv Gupta	3,52,000	0.00

* As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

[#] Selling Shareholder.

20. Equity Shareholding of Key Managerial Personnel and Senior Management:

Except as stated below, none of our directors or Key Managerial Personnel or members of Senior Management Personnel hold any Equity Shares:

Name of Director/ Key Managerial Personnel/ Member of Senior Management Personnel	Number of equity shares of face value ₹ 10 each on fully diluted basis	Percentage of pre-Offer Equity Share capital (%)	Percentage of Post - Offer Equity Share capital (%)
Directors			
Naresh Kumar	97,12,780	66.03%	[●]
Ritu Garg	37,81,800	25.71%	[●]
Parv Gupta	3,52,000	2.39%	[●]

21. There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our directors or their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.
22. Except for the Equity Shares offered pursuant to this Offer, there will be no further issue of Equity Shares whether by way of a split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly, for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or through a rights issue or further public issue of Equity Shares, or otherwise, until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc., as the case may be.
23. Our Company has not made any public issue since its incorporation and has not made any rights issue of any kind or class of securities since its incorporation.
24. Our Company has been in compliance with the Companies Act, 1956/2013, to the extent applicable, with respect to issuance of securities from the date of incorporation of our Company till the date of filing of this Draft Red Herring Prospectus.
25. The post-Offer paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.
26. All the Equity Shares held by our Promoters and Promoter Group members are in dematerialised form as on the date of this Draft Red Herring Prospectus.
27. There will be no further issue of specified securities 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 filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.
28. The Company along with its, promoter, selling shareholders, promoter group, director and group companies/entities has not been part of or has been delisted under Chapter III or Chapter V or Chapter VI of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 as amended.

29. The financial information provided by the Company is in compliance with the SEBI (Framework for Rejection of Draft Offer Documents) Order, 2012.
30. No person connected with the Offer, including, but not limited to, our Company, the members of the Syndicate, our Promoters, Promoter Selling Shareholders, the members of our Promoter Group or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.
31. As on date of this Draft Red Herring Prospectus, except for the offer for sale neither our Promoters nor the members of our Promoter Group will participate in the Offer.
32. Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Offer.
33. As on the date of this Draft Red Herring Prospectus, none of the shares held by our Promoters/ Promoter Group are subject to any pledge.
34. Neither the (i) BRLM or any associates of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associates of the BRLM or AIFs sponsored by entities which are associates of the BRLM or FPIs other than individuals, corporate bodies and family offices which are associates of the BRLM or pension funds sponsored by entities which are associates of the BRLM); nor (ii) any Promoter Group member shall apply in the Offer under the Anchor Investor Portion. Further, an Anchor Investor shall be deemed to be an associate of the BRLM, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLM.
35. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares of our Company, as on the date of this Draft Red Herring Prospectus.
36. The BRLM and their affiliates may engage in the transactions with and perform services for our Company and/ or the Promoter Selling Shareholders in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company and/ or the Promoter Selling Shareholders, for which they may in the future receive customary compensation.
37. We confirm that the BRLM are not associates of our Company as per Regulation 21A of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.
38. At any given time, there shall be only one denomination of the Equity Shares of our Company, unless otherwise permitted by law.
39. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
40. Our Company shall ensure that any transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.
41. Our Company, our Promoters, Promoter Selling Shareholders, our Directors and the BRLM have not entered into buyback arrangements and / or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.
42. All Equity Shares transferred pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up as on the date of this Draft Red Herring Prospectus.
43. None of our Promoters and the members of the Promoter Group will submit Bids or otherwise participate in the Offer other than to the extent of their participation in the Offer for Sale, as applicable.
44. None of the investors of our Company are directly or indirectly related with the BRLM and their associates.
45. Neither the BRLM nor their respective associates (as defined under the SEBI (Merchant Bankers) Regulations, 1992) hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.
46. As on the date of filing of this Draft Red Herring Prospectus, our Company does not have stock appreciation rights scheme.

47. . Except as disclosed in “*Capital Structure – Build-up of the Promoter’s shareholding in our Company*” on page 86, none of the members of the Promoter Group, the Promoter, the Directors of our Company, the directors of our Promoter, nor any of their respective relatives, as applicable, have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.
48. An over-subscription to the extent of 10.00% of the Offer, subject to the maximum post offer paid up capital of ₹ 25 Crore, can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Offer. Consequently, the actual allotment may go up by a maximum of 10.00% of the Offer, as a result of which, the post-offer paid up capital after the Offer would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to 3-year lock- in shall be suitably increased; so as to ensure that 20% of the post Offer paid-up capital is locked in.
49. Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the Offer Price. Under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company may, in consultation with the Book Running Lead Manager and Designated Stock Exchange i.e. SME platform of BSE Limited (“**BSE SME**”). Such inter se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines. Undersubscription, if any, in the QIB Category will not be allowed to be met with spill over from any category or combination thereof. For detailed information on the Net Offer and its allocation various categories, please refer chapter titled “*The Offer*” on page 63.
50. In case of over-subscription in all categories the allocation in the offer shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
51. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net Offer to the public portion.
52. An Investor cannot make a bid for more than the number of Equity Shares being offered through this Offer, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
53. There are no Equity Shares against which depository receipts have been issued.
54. Other than the Equity Shares, there is no other class of securities issued by our Company.
55. As per RBI regulations, OCBs are not allowed to participate in this offer.
56. There are no safety net arrangements for the Offer.
57. This Offer is being made through Book Building Method.
58. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Offer is being made for at least 25% of the post-offer paid-up Equity Shares Share capital of our Company. Further, this Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. No payment, direct or indirect in the nature of discount, commission, allowances or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Offer.
59. Our Company shall comply with such disclosure and accounting norms as may be specified by BSE and SEBI from time to time.

OBJECTS OF THE OFFER

The Offer comprises the Fresh Issue of up to 83,50,000 Equity Shares of face value ₹10/- each aggregating up to ₹ [●] Lakhs and an Offer for Sale of up to 8,75,000 Equity Shares of face value ₹10/- each aggregating up to ₹ [●] Lakhs by the Selling Shareholders. For details, see “*The Offer*” on page 63.

Offer for Sale

Sr. No.	Number of Selling Shareholders	Number of Equity Shares held	Number of Equity Shares Offered	Date of Selling Shareholder's Consent
1.	Naresh Kumar	97,12,780	Up to 5,84,000	April 20, 2026
2.	Ritu Garg	37,81,800	Up to 2,91,000	April 20, 2026

Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholder. However, except for the listing fees which shall be solely borne by our Company, all offer expenses will be shared, upon successful completion of the Offer, between our Company and the Selling Shareholder on a pro-rata basis, in proportion to the Equity Shares offered and allotted by our Company in the Fresh Issue and the offered shares sold by the Selling Shareholder in the Offer for Sale.

The proceeds of the Offer for Sale after deducting its proportion of the Offer related expenses and relevant taxes thereon, shall be received by the Selling Shareholder to their respective portion of the proceeds from the Offer for Sale in proportion of the Equity Shares offered by the respective Selling Shareholder as part of the Offer for Sale and, will not form part of the Net Proceeds.

Fresh Issue Proceeds

After deducting the Offer-related expenses from the Gross Proceeds, we estimate the net proceeds of the Fresh Issue to be ₹ [●] lakhs (“Net Proceeds”). The details of the Net Proceeds of the fresh issue are summarized in the table below:

(₹ in Lakhs)

Particulars	Estimated Amount
Gross Proceeds from the Fresh Issue	[●]
(Less) Offer related expenses in relation to the Fresh Issue [^]	[●]
Net Proceeds from the Fresh Issue*	[●]

[^] 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 and the Selling Shareholder in proportion to the Equity Shares contributed in the offer.

*To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

Our company proposes to utilize the net proceeds from the fresh issue towards funding the following object:

1. Funding capital expenditure towards the procurement of machinery for the upgradation of the existing manufacturing facility
2. Repayment or pre-payment, in part or full of all or certain borrowings availed by our Company; and
3. General Corporate Purposes

(collectively, referred to herein as the “**Objects**” and individually, each an “**Object**”)

In addition to the objects mentioned above, our Company intends to strengthen its capital base and expects to receive the benefits of listing of the Equity Shares on the Stock Exchange, including among other things, enhancing the visibility of our brand and our Company among our existing and potential customers. We believe that listing will enhance our corporate image and brand name and create a public market for Equity Share of our Company in India and will further enable us to avail future growth opportunities.

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 Offer.

Pursuant to a resolution dated June 15, 2026 passed by our Board, our Company has approved aforesaid Objects for the Offer.

Our Company is engaged in the manufacturing and supply of a wide range of blankets, broadly classified into three primary categories: (i) mink blankets, (ii) cloudy blankets, and (iii) semi-cloudy blankets. These products are manufactured at our facility located in Karnal, Haryana and are marketed under our brand name, “Decent Blankets”. We operate as a B2B enterprise, focusing on wholesale and bulk sales to distributors, traders, and other institutional buyers across our target markets. In addition to our core manufacturing operations, we are also involved in the trading of polyester yarn and sales rags enabling us to optimize resource utilization and generate additional revenue streams.

The Net proceeds are proposed to be utilized in accordance with the details set out in the table below:

(₹ in Lakhs)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds
1.	Funding capital expenditure towards the procurement of machinery for the upgradation of the existing manufacturing facility	1,298.77
2.	Repayment or pre-payment, in part or full of all or certain borrowings availed by our Company	2,588.69
3.	General corporate purposes ⁽¹⁾⁽²⁾	[•]
	Net Proceeds⁽¹⁾	[•]

⁽¹⁾ To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

⁽²⁾ The amount utilized for general corporate purposes shall not exceed 15% of the Gross Proceeds of the Offer size or ₹ 1,000.00 lakhs 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.

Proposed schedule of implementation and deployment of Net Proceeds

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

(₹ in Lakhs)

Particulars	Amount to be funded from the Net Proceeds	Estimated deployment of Net Proceeds in Fiscal 2027	Estimated deployment of Net Proceeds in Fiscal 2028
Funding capital expenditure towards the procurement of machinery for the upgradation of the existing plant	1,298.77	1,298.77	Nil
Repayment or pre-payment, in part or full of all or certain borrowings availed by our Company	2,588.69	2,588.69	Nil
General corporate purposes ⁽¹⁾⁽²⁾	[•]	[•]	Nil
Net Proceeds	[•]	[•]	Nil

⁽¹⁾ To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

⁽²⁾ The amount utilized for general corporate purposes shall not exceed 15% of the Gross Proceeds of the Offer Size or ₹ 1,000.00 lakhs whichever is lower.

Means of Finance

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

(₹ in Lakhs)

Sr. No.	Particulars	Amount
1.	Net Proceeds*	[●]
	Total	[●]

* To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

Since the entire fund requirement is proposed to be funded from the Net proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI (ICDR) Regulations, 2018 through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed. *See “Risk Factors - Our funding requirements and the proposed deployment of the Net Proceeds have been determined by our management based on internal estimates and have not been independently appraised by any bank, financial institution, government authority or other independent agency. Any variation in the utilization of the Net Proceeds from the estimates disclosed in this Draft Red Herring Prospectus may adversely affect our business and financial condition” on page 46.*

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by means available to our Company, including internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used for future growth opportunities, including funding existing Objects, if required.

In case of any delay in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of internal accruals.

As we operate in a competitive environment, our Company may have to revise its business plan from time to time and, consequently, our fund requirements may also change. Our Company’s historical expenditure may not be reflective of its future expenditure plans. Our Company may revise its estimated costs, fund allocation, and fund requirements owing to various factors such as economic and business conditions, increased competition, and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, at the discretion of our management.

For further details on the risks involved in our business plans and execution of our business strategies, please see the section titled “*Risk Factors - Our proposed product diversification initiatives may not achieve the anticipated benefits and may adversely affect our business, financial condition and growth prospects.*” beginning on page 50.

Details of Utilization of Net Proceeds

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

1. Funding capital expenditure towards the procurement of machinery for the upgradation of the existing manufacturing facility

Our Company is engaged in the manufacturing and supply of a wide range of blankets, broadly classified into three primary categories: (i) mink blankets, (ii) cloudy blankets, and (iii) semi-cloudy blankets. These products are manufactured at our facility located in Haryana and are marketed under our brand name, “**Decent Blankets**”. We operate as a B2B enterprise, focusing on wholesale and bulk sales to distributors, traders, and other institutional buyers across our target markets.

Our manufacturing facility is strategically located at 101 Milestone, Grand Trunk Road, Kohand, Karnal, Haryana - 132114, India. Its presence within the Panipat- Karnal offers various structural advantages.

The proposed CAPEX is primarily aimed at enhancing the manufacturing capacity of Mink Blankets and Cloud Blankets, improving operational efficiencies, eliminating existing production bottlenecks and supporting the growing demand from domestic as well as export markets.

Our Company has witnessed high-capacity utilization in its blanket manufacturing operations, with utilization levels reaching approximately 90.91% Fiscal 2026. The existing manufacturing process is presently constrained by the capacity of the current

printing machine, which acts as the binding bottleneck in the overall production chain and restricts the effective installed capacity of the blanket manufacturing facility to approximately 16.52 Lakhs KG per annum.

In order to address such operational constraints, the Company proposes to undertake replacement and upgradation of key machinery including printing machines, Raschel knitting machines, brushing machines, polishing machines and washing line infrastructure. The proposed CAPEX is expected to increase the effective installed capacity of the blanket manufacturing facility from approximately 18.15 Lakhs KG per annum to approximately 59.40 Lakhs KG per annum.

The proposed expansion is also expected to support:

- (i) Increasing domestic demand for Mink and Cloudy Blankets;
- (ii) Growing export opportunities in outside markets such as Nepal, Oman and Yemen;
- (iii) Expansion into higher-margin premium blanket products;
- (iv) Improved production efficiencies and economies of scale; and
- (v) enhancement of product quality and manufacturing capabilities.

Further, Our Company has strategically reduced its focus on the comparatively lower-margin shoddy woollen yarn business and intends to concentrate on scaling its blanket manufacturing operations, which offer higher growth potential and better margin profile.

Accordingly, the proposed CAPEX is expected to strengthen the Company's production capabilities, improve operational efficiency, support future growth requirements and enhance its competitive positioning in the blanket manufacturing industry.

We propose to utilize a portion of the Net Proceeds aggregating to approximately ₹1,298.77 lakhs towards capital expenditure for the procurement and installation of plant and machinery for the upgradation of our existing manufacturing facility located at Kohand, Karnal, Haryana. The proposed investment is aimed at modernizing our existing machinery base, enhancing production efficiency, and strengthening our manufacturing capabilities across key processes including knitting, processing, finishing, and value addition.

The Board of Directors of our Company, at its meeting held on June 16, 2026, has approved an allocation of up to ₹1,298.77 lakhs from the Net Proceeds for the aforesaid purpose.

Detailed break-down of the cost of the capital expenditure:

Estimated Cost

The details of the quotations obtained by us towards these afore-mentioned capital expenditure are provided below:

Sr. No.	Name of Machinery	Quantity	Estimated cost per machine (USD)	Estimated cost per machine (INR in Lakhs)	Total Estimated cost (INR in Lakhs)	Vendor	Date of Quotation
1.	Double Needle Bar Raschel Machine E22	8.00	\$32,500.00	31.13	249.03	Wuyang Textile Machinery Co., LTD	April 11, 2026
2	Brushing Machine	2.00	\$44,000.00	42.14	84.29	Jiangsuyingyou Textile Machinery Co., Ltd	April 11, 2026
3	Polishing Machine	2.00	\$42,000.00	40.23	80.45	Jiangsuyingyou Textile Machinery Co., Ltd	April 11, 2026
4	Printing Machine	1.00	\$4,85,000.00	464.53	464.53	Jiangsuyingyou Textile Machinery Co., Ltd	April 11, 2026
5	High Production stenter Machine	1.00	\$3,25,000.00	311.28	311.28	Jiangsuyingyou Textile Machinery Co., Ltd	April 11, 2026

Sr. No.	Name of Machinery	Quantity	Estimated cost per machine (USD)	Estimated cost per machine (INR in Lakhs)	Total Estimated cost (INR in Lakhs)	Vendor	Date of Quotation
6	Bonding Machine	1.00	\$69,000.00	66.09	66.09	Jiangsu Yuanhua Light Equipment Co., Ltd	April 11, 2026
7	Paper Print Embossing Machine with Paper	1.00	\$45,000.00	43.10	43.10	Easun Industrial and Trade Limited	April 11, 2026
Total					1,298.77		

Notes:

1. The quotation has been received in USD, which has been converted to INR at the conversion rate of ₹ 95.7795 as on June 03, 2026. (source: www.rbi.org.in)
2. The above cost is exclusive of GST and other applicable taxes and duties as may be applicable
3. Any additional amounts payable to vendors at the time of delivery, including GST, applicable implementation and maintenance charges, statutory levies, or variations arising from changes in equipment prices or exchange rates, will be funded through internal accruals and/or borrowings.

Further, as and when required, our Company may seek and obtain revised or updated quotations from the vendors, and all the above-mentioned vendors details have been independently verified by Dun & Bradstreet Information Services India Private Limited for genuineness and confirmation of their independence.

The Company has considered the above quotations for budgetary estimation purposes and has not placed orders for the same. The actual cost of procurement and the final supplier or dealer may vary. The Company confirms that it is not acquiring any second-hand machinery.

All quotations received from the aforesaid vendors are valid as on the date of this Draft Red Herring Prospectus; however, no definitive agreements have been executed and there can be no assurance that the same vendors will supply the machinery or at the quoted prices.

The machinery models and quantities proposed to be purchased are based on current management estimates, and the management retains the flexibility to revise such estimates, including change of vendor or modification, addition, or deletion of machinery and equipment at the time of placing orders. Any surplus arising from such changes may be utilized for procuring additional machinery, equipment, or utilities, while any surplus or deficit in the total cost may be adjusted under General Corporate Purposes.

Further, the quotations are valid only for a limited period and may lapse, which may result in cost escalations at the time of actual procurement, including increases due to freight, installation, packaging and forwarding charges, among others, which will be met through internal accruals. The quotations have been received in USD and an exchange rate of ₹95.7795 per USD has been assumed for estimation purposes.

Our Promoters, Promoter Group, Directors, Key Managerial Personnel and members of Senior Management do not have any interest in the proposed purchase of plant and machinery, or in the entities from whom we have obtained quotations for purchase of such plant and machinery.

Details of machinery proposed to be procured and its intended usage:

Sr. No.	Name of Machinery	Description	Usage	Representative Images of Similar Machinery Proposed to be Procured
1.	Double Needle Bar Raschel Machine E22	A 100-inch, 5-bar warp knitting machine with individual needle bed and 3 laser stop cam groups, including 100 latch needles, 5 guide needles (2-inch block), and 5 sinker needles (2-inch block) as	High-speed warp knitting machine designed for producing double-layer fabrics with enhanced strength, structure, and pattern versatility.	

Sr. No.	Name of Machinery	Description	Usage	Representative Images of Similar Machinery Proposed to be Procured
		spares, designed for efficient pattern-based fabric production.		
2.	Brushing Machine	SME485C Working Width: 2200MM	Improves fabric softness and surface texture by raising fibers, enhancing comfort and finish.	
3.	Polishing Machine	SME472XQ Working Width: 2200MM	Provides smoothness and luster to fabric surfaces, improving visual appeal and finish quality.	
4.	Printing Machine	LMV561A Working Width: 2400 MM	Enables precise and high-quality design printing on fabrics with consistent color application.	
5.	High Production stenter Machine	Working Width: 2400 MM, 10 Chamber, Gas Heating with Mangle	Used for heat setting and width control, ensuring dimensional stability and high production efficiency.	

Sr. No.	Name of Machinery	Description	Usage	Representative Images of Similar Machinery Proposed to be Procured
6.	Bonding Machine	YHRF-2600 One set of PUR-based bonding machine with 2.6 m and 2.4 m fabric width capacity, along with standard accessories.	Facilitates lamination of fabric layers using adhesive technology, enhancing durability and functionality.	
7.	Paper Print Embossing Machine with Paper	-	Creates embossed patterns on fabric using paper-based printing, improving texture and aesthetic value.	

Particulars	No. of Machines (Pre)	Capacity per Machine per year (Pre)	Total Capacity per Year (Pre)	No. of Machines (Post)	Capacity per machine per Year (Post)		Total Capacity per Year
					Old	New	
Double Needle Bar Raschel Machine E22	14.00	96000 Kg	13,44,000 Kg	14 (8 to be Replaced with new)	96,000 Kg	2,40,000 Kg	24,96,000 Kg
Brushing Machine	4.00	3,50,000Kg	14,00,000 Kg	6 (2 Addition)	3,50,000 Kg	6,60,000 Kg	34,20,000 Kg
Polishing Machine	5.00	3,50,000Kg	14,00,000 Kg	7 (2 Addition)	3,50,000 Kg	6,60,000 Kg	37,70,000 Kg
Printing Machine	1.00	19,50,000 Kg	19,50,000 Kg	1 (to be Replaced with new)	-	54,00,000 Kg	54,00,000 Kg
High Production stenter Machine	-	-	-	1 (Addition)^		24,00,000 Kg	24,00,000 Kg
Bonding Machine	-	-	-	1 (Addition)^		9,00,000 Kg	9,00,000 Kg
Paper Print Embossing Machine with Paper	-	-	-	1 (Addition)^		21,00,000 Kg	21,00,000 Kg

^Note: The proposed additional machinery comprising a High Production Stenter Machine, Bonding Machines and Paper Print Embossing Machines is intended to enhance the Company's manufacturing capabilities, operational efficiency and product portfolio. The High Production Stenter Machine is expected to facilitate the processing and finishing of larger-sized blankets and improve production throughput. The Bonding Machines are proposed to strengthen the Company's fabrication and lamination capabilities, thereby improving product quality and manufacturing efficiency. Further, the Paper Print Embossing Machines are intended to complement the Company's existing embossing infrastructure by enabling the incorporation of advanced paper-print embossing designs, thereby enhancing product aesthetics, increasing value addition and supporting product differentiation. Collectively, the proposed machinery is expected to strengthen the Company's production capacity, improve operational efficiencies and enable it to cater to evolving customer requirements.

^The above-mentioned capacities are based on estimates derived from technical specifications of the machinery and represent indicative capacities. The actual production capacity may vary depending on factors such as product mix, process efficiencies, capacity utilization levels and operational conditions.

2. Repayment or pre-payment, in part or full of all or certain borrowings availed by our Company

Our Company has availed various credit facilities from Union Bank of India, including term loans and working capital facilities, from time to time for its business operations and capital expenditure requirements. As on May 31, 2026, the outstanding amount towards such term loans aggregates to approximately ₹609.47 lakhs, and the outstanding amount under the cash credit facility is ₹1979.22 lakhs.

The Company proposes to utilize a portion of the Net Proceeds towards full or partial repayment/prepayment of these borrowings. The details of such borrowings proposed to be repaid/prepaid are set forth in the table below. Pursuant to the terms of the financing arrangements, such repayment/prepayment may be subject to applicable terms and conditions of the respective sanction letters, including prepayment charges, if any. Any such charges, if applicable, shall be met out of the Company's internal accruals.

Name of Lender	Nature of Facility	Sanctioned Amount (Rs. in Lakhs)	Rate of Interest (p.a.)	Primary Security	Re-Payment Schedule	Prepayment Penalty charges	Personal/Corporate Guarantee	Outstanding amount as on 31.05.2026 (Rs. in Lakhs)
Union Bank of India	Term Loan	470.00	Interest rate is equivalent to applicable EBLR	Secured by way of exclusive hypothecation of plant & machinery and assets created out of bank finance.	78 monthly principal installments of Rs. 6,02,564.10/- along with interest	2% p.a. on amount being prepaid Exemption: Prepayment within 30 days after each Reset Date, provided an irrevocable notice is given within 15 business days after the Reset Date	Sh. Naresh Kumar, Smt. Veera Garg, Smt. Ritu Garg	116.63
Union Bank of India	Term Loan	600.00	Interest rate is equivalent to applicable EBLR	Secured by way of exclusive hypothecation of plant & machinery and assets created out of bank finance.	84 monthly principal installments of Rs. 7,14,285.71/- along with interest	2% p.a. on amount being prepaid Exemption: Prepayment within 30 days after each Reset Date, provided an irrevocable notice is given within 15 business days after the Reset Date	Naresh Kumar, Veera Garg, Ritu Garg, and Parv Gupta.	485.29
Union Bank of India	Term Loan (GEC L)	25.50	Interest rate is equivalent to applicable EBLR+1% or 7.50% whichever is low.	Secured by way of exclusive hypothecation of plant & machinery and assets created out of bank finance.	36 monthly principal installments of Rs. 70,833.33/- along with interest	2% p.a. on amount being prepaid Exemption: Prepayment within 30 days after each Reset Date, provided an irrevocable notice is given within 15 business days after the Reset Date	Sh. Naresh Kumar, Smt. Veera Garg, Smt. Ritu Garg	7.55

Name of Lender	Nature of Facility	Sanctioned Amount (Rs. in Lakhs)	Rate of Interest (p.a.)	Primary Security	Re-Payment Schedule	Prepayment Penalty charges	Personal/ Corporate Guarantee	Outstanding amount as on 31.05.2026 (Rs. in Lakhs)
Union Bank of India	Cash Credit	2200.00	Interest rate is equivalent to applicable EBLR	Repayable on Demand and renewable annually.	secured by way of hypothecation of stock and book debts and	N/A	Nil	1979.22

Note:

The sanction limits of aforesaid loans from Union Bank of India have been amended pursuant to the Amendatory Credit Arrangement Letter dated 10th December, 2025 of the Union Bank of India from Rs. 1600 lakhs to Rs. 22 lakhs. The formal terms of repayment in relation to the unsecured loans mentioned above have not been defined as the loans taken from the related parties. Also, maturity profile has not been disclosed. Further, the loans are quasi-equity in nature for long-term business purposes.

3. General corporate purposes

Our Company intends to deploy the balance Net Proceeds towards general corporate purposes, subject to such utilization not exceeding 15% of the Proceeds of Offer Size or Rs. 10 Crores, whichever is lower, in accordance with Regulation 230(2) 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) servicing of borrowings including payment of interest; (iv) brand building and other marketing expenses; (v) meeting of exigencies which our Company may face in the course of any business; and (vi) any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof. We confirm that any Offer related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual Offer expenses turn to be lesser than the estimated Offer expenses of Rs. [●] 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 Draft Red Herring Prospectus, shall not exceed 15% of the amount raised by our Company through Proceeds from Offer Size or Rs. 10 Crores, whichever is lower.

4. Offer related Expenses

The total expenses for this Offer are estimated to be approximately Rs. [●] Lakhs, which is [●] % of the Offer Size. All the Offer related expenses shall be proportionately met out from proceeds of the Offer as per applicable laws.

In the event that the offer is postponed or withdrawn or abandoned for any reason or the offer is not successful or consummated, all costs and expenses with respect to the offer shall be borne by our Company, unless specifically required otherwise under applicable law or by the relevant government authority. The estimated offer expenses are as follows:

Activity	Expense Amount (₹ in lakhs)	Percentage of Total Estimated Expenses (%)	Percentage of offer Size (%)
Book Running Lead Manager's fees	[●]	[●]	[●]
Underwriting commission	[●]	[●]	[●]
Fees payable to market maker	[●]	[●]	[●]
Marketing and selling commission	[●]	[●]	[●]
Registrar to the Issue	[●]	[●]	[●]
Advertising and publishing expenses	[●]	[●]	[●]
Regulators including stock exchanges and depositories	[●]	[●]	[●]
Printing and distribution of issue stationery	[●]	[●]	[●]

Activity	Expense Amount (₹ in lakhs)	Percentage of Total Estimated Expenses (%)	Percentage of offer Size (%)
Fees payable to statutory auditors, legal advisors and other professionals	[●]	[●]	[●]
Other expenses including processing fees of the banker to the issue, commission and brokerage payable to SCSBs, Syndicate, RTAs, CDPs, listing related out-of-pocket expenses and miscellaneous expenses	[●]	[●]	[●]
Total Estimated Offer Expenses*	[●]	[●]	[●]

**To be finalized upon determination of the Offer Price and updated in the Prospectus at the time of filing with the RoC*

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

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

**Amount allotted is the product of the number of Equity Shares Allotted and the Offer Price. The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE or NSE*

(2) No uploading/ processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/ sub-Syndicate/ Registered Broker/ CRTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

<i>Portion for Individual Bidders*</i>	<i>[●] per valid Bid cum Application Form (plus applicable taxes)</i>
<i>Portion for Non-Institutional Bidders*</i>	<i>[●] per valid Bid cum Application Form (plus applicable taxes)</i>

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed [●] (plus applicable taxes) and in case if the total processing fees exceeds [●] (plus applicable taxes) then processing fees will be paid on pro-rata basis.

(3) The processing fees for applications made by Individual Bidders using the UPI Mechanism would be as follows:

<i>Members of the Syndicate/ RTAs/ CDPs (uploading charges)</i>	<i>[●] per valid application (plus applicable taxes)</i>
<i>Sponsor Bank - [●]</i>	<i>[●] per valid Bid cum Application Form* (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws</i>

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

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

<i>Portion for Individual Bidders*</i>	<i>[●] per valid application (plus applicable taxes)</i>
<i>Portion for Non-Institutional Bidders*</i>	<i>[●] per valid application (plus applicable taxes)</i>

Processing fees payable to the SCSBs for Bid cum Application Forms which are procured by the Registered Brokers / RTAs / CDPs and submitted to the SCSB for blocking shall be ₹ [●] per valid Bid cum Application Form (plus applicable taxes). The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks

provide a written confirmation on compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable).

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 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.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of the Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds of the Issue. However, if the Company avails any bridge loans from the date of the Draft Red Herring Prospectus up to the date of the IPO; the same shall be refunded from the IPO proceeds and related details will be updated in the Red Herring Prospectus or likewise.

Interim Use of Funds

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds to buy, trade or otherwise deal in equity shares of any other listed company

Monitoring Utilization of Funds

In accordance with Regulation 262 of the SEBI ICDR Regulations, our Company has appointed [●] as the Monitoring Agency ("Monitoring Agency") to monitor the utilization of the Gross Proceeds. Our Company undertakes to place the Gross Proceeds in a separate bank account which shall be monitored by the Monitoring Agency for utilization of the Gross Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay and in accordance with the applicable laws. Our Company will disclose the utilization of the Gross Proceeds, including interim use under a separate head in its balance sheet for such financial year/periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, specifying the purposes for which the Gross Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable financial year, provide details, if any, in relation to all such gross Proceeds that have not been utilized, if any, of such currently unutilized Gross Proceeds. The reports of the monitoring agency on the utilization of Gross Proceeds shall indicate the deployment of the Gross Proceeds under the following heads:

1. Funding capital expenditure towards the procurement of machinery for the upgradation of the existing manufacturing facility
2. Repayment or pre-payment, in part or full of certain borrowings availed by our Company;
3. General Corporate Purposes
4. Offer Expenses

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a Quarterly/Half Yearly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in the Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilized in full. The statutory auditor of our Company will also provide report/ certificate on the utilization of the Gross Proceeds to the monitoring agency. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a Quarterly basis, a statement indicating

- (i) deviations, if any, in the actual utilization of the proceeds of the Fresh Issue from the Objects; and
- (ii) details of category wise variations in the actual utilization of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be uploaded on our website i.e. www.decentspinnerslimited.com.

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Offer without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would 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

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

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BASIS OF OFFER PRICE

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

Investors should read the following basis with the section titled “*Risk Factors*” and chapters titled “*Restated Financial Statement*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” and “*Our Business*” beginning on page 21, 227, 282 and 168 respectively to get a more informed view before making any investment decisions.

QUALITATIVE FACTORS

Some of the qualitative factors and our strengths which form the basis for computing the Offer price are:

- a) Geographical Advantage
- b) Integrated Manufacturing Operations with Short Production Cycle
- c) Experienced management team and qualified personnel with significant industry experience
- d) Proprietary Design Portfolio with Customisation Depth

For further details, refer to heading “*Our Competitive Strengths*” under chapter titled “*Business Overview*” on page 168 respectively.

QUANTITATIVE FACTORS

The information presented in this chapter is derived from our Company’s Restated Financial information for the financial years ended March 31, 2026, March 31, 2025, and March 31, 2024, which has been prepared in accordance with Indian GAAP, in terms of the requirements of the Companies Act, 2013 and SEBI ICDR Regulations. For more details on financial information, please see chapter titled “*Restated Financial Statements*” on page 227. Investors should evaluate our Company and form their decisions taking into consideration its earnings, based on its growth strategy and other qualitative factors in addition to the quantitative factors.

Some of the quantitative factors, which may form the basis for computing the Offer price, are as follows:

1. Basic and Diluted Earnings Per Share (“EPS”) (face value of Equity Share is ₹10):

As derived from the Restated Financial Information:

For the Financial year ended	Basic and Diluted EPS (In ₹)	Weights
March 31, 2026	7.10	3
March 31, 2025	1.61	2
March 31, 2024	0.49	1
Weighted Average EPS (of above three financial years)	4.17	

Notes:

1. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. sum of (EPS x Weight) for each year / Total of weights.*
2. *Earnings per Equity Share (basic and diluted) = Profit after tax attributable to owners of the Company divided by the weighted average number of Equity Shares outstanding at the end of the year.*
3. *The basic and diluted Earnings per Equity Share are computed in accordance with Accounting Standard 20 ‘Earnings per Share’.*
4. *Weighted average number of Equity Share is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific Equity Share are outstanding as a proportion of total number of days during the year.*
5. *The above statement should be read with significant accounting policies and notes on Restated Financial Statements as appearing in the Financial Statements.*

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

Particulars	P/E at the Floor Price (number of times) *	P/E at the Cap Price (number of times) *
P/E ratio based on the Basic EPS, as restated for the financial year ended March 31, 2026	[●]	[●]
P/E ratio based on Diluted EPS, as restated for the financial year ended March 31, 2026	[●]	[●]

*To be updated in the Prospectus.

Note: The Price / earnings (P/E) ratio is computed by dividing the price per share by Earnings per Equity Share.

Industry P/E

Particulars	Industry P/E (Number of times)
Highest	9.79
Lowest	0.00
Average	9.79

Notes:

- The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section (excluding the peer where P/E is not applicable).
- The industry P/E ratio mentioned above is computed based on the closing market price of equity shares on BSE & NSE on June 02, 2026, divided by the Diluted EPS for the financial year ended March 31, 2026.
- All the financial information for listed industry peers mentioned above is sourced from the audited financial results of the relevant companies for financial year ended 2026, as available on the website of the Stock Exchanges at www.nseindia.com and www.bseindia.com.

3. Return on Net Worth (“RoNW”):

As derived from the Restated Financial Information:

For the financial year ended	Return on Net Worth (%)	Weights
March 31, 2026	92.02%	3
March 31, 2025	48.05%	2
March 31, 2024	20.79%	1
Weighted Average RoNW (of above three financial years)	65.49%	

Notes:

- RoNW is calculated as a ratio of restated Net profit after tax (PAT), attributable to owners of the Company, for the relevant year, as divided by average Net Worth. Net Worth is Equity Share Capital and Other Equity (including Securities premium, and Surplus/ (Deficit) in the Statement of Profit and Loss).
- Weighted Average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. sum of (RoNW x Weight) for each year / Total of weights.

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

Particulars	NAV (in ₹)
March 31, 2026	11.27
After completion of the Issue	
- At Floor Price^	[●]
- At Cap Price^	[●]
Offer price*	[●]

^To be updated at the Prospectus Stage

*Offer price shall be determined on conclusion of the Book Building Process, and this is not derived from Restated Financial Information.

Notes:

1. Net Asset Value per Equity Share is calculated as Net Worth at the end of the year/ Weighted average number of equities shares outstanding at the end of the year. Net Worth is Equity Share Capital and Other Equity (including Securities premium, and Surplus/ (Deficit) in the Statement of Profit and Loss.

5. Comparison of accounting ratios with listed industry peers:

Name of the company	Closing price as on June 02, 2026 (₹ per share)	Revenue from operation (Rs in lakhs)	Face Value (Rs per share)	EPS Basic	EPS Diluted	P/E	RoNW (%)	NAV per Equity Share
Decent Spinners Limited	NA	8,611.56	10	7.10	7.10	[●]	92.02	11.27
Prakash Woollen & Synthetic Mills Limited	24.56	10,625.48	10	(0.86)	(0.86)	NA	(1.83)	46.72
Silky Overseas Limited	113.45	10,770.84	10	11.59	11.59	19.36	16.22	91.27

Source: All the financial information for listed industry peers mentioned above is on a Consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports / annual results as available of the respective company for the financial year ended March 31, 2026, submitted to stock exchanges.

Notes:

- (1) The Earnings Per Share, P/E Ratio, Net Asset Value per Equity share, Return on Net Worth and Revenue from operations of Decent Spinners Limited are sourced from Restated Financial information for the financial year ended March 31, 2026.
- (2) Price/earnings ratio for the peer group has been computed based on the closing market price of equity shares on the NSE and BSE as on June 02, 2026, divided by the Diluted earnings per share for the financial year ended March 31, 2026

6. Key Operational and Financial Performance Indicators (“KPIs”):

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated June 15, 2026 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 Draft Red Herring Prospectus. Further, the KPIs herein have been certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants by their certificate dated June 15, 2026

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 utilisation of the proceeds of the Fresh Issue as per the disclosure made in the chapter titled “Objects of the Offer”, 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.

The KPIs of our Company have been disclosed in the sections titled “Business Overview” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 168 and 282.

Explanation for KPI metrics

Financial & Operational Key Performance Indicator	Explanations
Revenue from Operations (₹ in lakhs)	“Revenue from Operations” refers to the income earned by the Company from its core operating activities, excluding other income.

Financial & Operational Key Performance Indicator	Explanations
Total Income (₹ in lakhs)	“Total Revenue” denotes the aggregate revenue generated by the Company, including Revenue from Operations and other income, during a given period.
EBITDA (₹ in lakhs)	EBITDA” (Earnings Before Interest, Tax, Depreciation and Amortisation) provides information regarding the operational efficiency of the business by reflecting profits from core operations before accounting for financing and non-cash expenses.
EBITDA Margin (%)	“EBITDA Margin” means EBITDA as a percentage of Revenue from Operations, indicating the operational profitability and financial performance of the Company.
Profit after Tax (₹ in lakhs)	“Profit After Tax” refers to the net profit of the Company after accounting for income tax, reflecting its overall profitability for the period
Net profit ratio (%)	“Net profit ratio” means Profit After Tax expressed as a percentage of Total Income, serving as an indicator of overall profitability and financial performance.
Return on Equity RoE (%)	“Return on Equity” represents the profit attributable to shareholders as a percentage of average shareholders’ equity, showing how efficiently the Company generates profits from shareholders’ funds.
Debt To Equity Ratio	“Debt-to-Equity Ratio” indicates the relationship between total borrowings and shareholders’ equity and is used to evaluate the financial leverage of the Company.
Return on Capital employed (RoCE) (%)	“RoCE” is calculated as Profit Before Tax plus Finance Costs divided by the sum of total equity and borrowings (current and non-current), indicating the efficiency with which capital is employed.
Current Ratio	Current Ratio” means the ratio of current assets to current liabilities, measuring the Company’s ability to meet its short-term obligations
Interest Coverage Ratio	“Interest Coverage Ratio” measures a company’s ability to meet its interest obligations from its operating profits
Net Fixed Asset Turnover Ratio	“Net Fixed Asset Turnover Ratio” measures the efficiency with which the Company utilizes its net fixed assets to generate revenue and indicates how effectively fixed assets are employed in operations.
Working Capital Cycle	Working Capital Cycle” represents the number of days required by the Company to convert its investment in inventory and receivables into cash flows from operations, indicating the efficiency of working capital management

a) **Key Performance Indicator of our Company**
As per Restated Financial information

Key Performance Indicators (KPIs)	For the Financial Year ended March 31, 2026	For the Financial Year ended March 31, 2025	For the Financial Year ended March 31, 2024
Revenue from Operations (₹ in lakhs) ⁽¹⁾	8,611.56	5,102.68	3,633.38
Total Income (₹ in lakhs) ⁽²⁾	8,618.88	5,104.31	3,638.29
EBITDA (₹ in lakhs) ⁽³⁾	1,841.33	619.57	357.09
EBITDA Margin (%) ⁽⁴⁾	21.38%	12.14%	9.83%
Profit After Tax (₹ in lakhs) ⁽⁵⁾	1,044.34	237.40	72.19
Net profit ratio (%) ⁽⁶⁾	12.12%	4.65%	1.98%
Return on Equity (RoE) (%) ⁽⁷⁾	92.02%	48.05%	20.79%
Debt To Equity Ratio ⁽⁸⁾	1.96	3.50	5.64
Return on Capital Employed (RoCE) (%) ⁽⁹⁾	34.22%	19.70%	11.07%
Current Ratio ⁽¹⁰⁾	1.54	1.21	1.31
Interest Coverage Ratio ⁽¹¹⁾	6.64	2.59	1.44
Net Fixed Asset Turnover Ratio (times) ⁽¹²⁾	10.78	8.14	5.11

Key Performance Indicators (KPIs)	For the Financial Year ended March 31, 2026	For the Financial Year ended March 31, 2025	For the Financial Year ended March 31, 2024
Working Capital Cycle (days) ⁽¹³⁾	193	179	241

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants pursuant to their certificate dated June 15, 2026.

The Audit committee in its resolution dated June 15, 2026 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Draft Red Herring Prospectus other than as disclosed in this section.

- 1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial information.
- 2) Total Income means the Revenue from Operations plus Other Income.
- 3) EBITDA is calculated as restated profit prior to exceptional items and tax and excluding other income and including finance costs, depreciation and amortization expense
- 4) EBITDA Margin refers to EBITDA during a given period as a percentage of Revenue from Operations during that period.
- 5) Profit After Tax provides information regarding the overall profitability of the business/company.
- 6) Net Profit Ratio quantifies our efficiency in generating profits from Revenue from Operations and is calculated by dividing net profit after taxes by Total Income.
- 7) Return on equity (RoE) is equal to Net profit after taxes divided by average shareholder's equity excluding preference share capital.
- 8) Total Debt to equity ratio is calculated by dividing Total debt by Shareholder's Equity (excluding preference share capital) and Total Debt comprises of non-current borrowings and current borrowings.
- 9) RoCE (Return on Capital Employed) is calculated as EBIT as a percentage of Capital employed wherein capital employed refers to sum of total equity, non-current borrowings and current borrowings as at the year end
- 10) Current Ratio is a liquidity ratio that measures our ability to pay off its short-term obligations (those which are due within one year) using its current assets (those which are convertible to cash within one year) and is calculated by dividing the current assets by current liabilities.
- 11) Interest Coverage Ratio measures a company's ability to meet its interest obligations from its operating profits, typically calculated as EBIT divided by interest expense.
- 12) Net Fixed Asset Turnover Ratio (times) measures the efficiency with which a company utilizes its net fixed assets to generate revenue and is calculated by dividing Revenue from Operations by average net fixed assets.
- 13) Working Capital Cycle days is defined as trade receivable days plus inventory days less trade payable days

b) Comparison with Listed Industry Peers

Set forth below is a comparison of our Financial KPIs with our listed peer companies: -

Key Performance Indicators (KPIs)	Decent Spinners Limited			Silky Overseas Limited		
	For Financial Year Ended March 31, 2026	For Financial Year Ended March 31, 2025	For Financial Year Ended March 31, 2024	For Financial Year Ended March 31, 2026	For Financial Year Ended March 31, 2025	For Financial Year Ended March 31, 2024
Revenue from Operations (₹ in lakhs)	8,611.56	5,102.68	3,633.38	10,770.84	12,382.20	6,970.49
Total Income (₹ in lakhs)	8,618.88	5,104.31	3,638.29	10,787.42	12,425.17	7,026.25
EBITDA (₹ in lakhs)	1,841.33	619.57	357.09	1,318.57	1,716.08	1,101.61
EBITDA Margin (%)	21.38%	12.14%	9.83%	12.24%	13.86%	15.80%
Profit After Tax (₹ in lakhs)	1,044.34	237.40	72.19	678.47	1,038.04	566.52
Net Profit Ratio (%)	12.12%	4.65%	1.98%	6.29%	8.35%	8.06%
Return on Equity (RoE) (%)	92.02%	48.05%	20.79%	16.22%	51.06%	57.76%
Debt to Equity Ratio	1.96	3.50	5.64	0.42	0.79	1.70
Return on Capital Employed (RoCE) (%)	34.22%	19.70%	11.07%	13.87%	34.64%	23.20%
Current Ratio	1.54	1.21	1.31	2.25	1.47	1.40

Key Performance Indicators (KPIs)	Decent Spinners Limited			Silky Overseas Limited		
	For Financial Year Ended March 31, 2026	For Financial Year Ended March 31, 2025	For Financial Year Ended March 31, 2024	For Financial Year Ended March 31, 2026	For Financial Year Ended March 31, 2025	For Financial Year Ended March 31, 2024
Interest Coverage Ratio	6.64	2.59	1.44	5.41	8.31	4.80
Net Fixed Asset Turnover Ratio (times)	10.78	8.14	5.11	7.81	9.93	4.88
Working Capital Cycle (days)	193	179	241	155	53	116

Key Performance Indicators (KPIs)	Decent Spinners Limited			Prakash Woollen & Synthetic Mills Limited		
	For Financial Year Ended March 31, 2026	For Financial Year Ended March 31, 2025	For Financial Year Ended March 31, 2024	For Financial Year Ended March 31, 2026	For Financial Year Ended March 31, 2025	For Financial Year Ended March 31, 2024
Revenue from Operations (₹ in lakhs)	8,611.56	5,102.68	3,633.38	10,625.48	10,517.37	10,213.48
Total Income (₹ in lakhs)	8,618.88	5,104.31	3,638.29	10,631.80	10,519.40	10,214.36
EBITDA (₹ in lakhs)	1,841.33	619.57	357.09	628.08	103.77	1051.51
EBITDA Margin (%)	21.38%	12.14%	9.83%	5.91%	0.99%	10.30%
Profit After Tax (₹ in lakhs)	1,044.34	237.40	72.19	-88.77	125.65	95.97
Net Profit Ratio (%)	12.12%	4.65%	1.98%	-0.83%	1.19%	0.94%
Return on Equity (RoE) (%)	92.02%	48.05%	20.79%	-1.83%	2.59%	2.02%
Debt to Equity Ratio	1.96	3.50	5.64	0.84	0.86	1.09
Return on Capital Employed (RoCE) (%)	34.22%	19.70%	11.07%	2.34%	-4.44%	4.76%
Current Ratio	1.54	1.21	1.31	1.08	1.07	1.08
Interest Coverage Ratio	6.64	2.59	1.44	0.66	(0.81)	1.04
Net Fixed Asset Turnover Ratio (times)	10.78	8.14	5.11	1.64	1.54	1.81
Working Capital Cycle (days)	193	179	241	192	113	176

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants pursuant to their certificate dated June 15, 2026

- 1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial information.
- 2) Total Income means the Revenue from Operations plus Other Income.
- 3) EBITDA is calculated as restated profit prior to exceptional items and tax and excluding other income and including finance costs, depreciation and amortization expense
- 4) EBITDA Margin refers to EBITDA during a given period as a percentage of Revenue from Operations during that period.
- 5) Profit After Tax provides information regarding the overall profitability of the business/company.
- 6) Net Profit Ratio quantifies our efficiency in generating profits from Revenue from Operations and is calculated by dividing net profit after taxes by Total Income.
- 7) Return on equity (RoE) is equal to Net profit after taxes divided by average shareholder's equity excluding preference share capital.
- 8) Total Debt to equity ratio is calculated by dividing Total debt by Shareholder's Equity (excluding preference share capital) and Total Debt comprises of non-current borrowings and current borrowings.
- 9) RoCE (Return on Capital Employed) is calculated as EBIT as a percentage of Capital employed wherein capital employed refers to sum of total equity, non-current borrowings and current borrowings as at the year end

10) Current Ratio is a liquidity ratio that measures our ability to pay off its short-term obligations (those which are due within one year) using its current assets (those which are convertible to cash within one year) and is calculated by dividing the current assets by current liabilities.

11) Interest Coverage Ratio measures a company's ability to meet its interest obligations from its operating profits, typically calculated as EBIT divided by interest expense.

12) Net Fixed Asset Turnover Ratio (times) measures the efficiency with which a company utilizes its net fixed assets to generate revenue and is calculated by dividing Revenue from Operations by average net fixed assets.

13) Working Capital Cycle days is defined as trade receivable days plus inventory days less trade payable days

7. 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)

There has been no issuance of Equity Shares or convertible securities, during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding bonus issue of shares, employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days. ("Primary Issuances")

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 Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transactions and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days. ("Secondary Transactions").

c) Since 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 DRHP, irrespective of the size of transactions is as below:-

Date of Transfer	No. of Equity Shares transferred [^]	Face Value per share (₹)	Transfer Price per Share (₹)	Nature of transaction	Nature of Consideration	Total
23-05-2025	4,28,000	10	NA	Share transferred from Veera Garg	Gift	-
23-05-2025	32,000	10	NA	Share transferred from Veera Garg	Gift	-
24-03-2026	10	10	125	Share transferred from Naresh Kumar	Cash	1,250
24-03-2026	10	10	125	Share transferred from Naresh Kumar	Cash	1,250
24-03-2026	32,000	10	10	Share transferred from Ritu Garg	Gift	-
09-04-2026	1,33,73,000	10	NA	Bonus Issue	NA	0
Total	1,38,65,020					2,500
Weighted average cost of acquisition (WACA) (₹)						0.00

[^] Adjusted for the split of face value of equity shares from ₹100 to ₹10 each.

d) Weighted average cost of acquisition, Offer price:

Based on the disclosures in (a), (b) and (c) above, the weighted average cost of acquisition of Equity Shares as compared with the Price Band is set forth below:

Types of Transactions	Weighted average cost of acquisition	Floor Price*	Cap Price*
	(₹ per Equity Share)	(i.e. ₹ [●])	(i.e. ₹ [●])
Weighted average cost of acquisition (WACA) of Primary issuances	NA	[●]	[●]
Weighted average cost of acquisition (WACA) of secondary transactions	NA	[●]	[●]
Weighted average cost of acquisition (WACA) of last 5 primary or secondary transactions	0.05	[●]	[●]

**To be updated at Prospectus Stage*

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants pursuant to their certificate dated June 15, 2026

e) Justification for Basis of Offer price

Explanation for Offer price / Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares along with our Company's KPIs and financial ratios for the financial year ended March 31, 2026, March 31, 2025 and March 31, 2024.

[●]*

**To be included upon finalization of Price Band.*

f) The Offer price is [●] times of the face value of the Equity Shares.

The Offer price of ₹ [●] has been determined by our Company in consultation with the Book Running Lead Managers, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with "Risk Factors", "Our Business", "Management Discussion and Analysis of Financial Position and Results of Operations" and "Restated Financial Statements" on pages 21, 168, 282 and 227 respectively to have a more informed view.

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STATEMENT OF POSSIBLE TAX BENEFIT

To,

**The Board of Directors
Decent Spinners Limited**

Dear Sir(s):

Sub: Proposed Initial Public Offering of Equity Shares of face value of Rs. 10 each (the “Equity Shares”) of Decent Spinners Limited (the “Company”) through a fresh issue of equity shares and an offer for sale of the equity shares by the selling shareholders of the Company (the “Offer”)

We report that the enclosed statement in **Annexure A**, states the possible special tax benefits available to the Company and to its shareholders under the applicable tax laws presently in force in India including the Income Act, 1961 (‘**Act**’), as amended by the Finance Act, 2025, circular and notifications issued from time to time, i.e. applicable for the Financial Year 2025-26 relevant to the assessment year 2026-27, the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 (‘**GST Act**’), as amended by the Finance Act 2025, circular and notifications issued from time to time, i.e., applicable for the Financial Year 2025- 26 relevant to the assessment year 2026-27, presently in force in India (together, the ‘**Tax Laws**’)). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the stated special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

This Statement is required as per Schedule VI (Part A) (9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (‘**SEBI ICDR Regulations**’). While the term ‘Special Tax Benefits’ has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to Special Tax Benefits available to the Company, its shareholders and the same would include those benefits as enumerated in the statement. The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company, its Shareholders and do not cover any general tax benefits available to them. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.

The benefits discussed in the enclosed **Annexure A** are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the 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. We are neither suggesting nor advising the investor to invest money based on this statement.

We do not express any opinion or provide any assurance as to whether:

- i) the Company or its shareholders will continue to obtain these benefits in future; or
- ii) the conditions prescribed for availing the benefits have been/would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. The contents stated in the annexure are based on the information, explanations and representations obtained from the Company.

We hereby give consent to include this statement of tax benefits in the Draft Red Herring Prospectus, Red Herring Prospectus, the Prospectus and submission of this certificate as may be necessary, to the Stock Exchange/ SEBI/ any regulatory authority and/or for the records to be maintained by the Book Running Lead Manager in connection with the Issue and in accordance with applicable law.

Terms capitalized and not defined herein shall have the same meaning as ascribed to them in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus.

Yours sincerely,

**For M/s. Vinay I Aggarwal & Associates,
Chartered Accountants
ICAI Firm Reg No: 019631N**

**Sd/-
Shobhit Gupta
Partner
Membership No: 502897
UDIN: 26502897KJYQDE8496**

**Date: June 15, 2026
Place: Delhi**

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Annexure-A

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholder under the Income Tax Act 1961 (read with the rules, circulars and notifications issued in connection thereto), as amended by the Finance Act, 2021 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.

A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)

Except as mentioned herein, there are no possible special tax benefits available to the company under Income Tax Act, 1961 read with the relevant Income Tax Rules, 1962, the Customs Tariff Act, 1975, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 and Goods and Services Tax (Compensation to States) Act, 2017 read with the relevant Central Goods and Services Tax Rules, 2017, Integrated Goods and Services Tax Rules, 2017, Union Territory Goods and Services Tax Rules, State Goods and Services Tax Rules, 2017 and notifications issued under these Acts and Rules and the foreign trade policy.

The Company is not entitled to any Special tax benefits under the Act.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)

There are no special tax benefits available to the shareholders for investing in the shares of the Company.

Notes:

- 1. We have not considered the general tax benefits available to the Company, or shareholders of the Company.*
- 2. The above is as per the Tax Laws as on date.*
- 3. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of Equity Shares.*
- 4. This Statement does not discuss any tax consequences in any country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible income –tax consequences that apply to them.*

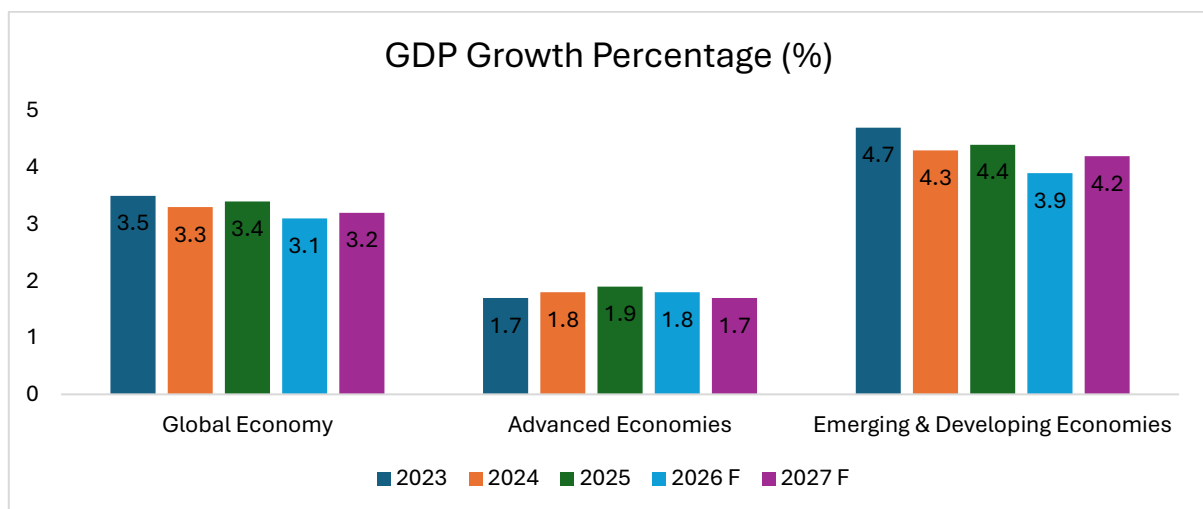
SECTION IV: ABOUT THE COMPANY

INDUSTRY OVERVIEW

1. Global Economic Outlook

As per the IMF's World Economic Outlook (WEO) published in April 2026, global growth is projected to remain resilient at 3.1 percent in 2026 and at 3.2 percent in 2027. After withstanding higher trade barriers and elevated uncertainty last year, global activity now faces a major test from the outbreak of war in the Middle East. Assuming that the conflict remains limited in duration and scope, the outlook reflects the impact of heightened geopolitical tensions, trade disruptions and cautious investment sentiment, which are expected to weigh on global economic momentum.

Global headline inflation is projected to rise modestly in 2026 before resuming its decline in 2027. Slowdown in growth and increase in inflation are expected to be particularly pronounced in emerging market and developing economies. This is driven by elevated geopolitical tensions, commodity price volatility, external financing pressures and spillover effects from trade and policy uncertainty. Downside risks dominate the outlook, as a longer or broader conflict, worsening geopolitical fragmentation, renewed trade tensions, or a reassessment of expectations surrounding artificial-intelligence-driven productivity could significantly weaken growth and destabilize financial markets. Elevated public debt and eroding institutional credibility further heighten vulnerabilities, while faster-than-anticipated productivity gains from AI or sustained easing in trade tensions could provide upside support. Fostering adaptability, maintaining credible policy frameworks and reinforcing international cooperation remain essential to navigating current shocks and future disruptions.



Note: F = Forecast

Source: IMF World Economic Outlook April 2026

Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict criteria,

economic or otherwise, and it has evolved over time. It comprises of 40 countries under the Advanced Economies including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected countries from the Euro Zone (Germany, Italy, France etc.). The group of emerging market and developing economies (156) includes all those that are not classified as Advanced Economies (India, China, Brazil, Malaysia etc.)

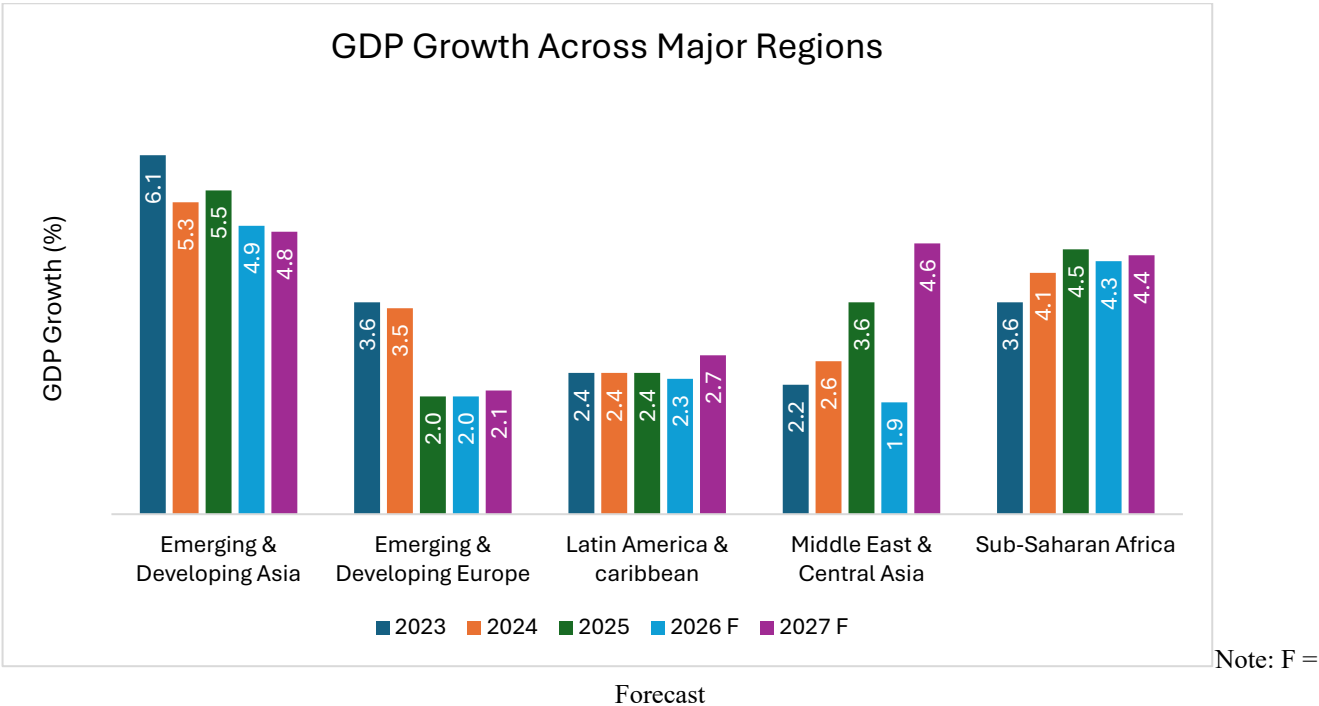
Growth across the global economy is projected to remain resilient, though moderate over the forecast period. Global GDP growth declined from 3.5 percent in 2023 to 3.3 percent in 2024, before increasing marginally to 3.4 percent in 2025. However, growth is projected to moderate to 3.1 percent in 2026 before recovering slightly to 3.2 percent in 2027, reflecting the impact of geopolitical uncertainty, trade disruptions and cautious investment sentiment.

Growth in Advanced Economies is expected to remain relatively subdued, increasing from 1.7 percent in 2023 to 1.8 percent in 2024 and 1.9 percent in 2025, before moderating to 1.8 percent in 2026 and 1.7 percent in 2027. This reflects persistent structural constraints, tighter financial conditions and slower demand conditions across developed markets.

Emerging and Developing Economies are expected to continue to outperform advanced economies and remain the key drivers of global growth. Growth declined from 4.7 percent in 2023 to 4.3 percent in 2024, before improving to 4.4 percent in 2025. However, it is projected to moderate to 3.9 percent in 2026 and recover to 4.2 percent in 2027, reflecting short-term pressures arising from geopolitical risks, commodity price volatility and external financing constraints, followed by a gradual improvement in macroeconomic conditions.

1.1 GDP Growth Across Major Regions

GDP growth across major global regions—including Europe, Latin America & the Caribbean, Middle East & Central Asia, and Sub-Saharan Africa—continues to display varied trajectories. The global outlook presents a mixed scenario, with emerging economies continuing to outperform advanced economies.



Source: IMF World Economic Outlook April 2026 update

Growth across Emerging Market and Developing Economies is projected to moderate from 4.4 percent in 2025 to 3.9 percent in 2026, before recovering to 4.2 percent in 2027, reflecting near-term pressures from global uncertainty, geopolitical risks and tighter financial conditions, followed by a gradual rebound.

Within this, Emerging and Developing Asia is expected to remain the fastest-growing region, although growth is projected to ease from 5.5 percent in 2025 to 4.9 percent in 2026 and 4.8 percent in 2027, reflecting moderation in regional momentum. China’s growth is projected to decelerate from 5.0 percent to 4.4 percent and further to 4.0 percent over the period, driven by structural headwinds and softer domestic demand, while India is expected to remain resilient, with growth moderating from 7.6 percent in 2025 to 6.5 percent in 2026 and remaining at that level in 2027, supported by domestic demand and investment activity.

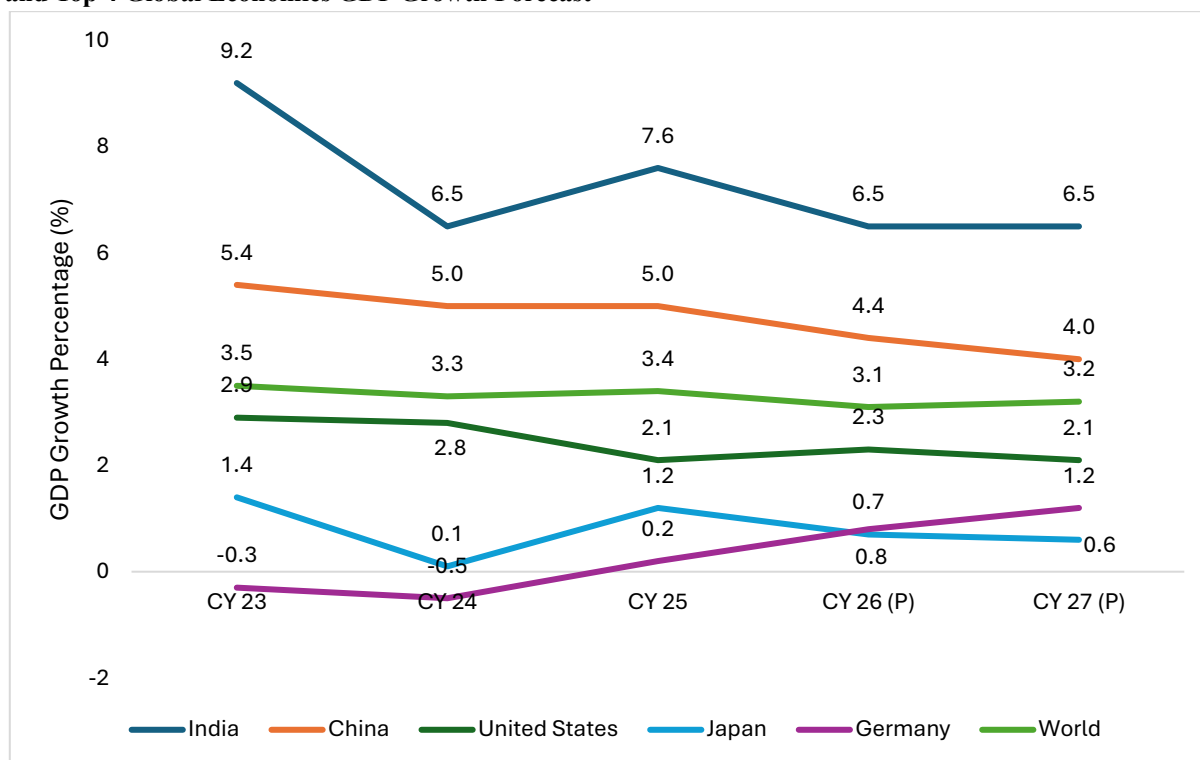
Emerging and Developing Europe is projected to remain relatively stable, with growth at 2.0 percent in 2025 and 2026, improving marginally to 2.1 percent in 2027. Russia is also expected to record modest growth, rising from 1.0 percent in 2025 to 1.1 percent in both 2026 and 2027.

Latin America and the Caribbean is projected to witness moderate growth, easing slightly from 2.4 percent in 2025 to 2.3 percent in 2026, before recovering to 2.7 percent in 2027. Within the region, Brazil’s growth is expected to soften from 2.3 percent to 1.9 percent in 2026 before improving to 2.0 percent in 2027, while Mexico is projected to show a stronger rebound, increasing from 0.6 percent in 2025 to 1.6 percent in 2026 and 2.2 percent in 2027.

Growth in the Middle East and Central Asia is projected to slow sharply from 3.6 percent in 2025 to 1.9 percent in 2026, before rebounding significantly to 4.6 percent in 2027, indicating volatility linked to geopolitical conditions and oil market dynamics. Saudi Arabia mirrors this trend, with growth moderating from 4.5 percent in 2025 to 3.1 percent in 2026 before recovering to 4.5 percent in 2027.

Sub-Saharan Africa is expected to remain relatively stable, with growth moderating slightly from 4.5 percent in 2025 to 4.3 percent in 2026 and recovering marginally to 4.4 percent in 2027. Nigeria is projected to improve gradually from 4.0 percent to 4.3 percent over the period, while South Africa is expected to post subdued growth, easing from 1.1 percent in 2025 to 1.0 percent in 2026 before improving to 1.3 percent in 2027. Overall, the projections indicate that while emerging markets face short-term pressures, growth recovery is expected to strengthen in several regions by 2027.

India and Top 4 Global Economies GDP Growth Forecast



Note: P = Projections

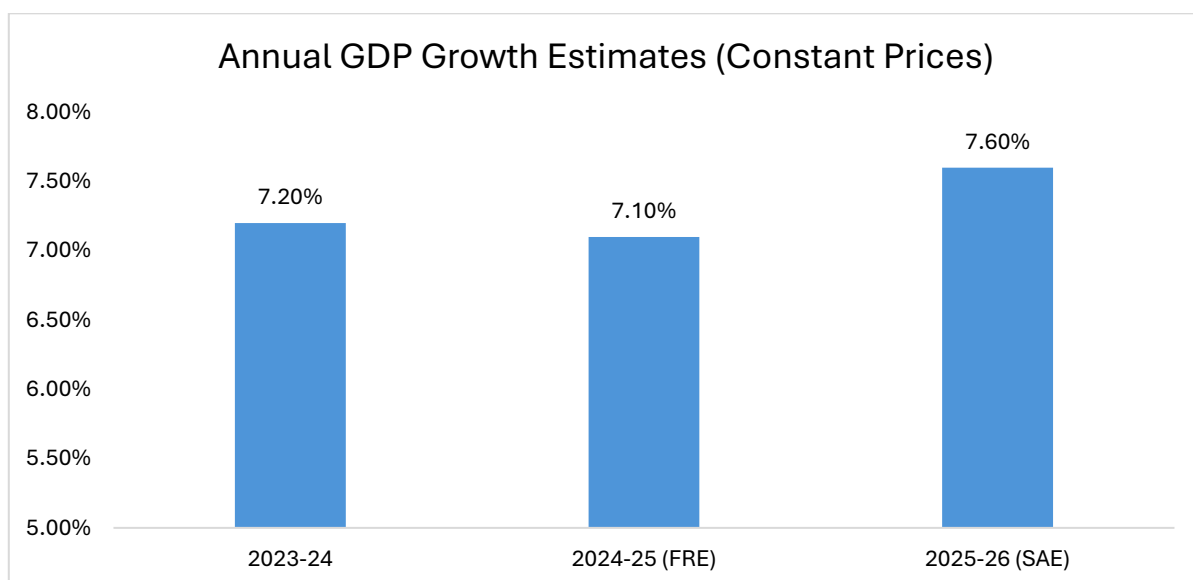
Source: IMF World Economic Outlook April 2026 update

Overall, the outlook indicates that while global growth is expected to soften in the near term, resilience in emerging markets and a gradual recovery thereafter are expected to support global economic momentum over the medium term.

India's Macroeconomic Scenario

2.1 Gross Domestic Product (GDP)

According to the latest Second Advance Estimates by MOSPI, GOI (27 Feb26), after replacing old base year 2011-12 by the new base year 2022-23, real GDP has been estimated to grow by 7.6% in FY 2025-26. Nominal GDP has witnessed a growth of 8.6%. These growth rates are revised upward from their respective First Advance Estimates computed using previous Base Year (2011-12).



Note: FRE - First Revised Estimates; SAE - Second Advance Estimate

Source: New Series of Gross Domestic Product (GDP) Estimates with Base Year 2022-23 by MOSPI, PIB Press Release dated 27 February 2026)

India's Economic Growth Momentum Remains Strong - Surpassed USD 4 Trillion.

In June 2025, India became the fourth-largest economy in the world and retained its position as the fastest-growing major economy. The country is projected to become the world's third largest economy by 2030, with an estimated GDP of USD 7.3 trillion.

Source: PIB, Press Release - India Becoming an Economic Powerhouse posted on June 16, 2025

India achieved a significant milestone by overtaking Japan to become the *third most powerful nation in the Asia-Pacific region*, as per the Asia Power Index 2024. India's overall score rose to 39.1, reflecting a 2.8-point increase from the previous year, driven by growing influence across economic, military, and diplomatic dimensions.

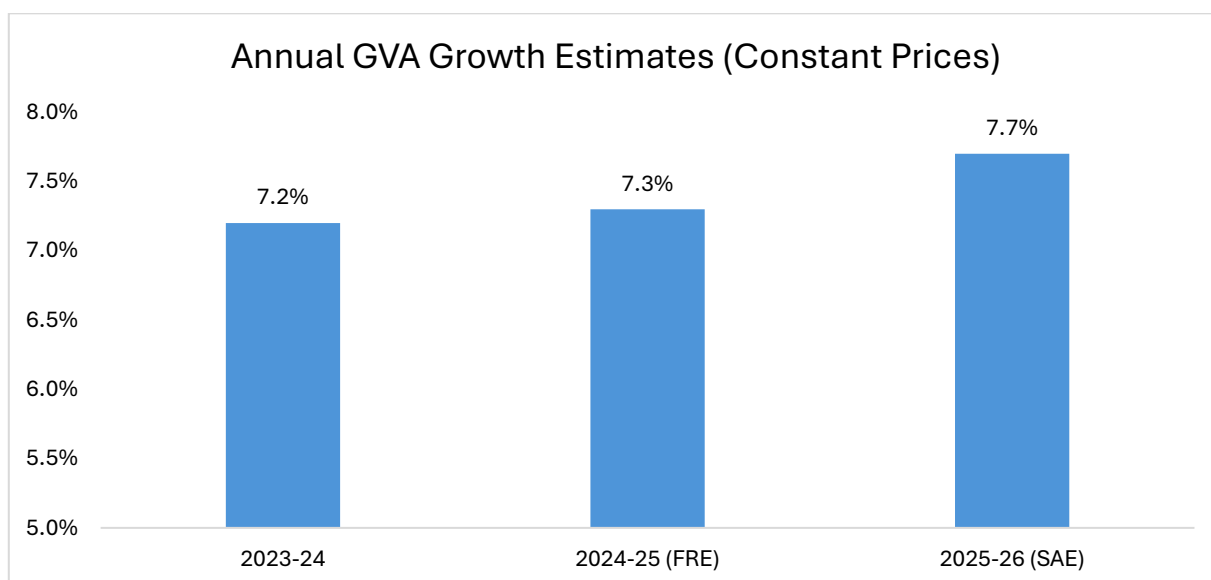
Source: PIB, Press Release - India becomes 3rd Most Powerful Nation in Asia, Surpasses Japan in Asia Power Index posted on September 24, 2024

Key factors behind India's rise include its strong economic performance, expanding and youthful workforce, and increasing strategic engagement across the region. India's Economic Capability improved significantly, supported by its position as the world's third-largest economy in terms of purchasing power parity (PPP). Additionally, a notable increase in its Future Resources score highlights the demographic advantage that is expected to sustain its growth trajectory in the coming years.

2.2 Gross Value Added (GVA)

According to the Second Advance Estimate of GDP for 2025-26 by MOSPI, Govt. of India (GoI), Real GVA is estimated at INR 294.40 lakh crore in the year 2025-26, against INR 273.36 lakh crore in FY 2024-25, registering a growth rate of 7.7% as compared to 7.3% growth rate in 2024-25. Nominal GVA is estimated to attain a level of INR 313.61 lakh crore during FY 2025-

26, against INR 288.54 lakh crore in 2024-25, showing a growth rate of 8.7%.



Note: FRE - First Revised Estimates; SAE - Second Advance Estimate

Source: New Series of Gross Domestic Product (GDP) Estimates with Base Year 2022-23 by MOSPI, PIB Press Release dated 27 February, 2026)

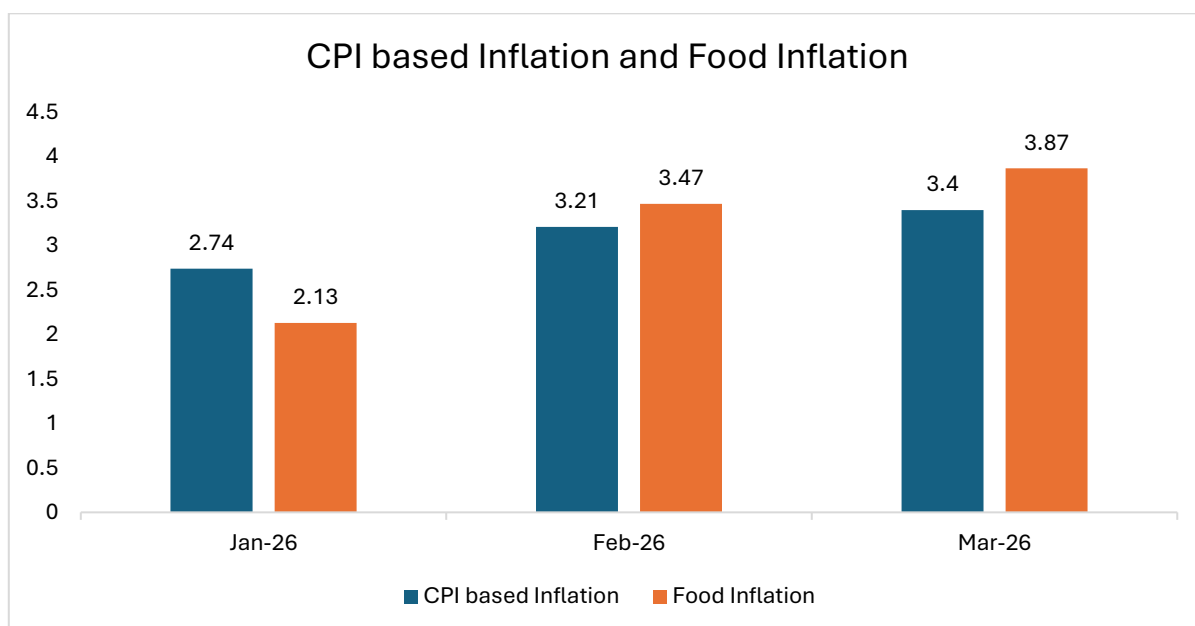
Major Highlights:

- Real GDP has been estimated to grow by 7.6% in FY 2025-26. Nominal GDP has witnessed a growth of 8.6%. These growth rates are revised upward from their respective First Advance Estimates computed using previous Base Year (2011-12).
 - Overall Economic performance in FY 2025-26 is primarily on account of robust Real growth observed in Second Quarter (8.4%) and Third Quarter (7.8%).
 - The Economy has exhibited sustained performance, recording Real GDP growth rates of 7.2% and 7.1% respectively during FY 2023-24 and FY 2024-25.
 - Nominal GDP has registered 11.0% and 9.7% growth rates during FY 2023-24 and FY 2024-25 respectively.
 - Manufacturing sector has been the major driver in contributing to the resilient performance of the economy in consecutive 3 financial years after rebasing. This sector has attained double digit growth rates in FY 2023-24 and FY 2025-26.
 - Secondary and Tertiary sectors have boosted the performance of the economy by registering above 9.0% growth rate in FY 2025-26.
 - 'Trade, Repair, Hotels, Transport, Communication & Services related to Broadcasting, Storage' sector has attained a growth rate of 10.1% at Constant Prices in FY 2025-26.
- On the Consumption side, both the Private Final Consumption Expenditure (PFCE) and Gross Fixed Capital Formation (GFCF) have exhibited more than 7.0% growth rate in FY 2025-26.

Source: MOSPI, Press Release, 27 February 2026, Govt. of India (GoI).

2.3 Consumer Price Index (CPI)

Year-on-year inflation rate based on All India Consumer Price Index (CPI) with base year 2024 for the month of March 2026 over March 2025 is 3.40%(Provisional). Corresponding inflation rates for rural and urban are 3.63% and 3.11%, respectively.



Source: MOSPI, GOI, 13 April 2026

Top 5 items with high inflation at All India combined level in February 2026 are given in table below:

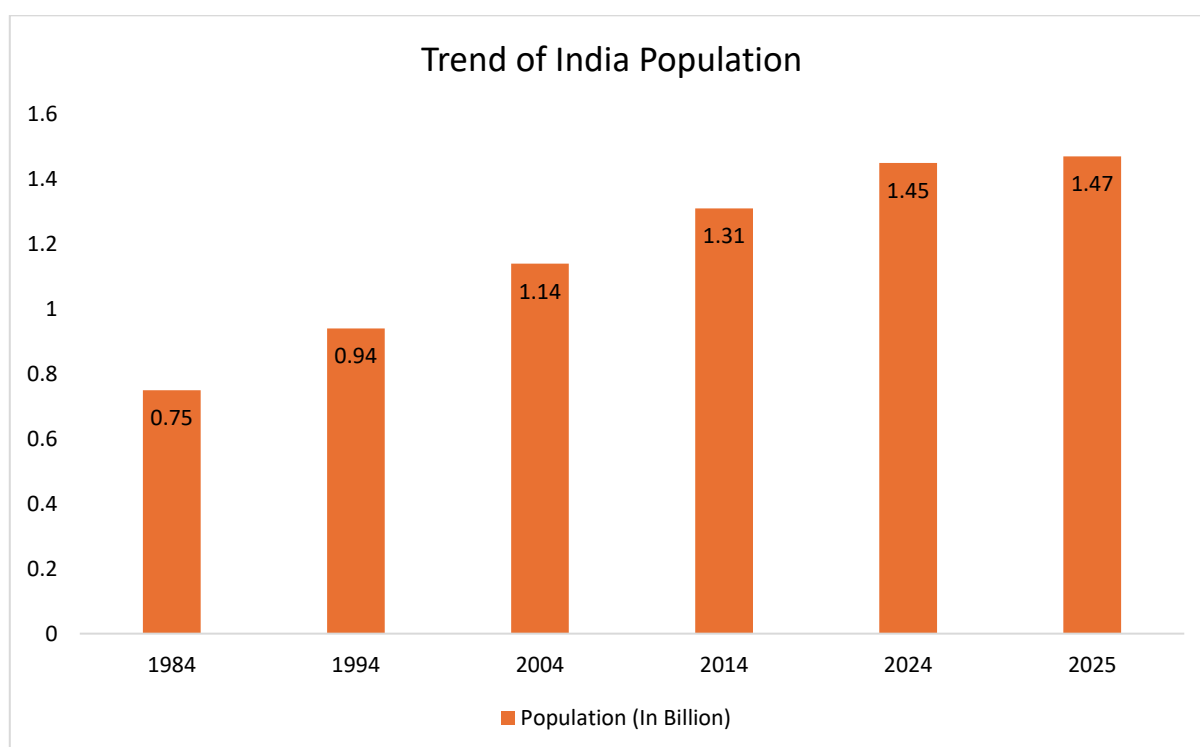
S.No.	Item	Weight	Inflation (%) February, 2026	Inflation (%) January, 2026
1	Silver Jewellery 	0.3127	160.84	160.12
2	Gold/Diamond/Platinum Jewellery 	0.6230	48.16	46.80
3	Coconut: copra 	0.0854	46.16	47.17
4	Tomato 	0.4961	45.29	64.58
5	Cauliflower 	0.2330	43.77	37.83

Source: “Press Release of Consumer Price Index on Base 2024=100 for February, 2026” (12 March 2026), MOSPI, GOI.

2.4 Overview on Key Demographic Parameters

2.4.1 Population growth

India’s economic trajectory and consumption dynamics are closely tied to its demographic shifts. India’s population expanded from approximately 0.75 billion in 1984 to 1.45 billion in 2024 and is further reached around 1.47 billion in 2025, consolidating its position as the world’s most populous nation. This sustained growth underlines the emergence of a vast labour force and consumer base, which is essential for driving long-term economic growth, supporting rising consumption demand, and strengthening the country’s overall economic potential.



Source: World Bank Database. Population Data 2025 - Worldometer, Infomerics Analytics & Research

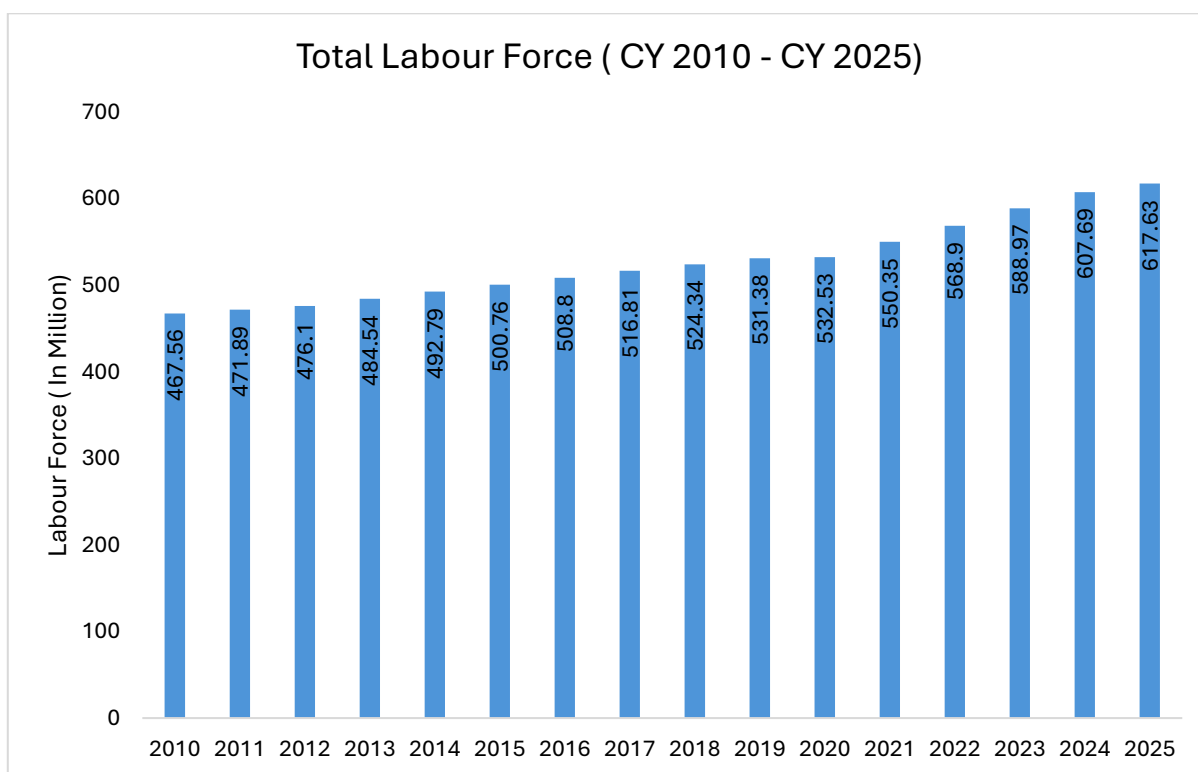
2.4.2 Labour Force in India

India's labour force has experienced steady growth over the past decade. In 2010, the total labour force was approximately 467.56 million. By 2025, this number had increased to 617.63 million.

This upward trend underscores the expanding working-age population, improving labour force participation, and gradual recovery in employment post the pandemic period. The sharp increase observed after 2020 highlights the rebound in economic activity and rising workforce engagement across sectors. However, it also emphasizes the need for sustained job creation to effectively absorb the growing labour pool.

The labour force participation rate (LFPR) has also witnessed variations over time due to changing socio-economic conditions, including urbanization, education levels, and sectoral employment shifts.

These trends highlight the importance of implementing policies that not only generate employment opportunities but also improve job quality, productivity, and inclusivity across key sectors of the economy.

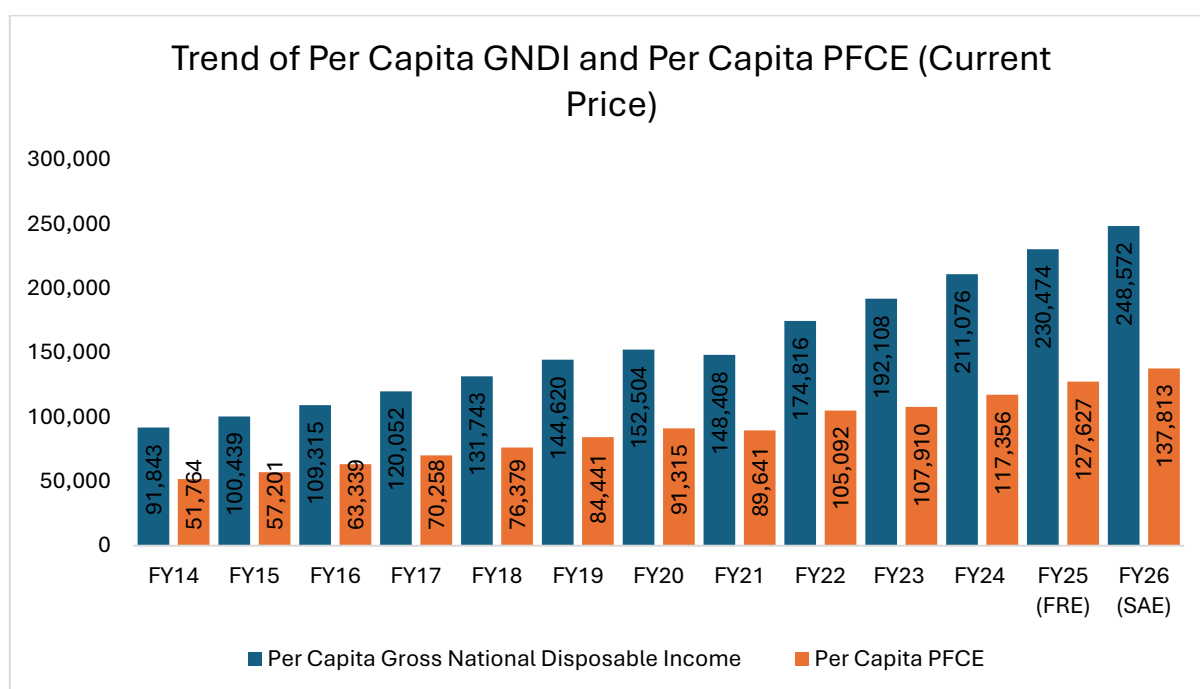


Source: World Bank Database

2.4.3 Disposable Income and Consumer Spending

Gross National Disposable Income (GNDI) represents the total income available to a nation's residents for consumption and saving after accounting for income transfers with the rest of the world. Per Capita GNDI has shown a consistent upward trajectory, rising from INR91,843 in FY14 to INR2,48,572 in FY26 (SAE). In FY25 (FRE), Per Capita GNDI stood at INR2,30,474, which further increased to INR2,48,572 in FY26 (SAE), reflecting a growth of approximately 7.9%. This steady increase indicates that households and businesses had more income at their disposal, which is critical for supporting both consumption and savings: key components of economic resilience and expansion.

The rise in GNDI has translated into higher consumer spending, as reflected in the growth of Private Final Consumption Expenditure (PFCE), which measures the total value of goods and services consumed by households. Per Capita PFCE has also maintained a consistent upward trend, growing from INR51,701 in FY14 to INR1,37,813 in FY26 (SAE). In FY25 (FRE), Per Capita PFCE stood at INR1,27,627, which further increased to INR1,37,813 in FY26 (SAE), reflecting a growth of approximately 8.0%, highlighting strong consumer confidence and robust domestic demand.



Note: Data mentioned is in INR, FRE – First Revised Estimates, SAE – Second Advanced Estimates

Source: PIB, New Series of Gross Domestic Product (GDP) Estimates with Base Year 2022-23

2.5 Union Budget FY26-27 Highlights

The Union Budget FY 2026–27, presented by Finance Minister Nirmala Sitharaman, introduces a comprehensive set of measures aimed at stimulating economic growth, enhancing infrastructure, and fostering inclusive development. With a focus on sectors such as agriculture, MSMEs, infrastructure, innovation, and exports, the budget seeks to create a conducive environment for sustained economic expansion.

- **Capital Expenditure and Infrastructure Development**

In FY2026-27, the Union Budget has increased the public capex towards to INR 12.2 lakh crore from the previous INR 11.21 lakh crore (3.1% of GDP) which was earmarked in FY 2025–26. To strengthen the confidence of private developers regarding risks during infrastructure development and construction phase, the budget proposed to set up an Infrastructure Risk Guarantee Fund to provide prudently calibrated partial credit guarantees to lenders.

- **Support for MSMEs**

Recognizing the pivotal role of Micro, Small, and Medium Enterprises (MSMEs) in India's economic landscape, the budget introduced a three-pronged approach to support the sector. The budget introduced a dedicated INR 10,000 crore SME Growth Fund as well as proposed to top up the Self-Reliant India Fund set up in 2021, with INR 2,000 crore to continue support to micro enterprises and maintain their access to risk capital. With TReDS, more than INR 7 lakh crore has been made available to MSMEs. To leverage its full potential, the budget further proposed four measures: (i) mandate TReDS as the transaction settlement platform for all purchases from MSMEs by CPSEs, serving as a benchmark for other corporates; (ii) introduce a credit guarantee support mechanism through CGTMSE for invoice discounting on TReDS platform; (iii) link GeM with TReDS for sharing information with financiers about government purchases from MSMEs, encouraging cheaper and quicker financing; (iv) introduce TReDS receivables as asset-backed securities, helping develop a secondary market, enhancing liquidity and settlement of transactions. Moreover, Government will facilitate Professional Institutions such as ICAI, ICSI, ICMAI to design short-term, modular courses and practical tools to develop a cadre of ‘Corporate Mitras’, especially in Tier-II and Tier-III towns, which will help MSMEs meet compliance requirements at affordable costs.

- **Establishment of dedicated Rare Earth Corridors**

A Scheme for Rare Earth Permanent Magnets was launched in November 2025. In line with that, the budget proposed to support the mineral-rich States of Odisha, Kerala, Andhra Pradesh and Tamil Nadu to establish dedicated Rare Earth Corridors to promote mining, processing, research and manufacturing.

- **Integrated Programme for the Textile Sector**

The following Schemes have been announced:

- (a) The National Fibre Scheme for self-reliance in natural fibres such as silk, wool and jute, man-made fibres, and new-age fibres.
- (b) Textile Expansion and Employment Scheme to modernise traditional clusters with capital support for machinery, technology upgradation and common testing and certification centres.
- (c) A National Handloom and Handicraft programme to integrate and strengthen existing schemes and ensure targeted support for weavers and artisans.
- (d) Tex-Eco Initiative to promote globally competitive and sustainable textiles and apparels.
- (e) Samarth 2.0 to modernize and upgrade the textile skilling ecosystem through collaboration with industry and academic institutions.

- **Carbon Capture Utilization and Storage (CCUS)**

Aligning with the roadmap launched in December 2025, CCUS technologies at scale will achieve higher readiness levels in end-use applications across five industrial sectors, including, power, steel, cement, refineries and chemicals. An outlay of INR 20,000 crore is proposed over the next 5 years.

- **Municipal Bonds**

To encourage the issuance of municipal bonds of higher value by large cities, the budget proposed an incentive of INR 100 crore for a single bond issuance 10 of more than INR 1000 crore. The current scheme under AMRUT which incentivises issuances up to INR 200 crore, will also continue to support smaller and medium towns.

- **Ease of Doing Business**

Individual Persons Resident Outside India (PROI) will be permitted to invest in equity instruments of listed Indian companies through the Portfolio Investment Scheme. It is also proposed to increase the investment limit for an individual PROI under this scheme from 5% to 10%, with an overall investment limit for all individual PROIs to 24%, from the current 10%.

- **Hubs for Medical Value Tourism**

To promote India as a hub for medical tourism services, the budget proposed to launch a Scheme to support States in establishing five Regional Medical Hubs, in partnership with the private sector. These Hubs will serve as integrated healthcare complexes that combine medical, educational and research facilities. They will have AYUSH Centres, Medical Value Tourism Facilitation Centres and infrastructure for diagnostics, post-care and rehabilitation. These Hubs will provide diverse job opportunities for health professionals including doctors and AHPs.

- **Agriculture Related Schemes**

To diversify farm outputs, increase productivity, enhance farmers' incomes, and create new employment opportunities, the budget announced support schemes related to high value crops such as coconut, sandalwood, cocoa and cashew in coastal areas. Agar trees in Northeast and nuts such as, almonds, walnuts and pine nuts in hilly regions will also be supported. India is the world's largest producer of coconuts.

About 30 million people, including nearly 10 million farmers, depend on coconuts for their livelihood. To further enhance competitiveness in coconut production, the Budget proposed a Coconut Promotion Scheme to increase production and enhance productivity through various interventions including replacing old and non-productive trees with new saplings/plants/varieties in major coconut growing States. A dedicated programme is proposed for Indian cashew and cocoa to make India self-reliant

in raw cashew and cocoa production and processing, enhance export competitiveness and transform Indian Cashew and Indian Cocoa into premium global brands by 2030.

Further, the Central Government will partner with State Governments to promote focused cultivation and post-harvest processing to restore the glory of the Indian Sandalwood ecosystem. To rejuvenate old, low-yielding orchards and expand high-density cultivation of walnuts, almonds and pine nuts, the budget announced to support a dedicated programme to enhance farmer incomes and in bringing value addition by engaging youth.

The Union Budget FY 2026–27 presents a balanced approach to economic growth by addressing immediate consumption needs and laying the foundation for long-term sustainability. Through targeted investments in infrastructure, support for MSMEs, and sector-specific initiatives, the budget aims to foster an inclusive and resilient economy. These measures are expected to create new opportunities for financial institutions, as the growing demand for investment products will provide avenues for expansion and innovation in the financial services sector.

Industry Overview - Textile Manufacturing Industry

3.1 Introduction -Textile Manufacturing Industry

Some imagine textiles as shimmering silks cascading down couture runways, while others picture rugged fabrics in backpacks or engineered threads in sportswear. These days, with a vast palette of fibers, designs, production methods, and applications, the textile industry is a rich tapestry that touches almost every aspect of modern life.

The industry stretches far beyond fabric it weaves into fashion, agriculture, technology, healthcare, and more. Traditional handlooms live alongside tech-powered mills; natural dyes mix with biotech pigments and recycled polyester from plastic bottles. That diversity makes textiles not just globally competitive, but endlessly creative and regenerative.

Startups bring even more variety. Biotech houses are developing spider-silk inspired fibers, microbe-based dyes, algae leather, and waste-to-yarn transformations that redesign the very essence of fabric. Social entrepreneurs focus on circularity—upcycling scraps in urban hubs, weaving plastic waste in Dharavi, and turning it into eco-conscious goods that empower women and communities. India’s textile narrative isn’t just about producing it’s about evolving.

Market Segmentation

The textile industry is a sprawling ecosystem that threads together fibres, fashion, function, and innovation. It spans the entire value chain—from fibre and yarn to fabrics and finished goods—serving diverse applications in apparel, home décor, technical uses, and beyond. Driven by both traditional craftsmanship and cutting-edge technologies, the sector balances sustainability, style, and performance.

1. Product Type	- Fibre & Yarn - Fabric/Greige - Finished Goods	Segmentation based on the stage of processing in the textile value chain. Fibre and yarn form the raw material base, fabrics are semi-finished inputs, and finished goods include ready-to-use textile products such as garments, home furnishings, and industrial textiles.
2. Raw Material	Natural Fibres (cotton, silk, wool, jute) Man-made Fibres (polyester, nylon, viscose, blends)	Classified by source of origin. Natural fibres are plant or animal-based and preferred for their comfort and biodegradability, while man-made fibres offer durability, performance, and cost efficiency across multiple applications.
3. Application	Apparel & Fashion Home Textiles (bedding, towels, curtains) Technical & Industrial Textiles (medical, automotive, agricultural, construction, protective)	Based on end-use industry. Apparel dominates consumer demand, home textiles cater to interior and lifestyle segments, and technical textiles serve specialised functional needs in industrial and infrastructure sectors.

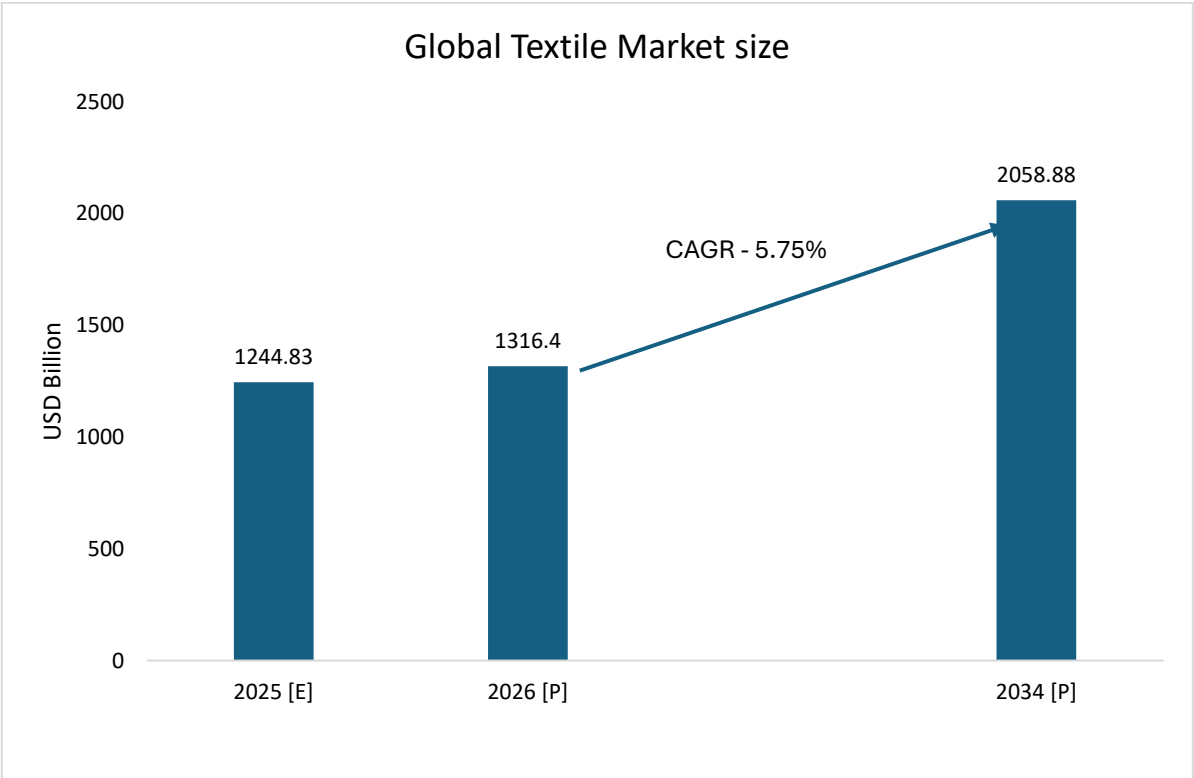
4. Distribution Channel	Offline Retail (traditional stores, wholesalers) Modern Retail (department stores, multi-brand outlets) E-commerce & Direct-to-Consumer (online platforms, brand websites)	Differentiates market access routes. Offline channels remain strong in tier-2/3 cities, while modern retail and digital platforms are witnessing rapid growth, driven by changing consumer preferences and digital penetration.

Global Textile Industry

The global textile market represents one of the most dynamic and essential components of the global consumer goods industry. It is supported by a wide value chain spanning raw material production, fabric manufacturing, apparel and footwear assembly, and retail distribution. Growth in this sector is being driven by population expansion, urbanisation, rising disposable incomes, increased fashion awareness, and a strong rebound in global trade.

Market Size

The Global Textile Market is estimated at USD 1244.83 billion in CY 2025 and is expected to reach USD 1,316.4 billion in CY 2026, growing further to USD 2,058.88 billion by CY 2034 at a CAGR of 5.75% during the forecast period.



Source: Infomerics Analytics & Research. Note: E (Estimated), P (Projected)

This growth is driven by rising global demand for apparel, increasing urbanization, expansion of technical textiles in industries like automotive and healthcare, and a shift towards sustainable and eco-friendly materials. Asia-Pacific remains the dominant market due to cost advantages and high production capacity, while developed markets like North America and Europe focus on innovation and sustainability.

Regional Insights:

- 1. Asia Pacific:** Asia Pacific continues to lead as the global textile hub, driven by robust manufacturing ecosystems in countries like China, India, and their regional neighbours (Bangladesh, Vietnam, Pakistan, Sri Lanka, Indonesia and Thailand. The region enjoys a fully integrated supply chain—from raw fibre production to finished garments—bolstered by a large labour force, favourable government policies, and export-oriented trade agreements such as RCEP (Regional Comprehensive Economic

Partnership). Innovation is gaining momentum through investments in automation, digital printing, and smart textile technologies. Meanwhile, the rise of e-commerce and increasing consumer incomes are fuelling demand for both fashion-forward and technical textiles. India is emerging as a key beneficiary of shifting global sourcing trends, with rising exports and ongoing industrial modernization.

2. **North America:** North America stands out for its advanced capabilities in technical and sustainable textile manufacturing. U.S.-based companies like Unifi are pioneering recycled fibre solutions—such as Repreve, made from plastic bottles—contributing to environmentally responsible production and supporting domestic job retention, though under growing regulatory oversight. The region excels in high-value textile applications for sectors like aerospace, automotive, and healthcare, powered by digitalization and automation. At the same time, increasing consumer demand for recycled and customizable fabrics—amplified by e-commerce growth—is driving continued investment and innovation in eco-friendly textile solutions.
3. **Europe:** Europe remains a global leader in sustainable and technologically advanced textiles, known for its premium craftsmanship and strict environmental standards. Countries like Germany, Italy, France, Spain, and Poland are at the forefront of developing circular economy practices, biodegradable fibres, and smart textiles embedded with IoT and sensor technologies. The region seamlessly blends tradition with innovation, supported by robust R&D infrastructure and progressive EU regulations such as the Circular Economy Action Plan (CEAP) and Extended Producer Responsibility (EPR).
4. **Latin America:** Latin America is transitioning from its roots in traditional cotton and handcrafted textiles to a more diversified focus that includes apparel, home furnishings, and eco-friendly textiles. Countries like Brazil, Mexico, and Colombia leverage abundant raw materials and geographic proximity to North American markets, supported by free trade agreements and expanding middle-class populations. However, the region faces persistent challenges such as high production costs and global market fluctuations, highlighting the need for increased technological adoption and capital investment to maintain growth and enhance competitiveness.
5. **Middle East & Africa:** The Middle East & Africa region is steadily strengthening its presence in both cotton-based home textiles and technical fabrics, including medical, protective, and industrial materials. Egypt stands out with its premium Giza cotton and a fully integrated domestic value chain—from spinning to finished apparel—serving as a regional cornerstone. Meanwhile, countries like Turkey and South Africa are expanding their production capacities. Ongoing infrastructure upgrades and targeted industrialization initiatives are boosting output and enhancing export potential, particularly in health and safety-related textile segments.

The global textile industry is evolving through regional strengths and innovations. Asia Pacific leads with integrated manufacturing and tech adoption, while North America excels in sustainable, high-performance textiles. Europe combines tradition with advanced R&D and strong environmental policies. Latin America is diversifying but needs greater investment, and the Middle East & Africa are rising with growing technical textile capacity. Together, these trends reflect a shift toward sustainability, innovation, and value chain optimization to meet changing global demand.

Indian Textile Industry

India's textile sector is one of the most strategically significant industries in the Indian economy, contributing substantially to GDP, industrial output, exports, and employment. The sector's resilience is anchored in its integrated value chain from raw fibre to finished garments, supported by a large domestic market, skilled workforce, and policy push from the Government of India.

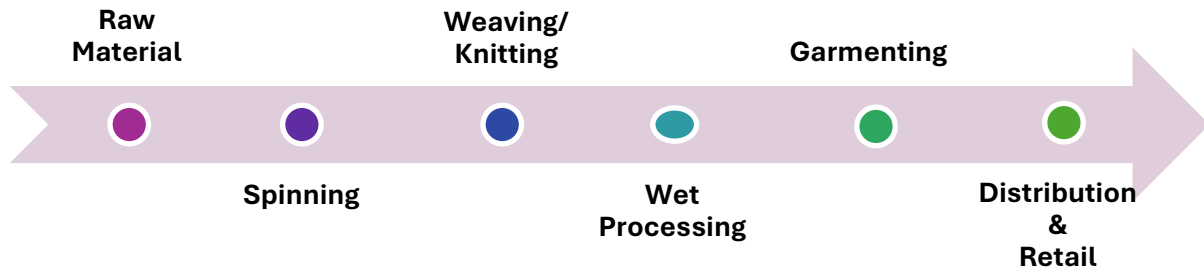
As per PIB Release dated April 01, 2025, the Indian textile and apparel sector:

- Contributes approximately 2.3% to national GDP
- Accounts for 13% of industrial production
- Constitutes 12% of the country's total exports

Additionally, the sector provides direct employment to over 45 million people, with a significant share of women and the rural workforce, making it a key driver of inclusive and equitable economic growth.

Value Chain Overview

The Indian textile industry comprises a comprehensive and interconnected value chain that transforms raw materials into finished textile products. Each stage contributes uniquely to the overall value addition, employment generation, and global competitiveness of the sector. The value chain typically includes the following six stages, as illustrated below:



Stage	Description
Raw Material Supply	Involves the cultivation and procurement of natural fibers such as cotton, wool, jute, and silk, alongside the production of man-made fibers like polyester, viscose, and acrylic. India is a global leader in cotton and jute production, providing a robust base for the textile sector.
Spinning	The process of converting raw fibers into yarn using ring or open-end spinning systems. India has the second-largest installed spinning capacity in the world, catering to both domestic fabric production and export markets.
Weaving / Knitting	Yarns are interlaced to form fabrics through either weaving (loom-based) or knitting (needle-based). The sector includes organized mills and a large decentralized power loom and handloom base across regions like Surat, Bhiwandi, and Erode.
Wet Processing (Dyeing & Finishing)	Involves the treatment of grey fabric through processes such as bleaching, dyeing, printing, and finishing. This stage determines fabric appearance, texture, and functional properties. Compliance with environmental norms is critical here due to the water-intensive nature of processing.
Garmenting / Made-ups	Fabric is converted into final products such as garments, home textiles, and technical textiles. Activities include cutting, stitching, embroidery, and packaging. India's competitive advantage lies in its skilled, low-cost labor and strong traditional craftsmanship.
Distribution & Retail	Finished textile products reach domestic and global markets through wholesale, retail, and e-commerce channels. Rapid digitalization and organized retail expansion are driving consumption, especially in Tier II/III cities and export hubs.

3.2 Introduction - Home Furnishing Industry

The home furnishing industry refers to the sector that includes items used to enhance the comfort, functionality and visual appeal of interior living spaces. It encompasses a wide range of interior furnishing elements that contribute to the arrangement, usability and aesthetic character of residential environments. These items play an essential role in shaping household interiors by combining practical utility with design appeal, enabling individuals to create comfortable and personalized living spaces.

The industry forms an integral part of the broader home and lifestyle segment and caters to diverse requirements across residential, hospitality and institutional settings. Interior furnishing elements are used across various areas of a home including bedrooms, living areas and other indoor spaces, where they contribute to comfort, organization and overall interior presentation.

The sector includes several categories of home textile and interior furnishing elements such as bedding solutions, mattress protection accessories, comforters, pillows, cushions, curtains and bath linen, along with other decorative textile-based furnishings that enhance the overall ambience of living spaces. These items are designed to combine durability, comfort and aesthetic appeal while complementing different interior styles and household needs.

As living environments continue to evolve, interior furnishing elements have become an important component of modern households. They contribute not only to everyday comfort and functionality but also to the visual identity and atmosphere of

interior spaces. The industry therefore plays a significant role in supporting the development of well-designed and comfortable residential environments.

Market Segmentation



Segment Category	Segment Name	Description
By Product	Home Textiles	Includes textile-based furnishings such as bedding, curtains, cushions, mattress protectors, comforters and bath linen that enhance comfort and interior aesthetics.
	Floor Coverings	Includes carpets, rugs and mats used to improve interior décor while providing comfort and insulation.
	Furniture	Includes items such as sofas, beds, tables, chairs and cabinets that provide functionality and structure to interior living spaces.
	Lighting Fixtures	Includes lamps, pendant lights and other lighting solutions designed to enhance interior ambience and functionality.
	Home Décor Accessories	Includes decorative elements such as mirrors, wall art, vases and other accessories that improve visual appeal of living spaces.

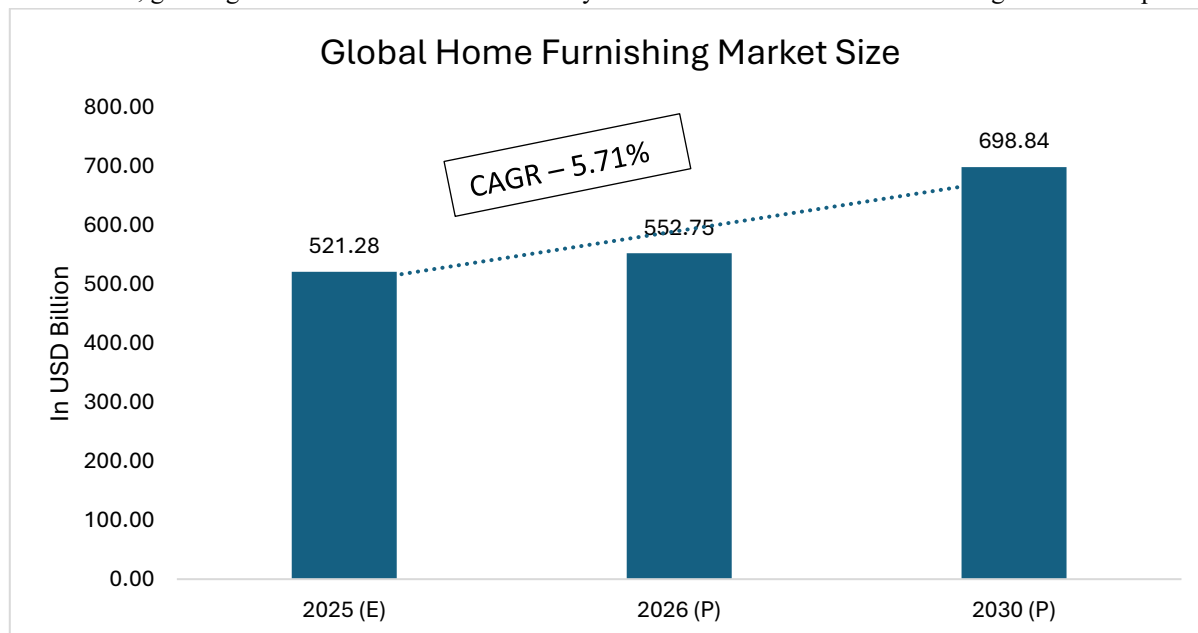
Segment Category	Segment Name	Description
By Application	Residential	Furnishing items used within homes including bedrooms, living rooms and other residential spaces.
	Hospitality	Furnishing solutions used in hotels, resorts and serviced apartments where comfort and interior design are important.
	Commercial	Includes furnishing requirements for offices, retail stores and other commercial establishments.
	Real Estate / Institutional Projects	Includes furnishing used in residential developments, corporate projects and institutional spaces.

Segment Category	Segment Name	Description
	Offline Retail	Sales through furniture showrooms, specialty stores and large retail outlets.

By Distribution Channel	Online / E-Commerce	Sales through online marketplaces and brand-owned websites that allow consumers to purchase furnishing items digitally.
	Direct-to-Consumer (D2C)	Brands selling directly to customers through their own digital platforms or exclusive brand stores.

Global Home Furnishing Industry Market size

The Global Home Furnishing Market is estimated at USD 521.28 billion in CY 2025 and is Projected to reach USD 552.75 billion in CY 2026, growing further to USD 698.84 billion by CY 2030 at a CAGR of 5.71% during the forecast period.



Note: E (Estimated), P (Projected)

Source: Infomerics Analytics & Research

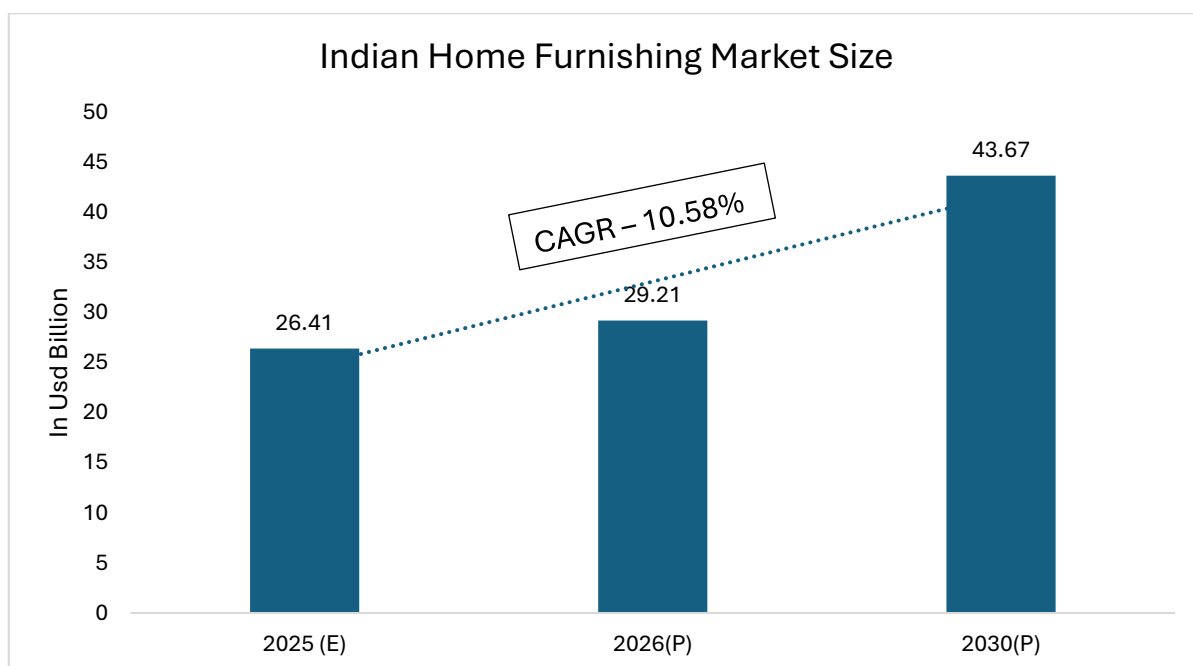
Growth in the home furnishing industry is underpinned by several structural factors including rising urbanization, increasing disposable incomes and evolving lifestyle preferences. As consumers place greater emphasis on comfort, aesthetics and functionality within living spaces, demand for well-designed and durable household furnishings continues to expand. Increased home ownership and a growing focus on interior design and home improvement have further supported demand for furnishing products.

The rapid expansion of e-commerce platforms has also played a significant role in supporting industry growth. Online marketplaces enable consumers to access a wider variety of furnishing products, compare prices and purchase customized designs with greater convenience. Digital retail channels have improved product visibility and market reach, allowing manufacturers and brands to access a broader consumer base across multiple geographic regions.

Additionally, changing consumer preferences are encouraging demand for multifunctional and modular furniture, particularly as hybrid work arrangements increase the need for home-office spaces. At the same time, growing awareness of sustainability is influencing purchasing decisions, with consumers increasingly preferring products made using environmentally responsible materials and manufacturing practices.

Indian Home Furnishing Market size

The Indian Home Furnishing Market is estimated at USD 26.41 billion in CY 2025 and is Projected to reach USD 29.21 billion in CY 2026, growing further to USD 43.67 billion by CY 2030 at a CAGR of 10.58% during the forecast period.



Note: E (Estimated), P (Projected)

Source: Infomerics Analytics & Research

The growth of the home furnishing industry is supported by rising disposable incomes and a gradual shift towards premiumisation, particularly among the middle-income consumer segment. Consumers are increasingly allocating a higher share of expenditure towards quality and value-added home textile products, including blankets, driven by improving lifestyle standards and a growing preference for comfort and aesthetics.

Urbanisation and the transition from joint family systems to nuclear households are further contributing to demand growth. The formation of new households results in incremental consumption of home furnishing products, including blankets, thereby supporting sustained demand across the segment.

In addition, the increasing penetration of e-commerce platforms has expanded market access for home furnishing products. Digital channels have enabled manufacturers to reach a wider consumer base, particularly across Tier II and Tier III regions, thereby increasing the overall addressable market and supporting industry growth.

Trade Dynamics – Home furnishing

Metric	FY24	FY25	Growth (%)
Exports (USD Million)	2416.81	2557.55	5.82%
Imports (USD Million)	1591.22	1718.60	8.01%

Source: MEIDB, Infomerics Analytics & Research

The trade performance of the home furnishing industry indicates growth in both exports and imports during the period under review. Exports increased from USD 2,416.81 million in FY24 to USD 2,557.55 million in FY25, reflecting a growth of approximately 5.82%, which indicates continued demand for home furnishing products including bedding, mattress supports and related textile furnishings in international markets.

Imports also recorded an increase, rising from USD 1,591.22 million in FY24 to USD 1,718.60 million in FY25, representing a growth of approximately 8.01%. The increase in imports may reflect rising domestic consumption as well as sourcing of certain furnishing products or textile inputs from overseas markets.

Despite the increase in imports, the industry continues to maintain a trade surplus, as exports remain higher than imports. In FY25, the trade surplus stood at approximately USD 838.95 million, indicating that the home furnishing sector continues to operate as a net exporter in international trade.

Top Export Destinations

Top Export Destinations	Fy 2025	Market Share (%)
U.S.A	1,146.73	44.84%
Germany	186.96	7.31%
Netherlands	137.27	5.37%
U. K	131.97	5.16%
France	106.65	4.17%
Others	847.97	33.15%
Total	2,557.55	100%

Top Import Destinations

Major Countries	FY 2025	Market Share (%)
China	851.2	49.53%
Germany	118.58	6.90%
U.S.A	91.09	5.30%
Malaysia	84.55	4.92%
Italy	82.78	4.82%
Others	490.4	28.53%
Total	1,718.60	100%

Source – MEIDB, Infomerics Analytics & Research

Exports of home furnishing products, including bedding, mattress supports and related textile furnishings, are moderately diversified across several international markets. The top five destination countries account for approximately 66.85% of total exports, while “Others” contribute around 33.15%, indicating a relatively broad geographic distribution. The United States represents the largest export destination, accounting for 44.84% of total exports, reflecting strong demand from developed markets with established home textile consumption. European countries such as Germany, the Netherlands, the United Kingdom and

France together account for around 21% of exports, highlighting stable demand from mature markets. Overall, the export structure indicates a balanced destination profile with strong presence in North America and Europe while maintaining diversification across other regions.

Imports of home furnishing products exhibit a relatively concentrated sourcing pattern. China accounts for the largest share of imports at approximately 49.53%, reflecting its strong manufacturing base and cost competitiveness in textile and furnishing products. Other supplier countries including Germany, the United States, Malaysia and Italy collectively contribute around 22% of imports, indicating selective sourcing of certain furnishing products or specialized textile inputs from these markets. The remaining 28.53% of imports originate from other countries, suggesting additional diversification in sourcing. Overall, the import mix indicates a notable reliance on a few key supplier countries while maintaining supplementary imports from a broader group of markets.

3.3 Introduction to Blanket Manufacturing



The blanket manufacturing segment forms a part of the textile manufacturing industry within the home textile category and involves the production of blankets using fibres through processes such as spinning, weaving or knitting and finishing. The

segment caters to demand arising from domestic consumption as well as institutional procurement, including bulk purchases by government bodies, relief organisations and commercial buyers.

Blankets are used across income groups as a utility product, with demand influenced by climatic conditions, particularly during winter months. The segment comprises manufacturers operating across organised and unorganised sectors, with products distributed through wholesalers, distributors, retailers and institutional channels. In recent years, there has been a gradual shift towards the organised segment, supported by implementation of Goods and Services Tax (GST) regulations and increased compliance requirements, which have contributed to improved formalisation within the industry.

The segment is supported by the use of synthetic fibres, particularly polyester, as well as blended materials, which are processed into finished blanket products. Manufacturing operations are carried out across different scales of production, depending on the size and capabilities of the manufacturer.

Industry Value Chain Analysis



- **Raw Material Procurement**

The blanket manufacturing value chain commences with the procurement of raw materials, primarily comprising shoddy yarn and recycled textile waste. Shoddy yarn, which is produced through the recycling of textile waste, forms part of the raw material ecosystem in value-driven textile segments and is widely available through established manufacturing clusters. The availability and pricing of these inputs are influenced by factors such as crude oil price movements, supply chain dynamics and seasonal variations. As a result, raw material sourcing plays a critical role in determining the cost competitiveness of manufacturers operating in this segment.

- **Yarn Manufacturing (Spinning)**

The procured raw materials are processed into yarn, including shoddy yarn produced through the recycling of textile waste. This stage is essential in defining the quality, texture and cost efficiency of the final product. Manufacturers with in-house yarn production capabilities are able to exercise greater control over input quality, reduce reliance on external suppliers and achieve improved cost optimization.

- **Fabric Formation and Processing**

The yarn is subsequently converted into fabric through weaving or knitting processes, followed by dyeing, printing and finishing. These processes enhance the functional and aesthetic properties of blankets, including softness, durability, colour and design. The level of process efficiency and technological adoption at this stage is critical for maintaining product consistency and meeting market requirements.

- **Blanket Manufacturing**

At this stage, processed fabric is transformed into finished blanket products through cutting, stitching, finishing and packaging. Manufacturers typically offer a range of products across different sizes, weights and designs to cater to varying consumer preferences across mass and mid-market segments.

- **Distribution and Sales**

The final stage of the value chain involves distribution through a combination of business-to-business and business-to-consumer channels. Products are supplied to wholesalers, distributors, institutional buyers and retail customers, including through e-commerce platforms. The segment is characterized by a high dependence on bulk sales and price-sensitive demand, making efficient distribution networks and competitive pricing key success factors.

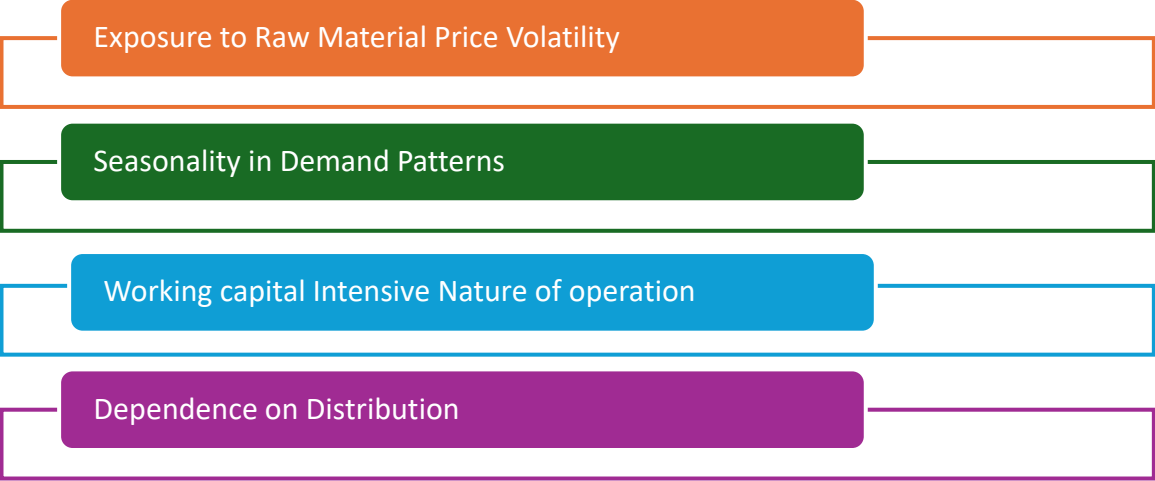
Types of Blankets

The blanket manufacturing segment comprises a range of products differentiated based on material composition, texture and end-use applications. These include both traditional blankets and synthetic fibre-based variants catering to different customer segments.



- Woollen Blankets**
Woollen blankets are made from natural fibres such as wool and are primarily used for thermal insulation in colder climates. These blankets are typically associated with winter usage and are widely used in regions experiencing lower temperatures.
- Cotton Blankets**
Cotton blankets are lightweight blankets made from cotton fibres and are generally used in moderate climatic conditions. These blankets are suitable for lighter usage and are commonly used in warmer regions or during transitional weather.
- Mink Blankets**
Mink blankets are synthetic fibre-based blankets known for their soft texture, lightweight nature and aesthetic appeal. These blankets are typically manufactured using polyester fibres and are available in a wide range of designs, colours and sizes. In addition to providing comfort, mink blankets are also used as decorative and lifestyle products in households, hotels and institutional settings. Owing to their versatility, ease of maintenance and affordability, these blankets are used across different climatic conditions and are not limited to seasonal consumption, resulting in relatively stable demand throughout the year.
- Cloudy Blankets**
Cloudy blankets are a category of soft-finish blankets characterised by their plush feel and enhanced comfort. These blankets are designed to provide a smooth and premium texture and are generally manufactured using synthetic fibres. Cloudy blankets are widely used for both functional and comfort purposes across various consumer segments. Their usage is not restricted to specific weather conditions, as they are often used in indoor environments, thereby supporting relatively consistent demand across the year.

Industry Risk Disclosures



- Exposure to Raw Material Price Volatility**

The blanket manufacturing segment is dependent on synthetic fibres, particularly polyester, the prices of which are linked to fluctuations in crude oil. Variability in crude oil prices and petrochemical derivatives may lead to fluctuations in input costs. In a price-sensitive market, the ability to pass on such increases to customers may be limited, which could impact operating margins.

- **Seasonality in Demand Patterns**

Demand for blankets may be influenced by climatic conditions, with relatively higher offtake observed during winter months. However, certain product categories, such as **mink blankets** and **cloudy blankets**, typically experience relatively stable demand conditions throughout the year. As a result, while variations in demand may exist across periods, manufacturers continue to manage production and inventory to ensure consistent supply, and any significant shifts in demand patterns may impact sales volumes and capacity utilisation.

- **Working Capital Intensive Nature of Operations**

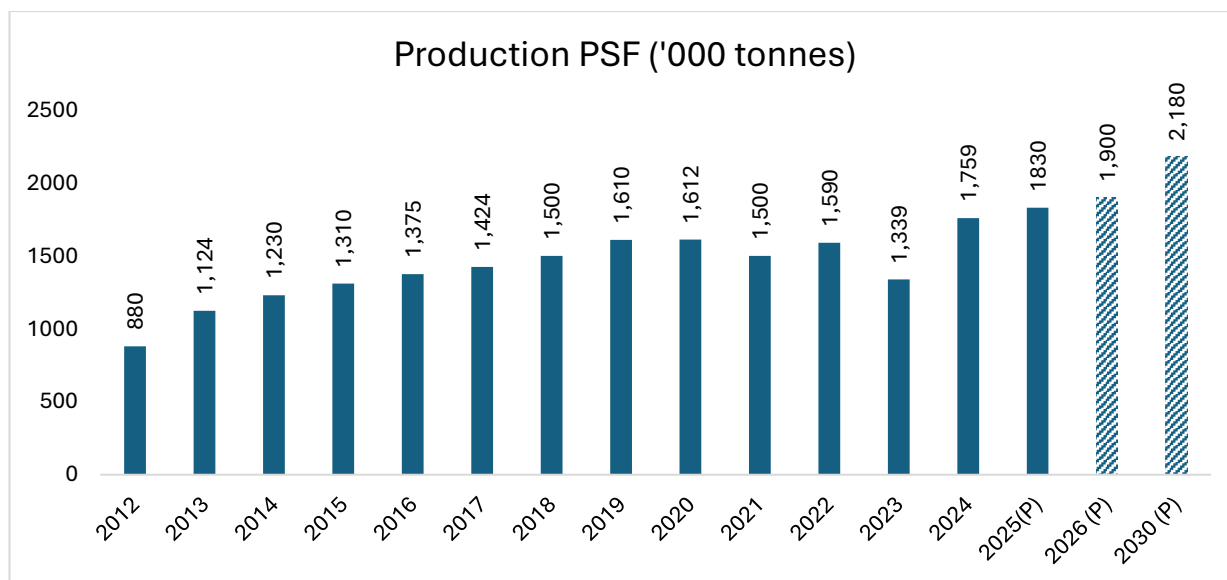
The blanket manufacturing segment requires maintenance of inventory levels and extension of credit to distributors and institutional buyers. This results in higher working capital requirements and exposure to risks related to receivables and inventory management, which may affect liquidity.

- **Dependence on Distribution**

Sales in the blanket segment are largely driven through wholesalers, distributors and institutional buyers. These channels often have significant bargaining power due to the scale of procurement, which may influence pricing, payment terms and order volumes.

Production Trend – Polyester Staple Fiber

Polyester Staple Fiber (PSF) is a synthetic fibre derived from petrochemical products and constitutes a key raw material in the blanket manufacturing segment. Owing to its cost efficiency, durability and ease of processing, PSF is widely used in the production of yarn, including shoddy yarn, which is further utilized in the manufacturing of blankets. Accordingly, the availability and production levels of PSF have a direct impact on input costs, supply stability and overall competitiveness within the blanket manufacturing segment.



Note: P = Projections

Source: CMIE, Infomerics Analytics & Research

Production expanded steadily during the initial phase from 880 thousand tonnes in 2011–12 to approximately 1,424 thousand tonnes in 2016–17, indicating sustained capacity additions and rising demand from downstream applications such as blanket manufacturing and other polyester-based products.

This was followed by a phase of accelerated expansion between 2016–17 and 2018–19, with production increasing further to around 1,610 thousand tonnes in 2018–19, reflecting strong demand momentum and increased adoption of synthetic fibres owing to their cost efficiency and durability.

Subsequently, production levels stabilized during 2018–19 to 2019–20, remaining largely unchanged at approximately 1,610–1,612 thousand tonnes, before entering a phase of moderation. Production declined to around 1,500 thousand tonnes in 2020–21 and further to approximately 1,339 thousand tonnes in 2022–23, indicating cyclical adjustments in demand and supply conditions.

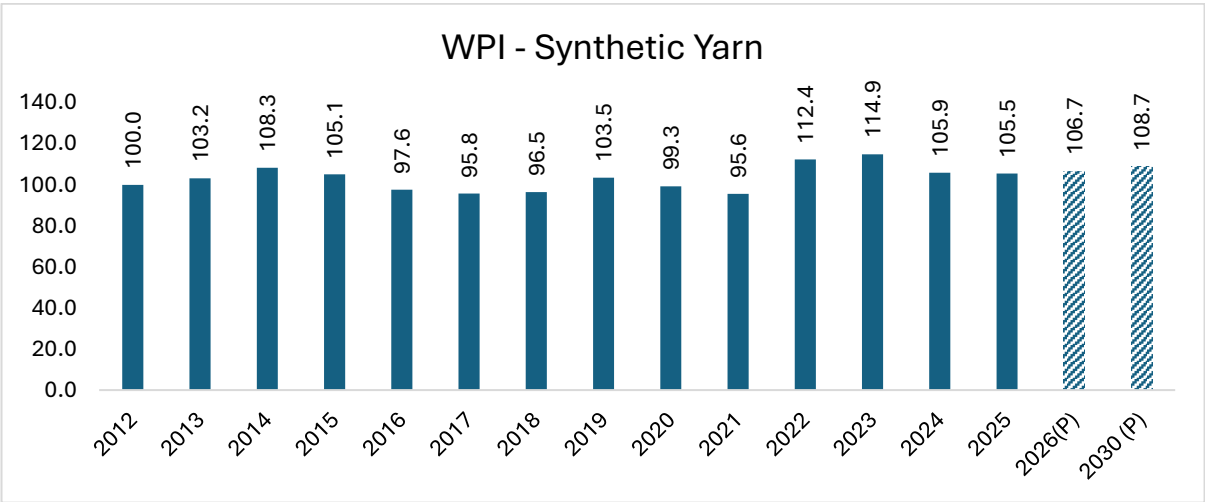
In the recent period, production has witnessed a strong recovery and expansion from 1,339 thousand tonnes in 2022–23 to approximately 1,759 thousand tonnes in 2023–24 and is estimated to increase further to around 1,830 thousand tonnes in 2024–25.

Based on historical trend analysis, production is projected to reach approximately 1,900 thousand tonnes in 2025–26 and further increase to around 2,150–2,200 thousand tonnes by 2029–30, indicating continued expansion supported by sustained demand for synthetic fibre-based products.

Overall, the production trend of PSF reflects long-term structural growth supported by increasing reliance on synthetic fibres, with periodic corrections driven by market dynamics. The attainment of peak production levels in recent years reinforces the critical role of PSF as a key input in the blanket manufacturing segment.

WPI Index – Synthetic Yarn

Synthetic yarn refers to yarn manufactured from man-made fibres such as polyester, nylon and acrylic, which are derived from petrochemical sources. These yarns are widely used across the textile manufacturing industry owing to their durability, cost efficiency, uniformity and ease of processing. Within the blanket manufacturing segment, synthetic yarn, particularly polyester-based yarn, constitutes a key input due to its ability to support large-scale production of cost-effective and durable products.



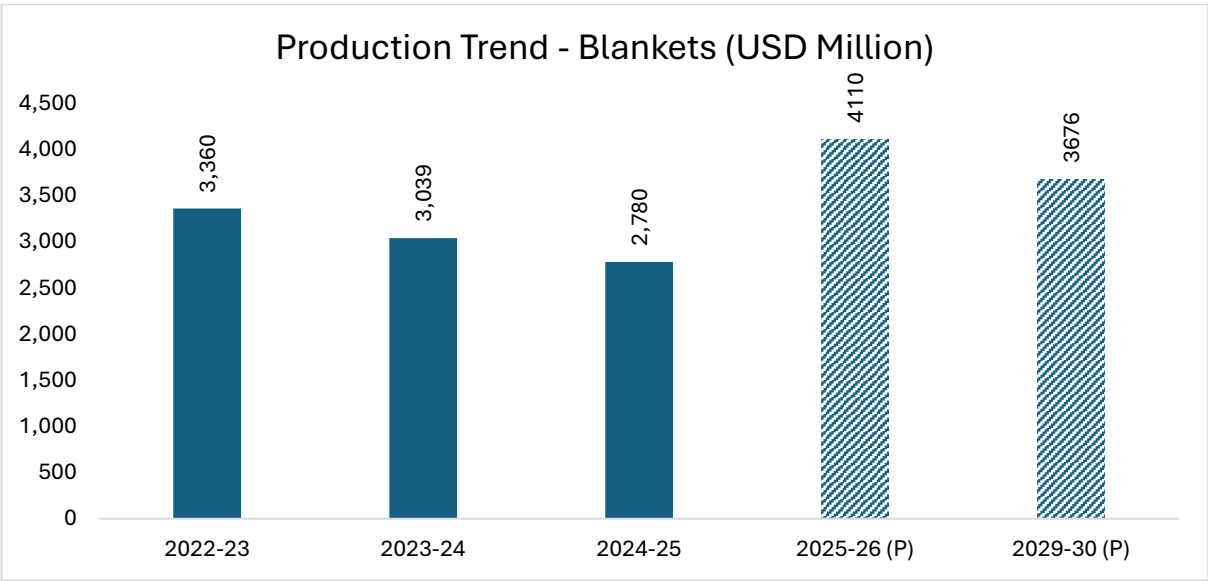
Note: P = Projections
Source: CMIE, Infomerics Analytics & Research

The index witnessed an upward movement in the initial phase, increasing from 100 in 2011–12 to 108.3 in 2013–14, indicating rising input cost pressures for blanket manufacturers. This was followed by a correction phase, with the index declining to 95.8 in 2016–17, reflecting easing raw material costs and relatively favourable conditions for manufacturers.

Subsequently, the index remained broadly range-bound, before moderating further to 95.6 in 2020–21, indicating a period of relatively lower input cost pressures within the blanket manufacturing segment. A sharp increase was observed in the recent period, with the index rising significantly to 112.4 in 2021–22 and further to 114.9 in 2022–23, marking the peak during the period under review. This phase reflects heightened cost pressures for manufacturers, impacting margins and pricing strategies.

Thereafter, the index moderated to 105.9 in 2023–24 and remained relatively stable at 105.5 in 2024–25, indicating a normalization in input costs. Going forward, the index is projected to increase marginally to 106.7 in 2025–26 and further to 108.7 by 2029–30, reflecting gradual firming in input costs within a stable range. This stabilization is expected to support improved cost predictability and operational planning for manufacturers operating in the blanket manufacturing segment.

Production Trend – Blankets



Note: P = Projections
Source: CMIE, Infomerics Analytics & Research

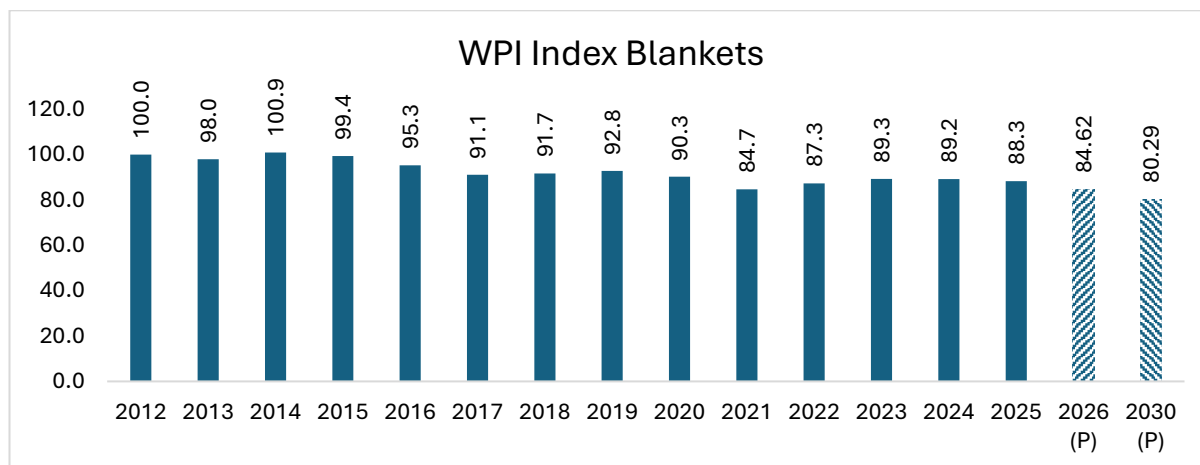
The blanket manufacturing segment has exhibited a moderating production trend over the observed period, reflecting evolving demand conditions and normalization within the broader textile manufacturing industry. At the beginning of the period, production was recorded at USD 3,360 million in 2022–23, indicating a stable level of manufacturing activity within the segment.

In the subsequent year, production adjusted to USD 3,039 million in 2023–24, reflecting a gradual realignment in line with changing consumption patterns and pricing dynamics within the blanket segment. This phase also indicates a shift towards improved product quality, enhanced durability and greater focus on value-added offerings.

The moderation in production continued into 2024–25, with output recorded at USD 2,780 million. The observed trend suggests a period of consolidation, as manufacturers increasingly emphasize product differentiation, quality consistency and operational efficiency, alongside optimizing capacity utilization. However, production is projected to increase to USD 4,110 million in 2025–26, indicating a recovery driven by improving demand conditions and capacity realignment, before moderating to USD 3,676 million by 2029–30, reflecting a stabilised growth trajectory.

Overall, the blanket manufacturing segment is undergoing a phase of stabilization, with production levels aligning more closely with underlying demand fundamentals. The increasing focus on quality enhancement and value-added products is expected to support sustainable growth, improved realizations and stronger market positioning for manufacturers operating within the segment.

WPI Index – Blankets



Note: P = Projections

Source: OFFICE OF THE ECONOMIC ADVISER DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, Infomerics Analytics & Research

The wholesale price index (WPI) for blankets indicates a moderately declining trend over the long term, reflecting the competitive and price-sensitive nature of the segment.

During the initial period from FY12 to FY14, the index remained relatively stable around the base level of 100, indicating stable pricing conditions. However, from FY15 onwards, the index exhibited a gradual decline, reaching 95.3 in FY16 and further declining to 91.1 in FY17, reflecting the emergence of pricing pressures in the segment, likely due to increased competition and supply-side dynamics.

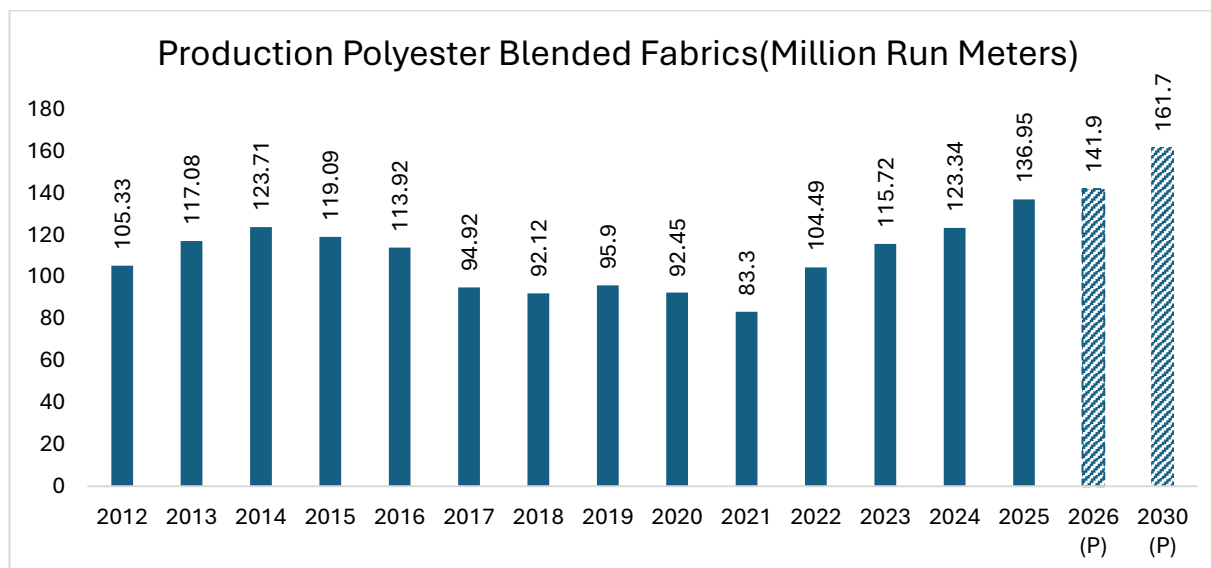
The period between FY17 and FY20 was characterised by continued softness in prices, with the index remaining in the range of approximately 90–93, indicating a sustained environment of limited pricing flexibility. A more pronounced decline was observed in FY21, where the index fell to 84.7, representing the lowest level during the period, largely attributable to demand disruptions during the pandemic period.

Subsequently, a partial recovery was observed, with the index improving to 87.3 in FY22 and 89.3 in FY23, indicating stabilisation in demand conditions. However, the index has remained below historical levels and moderated slightly to 88.3 in FY25, suggesting that pricing conditions continue to remain relatively subdued. Going forward, the index is projected at 84.6 in FY26 and 80.3 by FY30, indicating a gradual normalisation and stabilisation of prices at a lower but more sustainable level, supported by competitive efficiencies and cost rationalisation across the value chain.

Overall, the trend indicates that the blanket manufacturing segment operates in a competitive environment, with improving demand stability and greater pricing discipline expected to support sustainable operating conditions over the forecast period.

Production Trend – Polyester Blended Fabrics

Polyester blended fabrics, produced by combining polyester fibre with other fibres such as viscose, reflect the increasing adoption of synthetic materials within the textile manufacturing industry. While not a direct input in blanket manufacturing, the growth of this segment indicates a broader shift towards polyester-based fibres, which supports sustained demand for polyester staple fiber (PSF). This trend is relevant for the blanket manufacturing segment, where polyester-based inputs form a key raw material due to their cost efficiency, durability and ease of processing.



Note: P = Projected

Source: CMIE, Infomerics Analytics & Research

The segment witnessed a growth phase in the initial years, with production increasing from approximately 105.33 million run meters in 2011–12 to around 123.71 million run meters in 2013–14, indicating rising demand for blended fabrics driven by their cost efficiency and functional characteristics.

This was followed by a prolonged phase of moderation, with production declining from its earlier peak to approximately 83.30 million run meters in 2020–21, marking the lowest level during the period under review. This phase reflects demand adjustments and shifts within the textile sector.

In the subsequent period, the segment witnessed a strong recovery, with production increasing from 104.49 million run meters in 2021–22 to approximately 136.95 million run meters in 2024–25, surpassing previous peak levels. This recovery indicates renewed demand momentum and increasing adoption of polyester-based blended textiles.

Based on historical trend analysis, the segment is expected to continue its growth trajectory, with production projected to reach approximately 141.9 million run meters in 2025–26 and

further increase to around 160–162 million run meters by 2029–30, indicating sustained expansion supported by growing demand for synthetic and blended textile products.

Overall, the production trend reflects a cyclical pattern followed by a strong expansion phase, highlighting the growing importance of synthetic and blended fabrics within the textile manufacturing ecosystem. The increasing production levels also support sustained demand for polyester-based inputs, which are relevant across downstream segments, including blanket manufacturing.

Trade Dynamics

Metric	FY24	FY25	Growth (%)
Exports (USD Million)	201.71	230.33	14.19% 
Imports (USD Million)	19.22	23.66	23.10% 

Source: MEIDB, Infomerics Analytics & Research

Exports of blankets demonstrated a positive growth trend, increasing from USD 201.71 million in FY24 to USD 230.33 million in FY25, representing a growth of 14.19%. This growth reflects steady demand in international markets, supported by cost competitiveness, availability of raw materials and established manufacturing capabilities within the textile sector.

Imports in the blanket segment remained relatively moderate during the period under review, increasing from USD 19.22 million in FY24 to USD 23.66 million in FY25. The increase in imports indicates a rise in inbound supply, which may be attributable to specific product requirements, price competitiveness or sourcing dynamics. However, despite the increase, the overall scale of imports remains relatively limited compared to the size of the domestic market, indicating the presence of a well-established domestic manufacturing base catering to internal demand.

Overall, the blanket segment continues to operate in a trade surplus position, with exports significantly exceeding imports. The sustained export growth coupled with low import dependency highlights the strength and competitiveness of domestic manufacturers in the global market.

Top Export Destinations

Top Export Destinations	FY 2025 USD Million	Market Share (%)
U.S.A	117.48	51.01
Iraq	31.99	13.89
Germany	7.66	3.33
U.A.E	5.48	2.38
Australia	5.37	2.33
Others	62.35	27.06
Total	230.33	100%

Top Import Destinations

Major Countries	FY 2025 USD Million	Market Share (%)
China	21.94	92.73
France	0.33	1.39
Spain	0.25	1.06
Malaysia	0.19	0.80
Hong Kong	0.17	0.72
Others	0.78	3.30
Total	23.66	100%

Source: MEIDB, Infomerics Analytics & Research

Exports of blankets in FY25 were led by the United States, which accounted for USD 117.48 million, representing (51.01%) of total exports, indicating a strong dependence on a single key market. Iraq emerged as the second-largest destination with exports of USD 31.99 million (13.89%), followed by Germany at USD 7.66 million (3.33%), the U.A.E at USD 5.48 million (2.38%) and Australia at USD 5.37 million (2.33%). The remaining exports of USD 62.35 million (27.06%) were distributed across other markets, indicating a degree of geographic diversification beyond the primary destinations.

Imports of blankets in FY25 were significantly concentrated, with China accounting for USD 21.94 million, representing 92.73% of total imports. Other import sources included France at USD 0.33 million (1.39%), Spain at USD 0.25 million (1.06%), Malaysia at USD 0.19 million (0.80%) and Hong Kong at USD 0.17 million (0.72%), with the remaining USD 0.78 million (3.30%) sourced from other countries. The high concentration of imports from China reflects reliance on cost-competitive supply for specific product categories.

Overall, the blanket segment continues to operate in a strong trade surplus position, with exports of USD 230.33 million significantly exceeding imports of USD 23.66 million. The trade structure reflects strong export competitiveness, while also indicating concentration risks in both export markets and import sourcing patterns.

The textile manufacturing industry, including the blanket manufacturing segment, may face challenges arising from geopolitical instability and ongoing global conflicts that impact international trade flows and supply chains. Developments such as the Russia–Ukraine conflict and continued tensions in the Middle East have contributed to disruptions in global logistics networks, including shipping routes and freight availability. These factors have led to volatility in transportation costs and potential delays in the procurement of raw materials, particularly petrochemical-based inputs such as polyester fibres used in blanket manufacturing.

Further, geopolitical developments may also influence global crude oil prices, which have a direct bearing on the cost of synthetic raw materials. Fluctuations in crude oil prices can lead to variability in input costs for manufacturers operating in the textile and blanket segments. In addition, currency volatility may pose challenges, as depreciation of the Indian rupee against major currencies could increase the cost of imported inputs.

Panipat Home Furnishing Cluster (Harvana)

- India’s Leading Home Furnishing Hub:** Panipat, known as the “Textile City” or “Manchester of Home Textiles”, is the largest and most prominent cluster for home furnishings in India, specializing in products like bedsheets, blankets, durries, cushion covers, curtains, mats, and floor coverings.
- The cluster operates at a significant scale, comprising approximately **3,095 micro, small and medium enterprises (MSMEs)**, reflecting its importance as a key manufacturing hub within the Indian textile industry. A substantial portion of these units, approximately **1,915 MSMEs (around 62%)**, are engaged in the production of home furnishing products, which also contribute nearly **62% of the cluster’s total textile output**, indicating a high degree of specialization within this segment.
- Panipat holds a dominant position in the blanket manufacturing segment and is estimated to account for nearly **three-fourths (approximately 75%) of India’s total blanket production**. This concentration of production capacity, supported by established supply chains, skilled workforce, and integrated processing capabilities, positions the cluster as a critical contributor to the domestic home furnishing industry as well as a key supplier to export markets.

4. *Market Dynamics – Textile Manufacturing Industry*

4.1 Growth Drivers

India’s textile industry especially the fabric manufacturing segment is poised for strong growth due to favourable demographic trends, increasing demand for quality and performance fabrics, integrated domestic value chains, and supportive policy frameworks. A combination of local and global shifts is expected to reshape the fabric manufacturing landscape over the next decade.

Market Drivers and Impact Assessment

(All values represent directional impact based on Industry estimates and qualitative analysis)

Growth Driver	(1–2 yrs)	(3–4 yrs)	(5–7 yrs)
Favourable Demographics and Rising Consumption Base	High	High	Moderate
Rise in Income Levels and Discretionary Spending	High	High	High
Government Policy Support (PLI, PM MITRA, ATUFS)	Moderate	High	High
Global Realignment in Sourcing (China+1 Strategy)	Moderate	High	High
Expansion in Demand for Functional and Value-Added Textiles	Moderate	High	High
Expansion of Distribution Channels and Market Access for Blankets	High	High	Moderate
Urbanisation and Growth in Organised Textile Consumption	Moderate	High	High
Stable baseline demand for blankets	Moderate	High	High
Institutional and Bulk Procurement Demand for Blankets	Moderate	High	High
Cost Competitiveness of Synthetic Fibre-Based Blanket Manufacturing	High	High	High

Source: Infomerics Analytics & Research

Detailed Driver Commentary

- Favourable Demographics and Rising Consumption Base**
 India’s large and young population base, exceeding 1.4 billion, continues to support demand for textiles across categories. In addition, per capita textile consumption has increased from approximately ₹2,119 in 2010 to ₹6,066 in 2024, reflecting a CAGR of around 7.8%, indicating sustained growth in domestic demand across both apparel and home textile segments.
- Rise in Income Levels and Discretionary Spending**
 Growth in household incomes, especially in Tier II and III cities, is fuelling consumption of branded apparel and lifestyle textiles. The demand shift from basic to value-added fabrics is expanding opportunities for fabric manufacturers catering to premium shirting, ethnic wear, kids wear, and home textiles.

3. Government Policy Support (PLI, PM MITRA, ATUFS)

Schemes such as the Production Linked Incentive (PLI) for MMF and Technical Textiles, PM MITRA Parks, and ATUFS are aimed at enhancing manufacturing capabilities across the textile value chain. Under the PLI scheme, approved projects have committed investments of approximately ₹6,708 crore, with an expected turnover of around ₹21,186 crore, supporting capacity expansion and sectoral growth.

4. Global Realignment in Sourcing (China+1 Strategy)

Geopolitical shifts and buyer diversification strategies are positioning India as a strategic alternative for global fabric sourcing. With established yarn-to-fabric capabilities, Indian players are well-positioned to meet the rising demand from global apparel manufacturers looking to derisk from China.

5. Expansion in Demand for Functional and Value-Added Textiles

Increasing demand for performance-oriented and value-added textile products is encouraging manufacturers to focus on improved product characteristics and processing capabilities.

6. Expansion of distribution channels and market access for blankets

The blanket manufacturing segment is supported by a well-established distribution network comprising wholesalers, regional distributors and institutional buyers. Increasing penetration of digital platforms and improved logistics connectivity are enabling manufacturers to access wider markets, including semi-urban and rural regions, thereby supporting volume growth and consistent offtake.

7. Urbanisation and Growth in Organised Apparel Consumption

India's urban population, estimated at approximately 35% and increasing, is driving demand for organised textile products. Urbanisation is supporting increased consumption of home textile products, including blankets, across residential and commercial segments.

8. Stable baseline demand for blankets

The demand for blankets is supported by their essential nature across various income segments. While consumption is influenced by seasonal factors, baseline demand remains relatively stable, particularly in domestic and institutional markets, supporting consistent volume demand within the blanket manufacturing segment.

9. Institutional and Bulk Procurement Demand for Blankets

Blanket demand is significantly supported by bulk procurement from relief programs and other institutional buyers. Such procurement provides visibility of demand and supports large-volume orders, contributing to stability in sales volumes for manufacturers operating in this segment.

10. Cost competitiveness of synthetic fibre-based blanket manufacturing

The use of synthetic fibres such as polyester provides a cost advantage due to lower input costs, durability and ease of maintenance. Man-made fibres account for approximately 70–75% of global fibre consumption, indicating a structural shift towards synthetic fibre-based products, which supports large-scale production and affordability in the blanket manufacturing segment.

4.2 Challenges

The operating environment of the textile manufacturing industry is also shaped by structural and operational constraints that impact efficiency and competitiveness. Factors such as the fragmented nature of the industry and dependence on external inputs influence overall performance. In the blanket manufacturing segment, these dynamics are further reflected in demand variability and market structure, which may affect operational planning and margin stability over time.

Market Challenges and Impact Assessment

(All values represent directional impact based on Industry estimates and qualitative analysis)

Challenges	(1–2 yrs)	(3–4 yrs)	(5–7 yrs)
Fragmented industry structure and lack of scale in MSMEs	High	Moderate	Moderate

Outdated technology and low productivity in unorganised weaving/processing units	High	Moderate	Low
Rising global competition from low-cost fabric and apparel exporters	Moderate	High	High
Environmental compliance and sustainability-related pressures	Moderate	High	High
High price sensitivity and limited pricing power in blanket manufacturing	High	High	High
Seasonality-driven demand concentration in blanket manufacturing	Moderate	High	High
Dependence on bulk and institutional buyers in blanket manufacturing	Moderate	High	High
Volatility in polyester-based raw material prices	High	Moderate	Moderate

Source: Infomerics Analytics & Research

Detailed Overview

1. Fragmented Industry Structure and Lack of Scale in MSMEs

The Indian fabric manufacturing segment is dominated by small and medium-scale players, often operating in cluster-based ecosystems with limited vertical integration. These units typically face challenges in accessing modern technology, institutional finance, and international buyers, which affects their scalability, cost efficiency, and quality consistency.

2. Outdated technology and low productivity in unorganised weaving/processing units

While larger mills have adopted automation, a significant portion of the weaving and dyeing/finishing ecosystem still relies on legacy looms and manual processes. This leads to lower output per loom, higher defect rates, and difficulty meeting global quality standards, particularly in bulk or export-oriented orders.

3. Rising Global Competition from Low-Cost Fabric and Apparel Exporters

Countries such as Bangladesh, Vietnam, and China continue to offer cost advantages due to better infrastructure, focused export incentives, and economies of scale. Indian fabric exporters face price pressures and longer lead times, especially in segments where buyers prioritize cost efficiency and reliability.

4. Environmental Compliance and Sustainability-Related Pressures

With growing demand for eco-certified fabrics and sustainable production practices, manufacturers must invest in effluent treatment plants (ETPs), waterless dyeing technologies, and environment-friendly chemicals. For small and mid-sized processors, compliance costs are significant and affect profitability.

5. High price sensitivity and limited pricing power in blanket manufacturing

The blanket manufacturing segment operates largely within the mass and value-driven category, where products are relatively commoditized and differentiation is limited. As a result, pricing is primarily dictated by market competition and buyer expectations rather than product features. Manufacturers often face constraints in passing on increases in raw material or operating costs, leading to margin pressure during periods of input cost volatility.

6. Seasonality-driven demand concentration in blanket manufacturing

Demand for blankets is significantly influenced by climatic conditions, with peak consumption occurring during winter months. This results in uneven demand cycles, requiring manufacturers to plan production and inventory in advance of the peak season. During off-season periods, lower demand may lead to underutilisation of capacity and increased inventory holding, impacting operational efficiency and working capital management.

7. Dependence on bulk and institutional buyers in blanket manufacturing

A substantial portion of blanket sales is driven by bulk orders from wholesalers, distributors and institutional buyers. These buyers typically have higher bargaining power due to the scale of procurement, which can influence pricing, order terms and payment cycles, thereby impacting margins and cash flow visibility.

8. Volatility in polyester-based raw material prices

Blanket manufacturing is dependent on polyester-based inputs, the prices of which are linked to fluctuations in crude oil. Variability in raw material costs can directly impact production costs, and in the absence of pricing flexibility, may result in margin compression.

5. Government Initiatives and Policy Support

The Government has undertaken multiple policy initiatives and schemes aimed at strengthening the textile sector across the value chain, improving global competitiveness, attracting investments, enhancing employment generation, and supporting both modern and traditional segments of the industry. These initiatives focus on scale creation, infrastructure development, technology upgradation, skilling, and export promotion.

1. Production Linked Incentive (PLI) Scheme for Textiles

The Government approved the Production Linked Incentive (PLI) Scheme for Textiles on September 8, 2021, with a total outlay of ₹10,683 crore over a five-year period. The scheme is designed to promote large-scale manufacturing of man-made fibre (MMF) apparel, MMF fabrics, and technical textile products, with the objective of achieving scale, improving cost competitiveness, and enhancing export potential. Financial years 2022–23 and 2023–24 were designated as gestation periods, while the performance period extends from FY2024–25 to FY2028–29. Under the scheme, 64 applications have been approved, involving proposed investments of approximately ₹19,798 crore, projected turnover of about ₹1.94 lakh crore, and estimated employment generation of over 2.45 lakh persons.

2. National Technical Textiles Mission (NTTM)

The National Technical Textiles Mission has been launched to position the country as a global leader in technical textiles. The mission focuses on research, innovation, and product development; promotion and market development; skilling and training of the workforce; and export promotion. The mission supports development of high-performance textiles for applications in sectors such as healthcare, infrastructure, defence, automotive, and industrial uses.

3. SAMARTH – Scheme for Capacity Building in the Textile Sector

The SAMARTH scheme is a demand-driven, placement-oriented skilling initiative aimed at addressing the requirement for skilled manpower across the textile value chain. The scheme focuses on training unemployed youth, women, and underprivileged sections of society to improve employability, productivity, and workforce availability in textile manufacturing and allied activities.

4. Silk Samagra-2

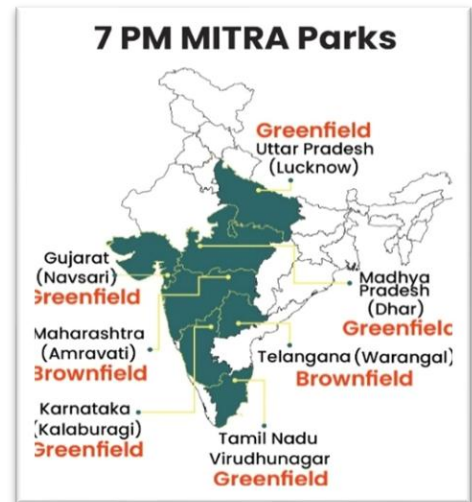
This scheme supports the holistic development of India's sericulture sector. It offers support across the value chain, including research, rearing, cocoon production, silk yarn processing, and marketing. The scheme aims to increase raw silk productivity and encourage livelihood generation in rural areas.

5. PM MITRA Parks and Textile Cluster Development

The Government is facilitating the creation of integrated textile hubs through the PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks, with an approved outlay of ₹4,445 crore to be implemented by FY2027–28. These parks offer plug-and-play infrastructure and integrated value chains across spinning, weaving, dyeing, and garmenting. The Textile Cluster Development Scheme (TCDS) has a sanctioned amount of ₹853 crore and has generated 1.22 lakh jobs as of March 2025.

6. Amended Technology Upgradation Fund Scheme (ATUFS)

The Amended Technology Upgradation Fund Scheme (ATUFS) provides capital investment subsidies to encourage technology upgradation and modernisation of textile units. The scheme incentivises investment in benchmarked machinery, supporting improvements in productivity, quality, and cost efficiency, particularly in spinning, weaving, and processing segments.



7. National Handicrafts Development Programme (NHDP)

The National Handicrafts Development Programme (NHDP) is designed to provide comprehensive and need-based support to artisans engaged in the handicrafts sector. The scheme focuses on strengthening livelihoods through skill upgradation, design development, technology support, and marketing assistance. Under NHDP, support is extended for organising domestic and international exhibitions, buyer–seller meets, branding initiatives, and e-commerce enablement to improve market access for handicraft products. The programme also facilitates training and capacity-building initiatives to enhance productivity, product quality, and income levels of artisans, while promoting preservation of traditional crafts.

8. Comprehensive Handicrafts Cluster Development Scheme (CHCDS)

The Comprehensive Handicrafts Cluster Development Scheme (CHCDS) adopts a cluster-based approach to develop handicraft clusters with significant artisan concentration. The scheme aims to address structural gaps by providing integrated support for infrastructure development, common facility centres, raw material banks, technology upgradation, and design studios within identified clusters. CHCDS also promotes formation of producer groups and producer companies to improve collective bargaining power, operational efficiency, and sustainability of artisan communities. The scheme focuses on long-term development of clusters by improving scale, formalisation, and value addition, thereby enhancing competitiveness of handicraft products in domestic and export markets.

6. Technology and Digital Transformation in the Industry

The textile manufacturing industry is undergoing a gradual shift towards greater technological integration and digitalization, driven by the need for improved efficiency, cost optimization and supply chain transparency. These developments are increasingly influencing various segments within the industry, including blanket manufacturing, where manufacturers are adopting process improvements and digital tools to enhance production planning, quality consistency and responsiveness to demand variations. The transition, while gradual, reflects a broader move towards more structured, efficient and technology-enabled operations across the value chain.

1. Adoption of Enterprise Resource Planning (ERP) Systems

Deployment of ERP solutions has strengthened real-time monitoring of procurement, inventory, production planning, and financial performance.

2. Process Optimization in Shoddy Yarn and Recycling Operations

Advancements in processing technologies for recycled fibres and shoddy yarn are enabling better input utilization, reduced wastage and improved consistency in yarn quality, which directly impacts the final blanket output.

3. Digital Supply Chain and Inventory Management

Digital tools are increasingly used to manage long procurement cycles, optimise inventory levels, and mitigate risks associated with raw material price and currency volatility.

4. Digital Integration in Seasonal Demand Planning

Use of data-driven tools is enabling manufacturers to better align production cycles with seasonal demand patterns, especially during peak winter periods, thereby improving inventory management and reducing excess stock.

5. Technology-Enabled Quality Control and Traceability

Use of digital monitoring systems has improved quality inspection, batch traceability, and compliance with buyer-specific standards and certifications.

6. Expansion through E-Commerce and Digital Sales Channels

Manufacturers are increasingly leveraging online platforms and marketplaces to complement traditional distribution networks, enabling wider market reach and improved customer access.

7. Enhanced Customer and Buyer Integration

Digital platforms facilitate better coordination with institutional buyers through improved order tracking, documentation, and delivery management.

7. PESTEL Analysis of the Industry

The PESTEL framework provides a structured assessment of the external macro environmental factors that influence the industry's operating landscape. It examines the political, economic, social, technological, environmental, and legal dimensions that collectively shape industry performance, regulatory evolution, and strategic direction. This analysis enables a comprehensive understanding of the opportunities and challenges impacting market stability, investment potential, and long-term sectoral growth.

Factor	Key Insights and Implications
Political	Government-led initiatives such as PM MITRA parks and PLI schemes are aimed at improving scale, integration and global competitiveness of the textile manufacturing industry. Export promotion schemes and duty remission mechanisms support the global competitiveness of textile products, including blankets, in international markets. Changes in global trade policies, including tariff measures and geopolitical tensions, may impact export competitiveness and market access for blanket exporters. Geopolitical conflicts may disrupt supply chains for polyester-based raw materials, impacting availability and input costs for blanket manufacturers.
Economic	The textile manufacturing industry is highly sensitive to fluctuations in raw material prices, particularly polyester-based inputs, which directly impact the cost structure of blanket manufacturers. Changes in crude oil prices influence the cost of polyester staple fiber and synthetic yarn, key inputs in blanket manufacturing. The blanket manufacturing segment is largely price-sensitive and volume-driven, with affordability playing a critical role in determining demand. High working capital requirements and inventory management are important considerations, particularly for blanket manufacturers catering to seasonal demand cycles.

Social	The textile manufacturing industry is influenced by changing consumer preferences, including increasing demand for quality, durability and value-for-money products. Within the blanket manufacturing segment, demand is driven by climatic conditions, particularly during winter seasons and in colder regions. Seasonal demand patterns significantly impact production and sales cycles in the blanket manufacturing segment. Increasing awareness of product quality and durability is driving gradual improvements in blanket product offerings. Growth in rural and semi-urban consumption supports demand across various textile categories.
Technological	Technological advancements in spinning, weaving and processing are improving efficiency and product quality within the textile manufacturing industry. In the blanket manufacturing segment, improvements in yarn processing and finishing technologies enhance durability and product consistency. Automation and modern machinery are enabling higher production volumes and consistency. Limited investment in R&D and innovation restricts product differentiation and value addition in synthetic textile
Environmental	The textile manufacturing industry is resource-intensive, with significant water and energy consumption, leading to increasing regulatory scrutiny. In the blanket manufacturing segment, the use of recycled fibres (shoddy yarn) provides a cost-efficient and environmentally aligned production approach. Increasing emphasis on sustainability is influencing raw material choices, particularly in favour of recycled fibres. Compliance with environmental norms requires investments in effluent treatment and pollution control infrastructure.
Legal	Quality standards and certification requirements are becoming increasingly important, particularly in export markets. Trade regulations, including tariffs and export restrictions, directly influence market access and competitiveness. Regulatory complexity and compliance burden are higher for smaller, unorganized players. In the blanket manufacturing segment, adherence to institutional procurement standards and specifications is critical for securing bulk orders and maintaining market credibility.

8. Competitive Landscape

The textile manufacturing industry is undergoing a structural transition driven by increasing adoption of synthetic fibres, evolving global sourcing strategies, cost pressures and gradual digitisation across the value chain. The competitive landscape comprises a diverse mix of integrated textile players, regional manufacturing clusters, export-oriented units, institutional suppliers and emerging digital distribution platforms. Competition is increasingly shifting from volume-driven production towards cost efficiency, supply chain control and the ability to deliver consistent quality at scale. Within this environment, the blanket manufacturing segment operates as a largely commoditized, volume-driven category, where competitiveness is closely linked to input cost management, operational efficiency and distribution reach.

8.1 Key Factors Shaping Competition

The competitive intensity within the textile manufacturing industry is shaped by a combination of structural, cost-related and demand-driven factors. Given the fragmented nature of the industry and its sensitivity to raw material prices, energy costs and global demand conditions, competition remains largely driven by operational efficiency, scale and cost management. These factors influence the ability of manufacturers to sustain margins, maintain market share and compete effectively across both domestic and export market. Various factors shaping competition in the industry are:

1. Scale-driven efficiency advantages

Larger players benefit from economies of scale in procurement, production, and overhead absorption, enabling better cost competitiveness and margin stability.

2. Capital and compliance-led exit of smaller players

Rising capital expenditure requirements and increasing regulatory compliance costs are constraining the viability of smaller and unorganised units, leading to capacity rationalisation.

3. Preference of institutional buyers for established suppliers

Organised customers increasingly prefer suppliers with demonstrated scale, quality consistency, and delivery reliability, contributing to consolidation among approved vendors.

4. Improved access to financing for established players

Financially stronger and well-rated entities are better positioned to access funding for expansion and working capital, allowing them to strengthen market presence.

5. seasonal Demand Dynamics in Blanket Manufacturing

Demand in blanket manufacturing is concentrated during winter months, leading to uneven production cycles, inventory buildup and pressure on capacity utilization.

6. Limited Pricing Power in Blanket Sales Channels

Blanket manufacturers, particularly those supplying to wholesalers and institutional buyers, often face constraints in passing on increases in input costs due to high price sensitivity and competitive market conditions.

8.2 Competitive Strategies

The textile manufacturing industry operates in a competitive environment influenced by cost structures, raw material dependencies, operational efficiency and demand dynamics. Market participants adopt a range of approaches to manage input volatility, maintain production efficiency and ensure consistency in output. Within this broader framework, the blanket manufacturing segment reflects similar competitive dynamics, with additional influence of price sensitivity, seasonal demand patterns and distribution-driven sales. Key strategies are:

1. Operational Efficiency and Cost Rationalisation

Focus on improving capacity utilisation, reducing process wastage and optimising consumption of raw materials and energy in order to maintain competitive pricing and protect operating margins in a cost-sensitive environment

2. Financial discipline and working capital management

Prudent management of liquidity, receivables, and operating cycles supports uninterrupted operations and enhances financial resilience.

3. Process Standardisation and Quality Consistency

Implementation of standardised operating procedures and process controls to ensure uniform product quality, minimise variability and meet the requirements of institutional and export customers

4. Supply Chain Strengthening and Procurement Efficiency

Development of stable sourcing networks and long-term supplier relationships to manage raw material price volatility, ensure consistent input quality and reduce supply disruptions

5. Cost Leadership in Blanket Manufacturing

Emphasis on maintaining low-cost production through efficient sourcing of polyester-based inputs, utilisation of recycled fibres and optimisation of manufacturing processes in a price-driven market

6. Distribution Strength in Blanket Manufacturing

Establishment of strong relationships with wholesalers, regional distributors and institutional buyers to ensure consistent offtake, wider market reach and stability in sales volumes

8.3 Barriers to Entry

The textile manufacturing industry is characterized by structural and operational constraints that influence the ability of new participants to establish and sustain operations. These barriers arise from capital requirements, supply chain dependencies, regulatory obligations and the need for operational efficiency. Within the blanket manufacturing segment, while initial entry may be relatively accessible at a small scale, sustaining competitiveness requires cost efficiency, distribution access and effective management of demand variability. Various barriers to entry in the industry are:



1. High capital investment requirements

Establishing manufacturing operations involves significant investment in land, buildings, machinery, and utilities, increasing the initial cost of entry and extending the break-even period.

2. Working capital intensity

Operations require maintenance of high inventory levels, longer operating cycles, and exposure to input price volatility, resulting in substantial working capital requirements for sustained operations.

3. Low Initial Entry but High Competitive Intensity in Blanket Manufacturing

While small-scale entry in blanket manufacturing may require relatively lower capital investment, intense price competition and commoditised product nature make long-term sustainability challenging.

4. Customer qualification and credibility requirements

Institutional customers typically require suppliers to undergo qualification processes and demonstrate consistent quality and delivery performance before approval, limiting immediate market access for new entrants.

5. Dependence on Established Distribution Channels in Blanket Manufacturing

Access to wholesalers, distributors and institutional buyers is critical in blanket manufacturing, and such networks are often relationship-driven and difficult for new entrants to penetrate.

6. Working Capital and Inventory Risk due to Seasonality in Blanket Manufacturing

Seasonal demand concentration in blanket manufacturing requires careful inventory planning and financial discipline, posing challenges for new entrants in managing cash flows and stock levels.

8.4 Consolidation Trends

The industry has been witnessing gradual consolidation driven by cost pressures, compliance requirements, capital intensity, and evolving customer expectations. These trends are leading to a shift in market share towards organised and financially stronger participants, while smaller and less efficient players face challenges in sustaining operations over the long term. Key trends in the industry are:

1. Shift Towards Integrated and Large-Scale Manufacturing Setups

Policy initiatives such as integrated textile parks are encouraging consolidation across the value chain, enabling players to operate from fibre to finished product within a single ecosystem, improving efficiency and reducing costs.

2. Gradual Shift Towards Cost-Efficient and Integrated Blanket Manufacturers

In blanket manufacturing, players with backward integration into yarn production and access to low-cost inputs are increasingly gaining market share over smaller, standalone units.

3. Consolidation through Distribution and Institutional Relationships in Blanket Manufacturing

Blanket manufacturers with established distribution networks and strong relationships with bulk and institutional buyers are able to scale faster, leading to concentration of demand among fewer players.

4. Exit of Small-Scale Units due to Price Competition in Blanket Manufacturing

Intense price competition and limited ability to absorb input cost fluctuations are leading to challenges for smaller blanket manufacturers, resulting in gradual consolidation towards more efficient players.

5. Preference of institutional buyers for established suppliers

Organised customers increasingly prefer suppliers with demonstrated scale, quality consistency, and delivery reliability, contributing to consolidation among approved vendors.

6. Improved access to financing for established players

Financially stronger and well-rated entities are better positioned to access funding for expansion and working capital, allowing them to strengthen market presence.

8.5 About the Company – Decent Spinners Limited

Decent Spinners Limited is engaged in the manufacturing of cloudy, semi-cloudy and mink blankets and has been in the business of shoddy yarn manufacturing since 1991. The company has served both Indian and international markets and operates within the blanket manufacturing segment of the textile industry.

The Company primarily follows a B2B business model, focusing on wholesale and bulk sales to distributors, traders, wholesalers, and institutional buyers across its target markets.

The operations are supported by quality and compliance frameworks, including ISO 9001:2015 certification, and adherence to applicable regulatory requirements such as factory licensing, fire safety approvals, CLU and pollution control norms

8.6 Financial Performance Analysis

The financial performance analysis of Decent Spinners Limited presents an overview of its operational and profitability trends over FY 2024 to FY 2026. The assessment highlights key indicators such as total income, EBITDA, and profitability margins etc. reflecting the company's operational efficiency and financial stability.

Figures are in INR lakhs (Except for ratios and Percentages)

Key Indicators (in INR Lakhs)	Decent Spinners Limited		
	FY 2024	FY 2025	Fy 2026
Total Operating Income	3633.38	5102.05	8611.56
Total Income	3638.28	5104.30	8618.88
EBITDA	354.83	619.75	1841.35
EBITDA Margin (%)	9.77	12.15	21.38
PAT	62.84	210.96	1076.66
PAT Margin (%)	1.73	4.13	12.49
Current Ratio (Times)	1.30	1.21	1.54
Tangible Net worth	381.97	592.93	1659.63
Total Debt	2038.26	1978.36	3255.29
Debt Equity Ratio (Times)	5.34	3.34	1.96
ROCE (%)	12.94	19.46	36.10
Return on Net worth (%)	17.93	43.28	66.63

Source: Audited Financials as provided by the company

Formula Used:

- EBITDA: Total Operating Income - Operating Expenses (excluding Depreciation & Amortisation, Interest, and Taxes)
- EBITDA Margin: (EBITDA/Total Operating Income) *100
- PAT Margin: (Profit after Tax/Total Income) *100
- Current Ratio: Current Assets /Current Liabilities
- Tangible Net Worth: Share Capital + Reserve & Surplus – Intangible Assets -Deferred Tax Assets – Misc Expenditure not written off – Revaluation Reserves
- Return on Net Worth (RONW): (Profit After Tax /Average Tangible Net Worth) *100
- Total Capital Employed: Fixed Assets + Intangible Assets +Net Working Capital

- Return on Capital Employed (ROCE): (Earnings before Interest & Taxes/Average Capital Employed) *100

During the period under review, total operating income increased from INR 3,633.38 lakhs in FY24 to INR 5,102.05 lakhs in FY25, indicating expansion in the scale of operations, supported by higher sales volumes and improved market penetration. In FY26, operating income further increased to INR 8,611.56 lakhs, reflecting continued growth in business operations, supported by significant growth in domestic sales, commencement of export sales during the year and increased scale of manufacturing operations.

In FY24, the Company reported an EBITDA of INR 354.83 lakhs, with an EBITDA margin of 9.77%. In FY25, EBITDA increased to INR 619.75 lakhs, with EBITDA margin improving to 12.15%, supported by operating leverage benefits, better utilisation of capacity and rationalisation of certain operating expenses. In FY26, EBITDA increased significantly to INR 1,841.35 lakhs, with EBITDA margin improving to 21.38%, reflecting operating leverage benefits arising from substantial growth in revenue, higher utilisation of manufacturing facilities and improved absorption of fixed operating costs over a larger revenue base.

Profit after tax stood at INR 62.84 lakhs in FY24, translating into a PAT margin of 1.73%. During FY25, net profit increased significantly to INR 210.96 lakhs, and PAT margin improved further to 4.13%, supported by strong revenue growth and improved operating profitability, despite continued finance cost obligations. In FY26, profit after tax increased substantially to INR 1,076.66 lakhs, with PAT margin improving to 12.49%, supported by significant improvement in operating profitability, higher scale of operations and increase in other income.

The Company's tangible net worth strengthened from INR 381.97 lakhs in FY24 to INR 592.93 lakhs in FY25, reflecting improved profitability and accretion of reserves, thereby strengthening the capital base. In FY26, tangible net worth increased significantly to INR 1,659.63 lakhs, reflecting substantial accretion of profits during the year and consequent strengthening of the Company's capital base.

Liquidity remained at moderate levels during the period, with the current ratio increasing from 1.30 times in FY24 to 1.21 times in FY25, indicating adequate short-term solvency while reflecting the working capital-intensive nature of operations. In FY26, the current ratio improved to 1.54 times, indicating strengthening of the Company's liquidity position and improved short-term solvency.

Total debt increased from INR 2,038.26 lakhs in FY24 and moderated slightly to INR 1,978.36 lakhs in FY25. The borrowings are primarily utilised towards working capital requirements and business operations. The debt-equity ratio stood at 5.34 times in FY24 and improved to 3.34 times in FY25, reflecting strengthening of net worth during the year, although the capital structure continued to remain leveraged. In FY26, total debt increased to INR 3,255.29 lakhs, primarily to support higher working capital requirements associated with the increased scale of operations; however, the debt-equity ratio improved further to 1.96 times, reflecting significant strengthening of the Company's net worth position.

Return indicators showed improvement during the period, with ROCE at 12.94% in FY24 and improving to 19.46% in FY25, supported by enhanced operating performance. Similarly, return on net worth improved from 17.93% in FY24 to 43.28% in FY25, primarily driven by higher profitability. In FY26, return indicators improved significantly, with ROCE increasing to 36.10% and return on net worth to 66.63%, reflecting significant improvement in profitability, enhanced operating performance and efficient utilisation of the Company's capital base.

Overall, the Company's financial performance during FY24–FY26 reflects significant growth in scale of operations, improvement in operating profitability and strengthening of net worth. The performance demonstrates the Company's ability to expand its manufacturing operations, strengthen its revenue base through domestic and export markets and improve operational efficiencies, while continuing to operate within a working capital-intensive business environment.

8.7 Company Positioning

Decent Spinners Limited operates within the blanket manufacturing segment of the textile manufacturing industry, with a focus on blankets catering to mass and mid-market segments. The business is positioned within the value-driven segment of the

market, where competitiveness is primarily determined by cost efficiency, scale of production and the ability to execute bulk orders.

The installed capacity of approximately 1,815 tons per annum for blankets and 858 tons per annum for shoddy yarn indicates a mid-scale manufacturing presence within a fragmented industry comprising numerous small and unorganized players.

The product portfolio is concentrated in cloudy, semi-cloudy and mink blankets, which are widely used in the mass segment, reflecting a focus on high-volume and price-sensitive categories. This positioning aligns the company with demand driven by affordability and essential usage, particularly in domestic and institutional markets. The ability to offer multiple designs and configurations further supports participation across varied customer requirements within the segment.

From a market orientation perspective, operations cater to both domestic and international markets, indicating exposure to export demand alongside domestic consumption. This dual-market presence provides diversification in revenue streams while also subjecting operations to global demand dynamics.

The manufacturing facility, spread across approximately 130,000 square feet and supported by over 56 dedicated workers, enables continuous production and supports bulk order execution capabilities. This scale of operations, combined with a two-shift working model, positions the company as a capacity-driven manufacturer within its segment.

The company holds ISO 9001:2015 certification and operates in compliance with applicable regulatory requirements, including factory licensing, fire safety approvals and pollution control norms, supporting adherence to quality and operational standards. Within the competitive landscape, the company can be positioned between smaller unorganized manufacturers and larger integrated textile players. While it does not operate at the scale of large diversified textile companies, its integrated operations, defined product focus and manufacturing capacity provide a structured and scalable operating base relative to fragmented smaller units.

8.8 Key Indian Players

1. Silky Overseas Limited

Silky Overseas Limited is a manufacturer and exporter of home furnishing and bedding products based in India. The company primarily operates in the home textile segment and offers a range of products including blankets, comforters, quilts, bed sheets and related bedding products. Its operations are supported by integrated manufacturing processes that include knitting, dyeing, processing, printing and packaging, enabling the company to maintain quality control and production efficiency. The company distributes its products across domestic and international markets through various distribution channels and product brands, including Rian Blankets, and focuses on design development, large-scale manufacturing and timely order fulfilment to cater to evolving consumer preferences in the home furnishing industry.

2. Prakash Woollen & Synthetic Mills Limited

Prakash Woollen & Synthetic Mills Limited, established in 1979, operates in the textile manufacturing industry within the home textile segment and is engaged in the production of blankets and bed covers. The Company is primarily involved in the manufacturing of mink blankets and related products, catering to domestic and export markets. The Company's operations are supported by an integrated manufacturing facility comprising processes such as knitting, dyeing, processing, printing and finishing, enabling streamlined production and quality control across the value chain. It has developed manufacturing capabilities with the use of modern, machinery and infrastructure to support large-scale production. With over four decades of industry experience, the Company has established its presence in the blanket manufacturing segment, supported by its production capacity and focus on product quality and consistency.

8.9 Peer Benchmarking – Financial performance analysis

The following table presents a comparison of key financial indicators of Decent Spinners Limited with Silky Overseas Limited and Prakash Woollen & Synthetic Mills Limited, which have been considered as the primary peers for benchmarking purposes.

Figures are in INR Lakhs (Except for Margins and Percentages)

Key Indicators	Decent Spinners Limited	Silky Overseas Limited	Prakash Woollen & Synthetic Mills Limited
Total Operating Income	8611.56	10770.84	10625.48
Total Income	8618.88	10787.42	10631.80
EBITDA	1841.35	1318.56	628.08
EBITDA Margin (%)	21.38	12.24	5.91
PAT	1076.66	678.47	-88.77
PAT Margin (%)	12.49	6.29	-0.83
Current Ratio (Times)	1.54	2.25	1.08
Tangible Net worth	1659.63	5777.46	4793.48
Total Debt	3255.29	2463.24	4127.46
Debt Equity Ratio (Times)	1.96	0.43	0.86
ROCE (%)	36.10	13.59	2.16
Return on Net worth (%)	66.63	11.60	-1.83

Source: Company filings and publicly available FY26 data

The following comparison is based on the financial performance of Decent Spinners Limited, Silky Overseas Limited and Prakash Woollen & Synthetic Mills Limited for FY26. While Silky Overseas Limited and Prakash Woollen & Synthetic Mills Limited operate with relatively larger capital bases, Decent Spinners Limited has demonstrated strong operating performance and profitability during the year.

Total operating income of Decent Spinners Limited stood at INR 8,611.56 lakhs as compared to INR 10,770.84 lakhs for Silky Overseas Limited and INR 10,625.48 lakhs for Prakash Woollen & Synthetic Mills Limited. Similarly, total income stood at INR 8,618.88 lakhs for Decent Spinners Limited as against INR 10,787.42 lakhs and INR 10,631.80 lakhs for Silky Overseas Limited and Prakash Woollen & Synthetic Mills Limited, respectively, reflecting the relatively larger scale of operations of the peers.

Decent Spinners Limited reported an EBITDA of INR 1,841.35 lakhs with an EBITDA margin of 21.38%, as compared to EBITDA of INR 1,318.56 lakhs and INR 628.08 lakhs, with EBITDA margins of 12.24% and 5.91% for Silky Overseas Limited and Prakash Woollen & Synthetic Mills Limited, respectively. Notably, Decent Spinners Limited has reported substantially higher operating margins than both peers, indicating efficient cost management, better realisations and operating leverage benefits.

Profit after tax for Decent Spinners Limited stood at INR 1,076.66 lakhs with a PAT margin of 12.49%, whereas Silky Overseas Limited reported a PAT of INR 678.47 lakhs with a PAT margin of 6.29%. Prakash Woollen & Synthetic Mills Limited reported a loss after tax of INR 88.77 lakhs and a negative PAT margin of 0.83%. Decent Spinners Limited has reported significantly higher profitability and margins compared to both peers, reflecting stronger operating performance during the year.

The tangible net worth of Decent Spinners Limited stood at INR 1,659.63 lakhs as compared to INR 5,777.46 lakhs and INR 4,793.48 lakhs for Silky Overseas Limited and Prakash Woollen & Synthetic Mills Limited, respectively, reflecting the relatively larger capital base of the peers.

Total debt for Decent Spinners Limited stood at INR 3,255.29 lakhs as against INR 2,463.24 lakhs and INR 4,127.46 lakhs for Silky Overseas Limited and Prakash Woollen & Synthetic Mills Limited, respectively. Accordingly, the debt-equity ratio stood at 1.96 times for Decent Spinners Limited as compared to 0.43 times and 0.86 times for Silky Overseas Limited and Prakash Woollen & Synthetic Mills Limited, respectively, indicating a relatively higher leverage position.

Liquidity levels remained adequate, with the current ratio at 1.54 times for Decent Spinners Limited, as compared to 2.25 times for Silky Overseas Limited and 1.08 times for Prakash Woollen & Synthetic Mills Limited. While Silky Overseas Limited reported stronger liquidity, Decent Spinners Limited maintained an adequate liquidity position during the year.

Return indicators for Decent Spinners Limited stood at 36.10% for ROCE and 66.63% for return on net worth, as compared to 13.59% and 11.60%, respectively, for Silky Overseas Limited. Prakash Woollen & Synthetic Mills Limited reported ROCE of 2.16% and a negative return on net worth of 1.83%. Decent Spinners Limited has reported significantly higher return ratios than both peers, indicating efficient utilisation of capital and stronger profitability.

Overall, while Silky Overseas Limited and Prakash Woollen & Synthetic Mills Limited operate with relatively stronger capital bases, Decent Spinners Limited has demonstrated superior operating margins, profitability and return indicators. The Company's financial performance reflects improving operational efficiency, strengthening profitability and effective utilisation of capital.

8.10 SWOT Analysis

Strengths (Internal / Competitive Advantages)	Weaknesses (Internal / Limitations)
✓ Established Presence in Blanket Manufacturing Segment Long operational history since 1991 reflects experience in the blanket manufacturing segment and familiarity with production processes and market dynamics. ✓ Focused Product Portfolio in High-Volume Segment Concentration in cloudy, semi-cloudy and mink blankets enables operational specialization and efficiency in catering to mass and mid-market demand. ✓ Mid-scale Manufacturing Capacity Supporting Bulk Orders Installed capacity of approximately 1815 tons for blankets and 858 tons for yarn, along with a workforce of over 56 workers, supports execution of large-volume orders. ✓ Quality and Compliance Frameworks in Place ISO 9001:2015 certification and adherence to regulatory norms support process standardization and acceptance among institutional buyers.	✗ Dependence on Synthetic Raw Materials Reliance on polyester-based inputs exposes operations to volatility linked to crude oil prices. ✗ Limited Pricing Power Due to Commoditized Product Nature Blankets, particularly in the mass segment, exhibit minimal product differentiation, resulting in low switching costs for buyers. This constrains the ability to command premium pricing and exposes the business to sustained margin pressure.
Opportunities (External / Market Realities)	Threats (External / Sector Challenges)
🌱 Growing population and consumption demand Increasing population and household formation are expected to support demand for essential textile products, including blankets. 🌱 India as a cost-competitive manufacturing hub India continues to strengthen its position as a cost-effective manufacturing base with established supply chains and infrastructure, supporting both domestic and export-oriented production. 🌱 Cluster advantage of Panipat as a textile hub Panipat serves as a key centre for blanket manufacturing in India, providing access to skilled labour, raw materials and established distribution networks, thereby supporting industry growth. 🌱 Adoption of advanced manufacturing machinery and process automation The blanket manufacturing segment is witnessing increasing adoption of technologically advanced machinery, including high-speed printing machines, automatic slitter machines and advanced polishing equipment. Such machinery enhances production capacity, improves product quality and supports consistency in output, thereby enabling manufacturers to operate more efficiently. 🌱 Scope for product innovation and diversification using similar machinery Availability of advanced machinery allows manufacturers to expand into related product categories such as blankets, cloudy blankets and other variants, which utilise similar production processes. This provides opportunities for product diversification without significant additional capital investment.	⚠️ Intense Competition from Unorganized Sector Large number of small players in blanket manufacturing leads to aggressive pricing and margin pressure. ⚠️ Volatility in Raw Material Prices Fluctuations in polyester and yarn prices directly impact production costs and profitability. ⚠️ Inability to Pass on Cost Increases High price sensitivity in the blanket segment limits the ability to transfer increased costs to customers. ⚠️ Substitution Risk from Alternative Bedding Products Availability of alternatives such as quilts, comforters and other bedding products may impact demand for blankets.

9. Future Outlook

The Indian textile and apparel industry is expected to witness steady growth, supported by its strong domestic base, integrated value chain and increasing global participation. As per PIB release dated April 01, 2025, the sector contributes approximately 2.3% to the national GDP, accounts for around 13% of industrial production and constitutes nearly 12% of the country's total exports, reflecting its significance in the overall economic landscape. Continued policy support, infrastructure development and increasing focus on manufacturing competitiveness are expected to support growth across the textile value chain.

Going forward, the industry is likely to benefit from favourable demographic trends, rising income levels and expansion in organised consumption, which are expected to drive demand across textile segments. Additionally, global sourcing shifts and diversification of supply chains may present opportunities for Indian manufacturers to enhance their export presence. Increasing adoption of technology and process efficiencies is also expected to support productivity and operational performance across the sector.

Within this broader framework, the blanket manufacturing segment is expected to experience stable growth, supported by its essential nature and demand from domestic as well as institutional markets. The segment is likely to continue to be driven by cost-effective synthetic fibre-based products, particularly in value-driven categories. At the same time, manufacturers may focus on improving operational efficiency, optimising working capital and enhancing distribution reach to sustain competitiveness.

However, the outlook for the segment remains subject to certain factors, including raw material price volatility, competitive intensity and demand variability linked to seasonal conditions. Overall, the blanket manufacturing segment is expected to witness steady development, with growth supported by domestic demand fundamentals and operational improvements across the value chain.

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OUR BUSINESS

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 19 for a discussion of the risks and uncertainties related to those statements and also "Risk Factors", "Restated Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 21, 227 and 282 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

*Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular fiscal year are to the 12 months period ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Financial Statement included in this Draft Red Herring Prospectus. For further information, see "Restated Financial Statement" on page 227. Additionally, see "Definitions and Abbreviations" on page 1. for certain terms used in this section. Unless the context otherwise requires, in this section, references to "we", "us" and "Our" "our Company" or "the Company" or "DSL" or "DECENT BLANKETS" refer to **Decent Spinners Limited**.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Textile and Home Furnishing Industry with Special Emphasis on Blanket Manufacturing Sector" dated June 05, 2026. (the "Infomerics Report") prepared and issued by Infomerics Analytics and Research Private Limited ("Infomerics Analytics and Research"), appointed by us vide engagement letter dated March 19, 2026. and exclusively commissioned and paid for by us in connection with the Issue. Infomerics Analytics and Research is an independent agency which has no relationship with our Company, our Promoters and Promoter Group and any of our directors or KMPs or SMPs. The data included herein includes excerpts from the Infomerics Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Issue), that have been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the **Infomerics Report** is available on the website of our Company at www.decentspinnerslimited.com until the Bid/Issue Closing Date. For more information,*

OVERVIEW OF OUR BUSINESS

We are engaged in the manufacturing and supply of blankets. Our blanket product portfolio comprises three principal categories, namely (i) mink blankets, (ii) cloudy blankets, and (iii) semi-cloudy blankets. These products are manufactured at our facility located in Haryana and are marketed under our brand name, "Decent Blankets". We operate as a B2B enterprise, focusing on wholesale and bulk sales to distributors, traders and other institutional buyers across our target markets. In addition to our blanket manufacturing operations, we also manufacture shoddy yarn and are engaged in the trading of polyester yarn, which contributes to the diversification of our product offerings and revenue streams. *For further details on our revenue segmentation, please refer to "Our Business – Revenue Bifurcation" on page 168.*

Our manufacturing facility is strategically located at 101 Milestone, Grand Trunk Road, Kohand, Karnal, Haryana – 132114, India. Its presence within the Panipat–Karnal offers various structural advantages. According to Infomerics Report, Panipat holds a dominant position in the blanket manufacturing segment and is estimated to account for nearly three-fourths (approximately 75%) of India's total blanket production. This concentration of production capacity, supported by established supply chains, skilled workforce, and integrated processing capabilities, positions the cluster as a critical contributor to the domestic home furnishing industry as well as a key supplier to export markets.

Over the years, our Company has expanded its product portfolio and strengthened its business operations. We commenced our operations in 1993 and have been engaged in the manufacturing of shoddy yarn. In 2021, we expanded our product offerings by entering the blanket manufacturing segment with the commencement of mink blanket production. Further expanding our blanket product portfolio, we introduced premium blankets, including semi-cloudy variants in 2024 and cloudy variants in 2025. In 2025, we also commenced international exports, thereby expanding our presence beyond domestic markets. Through these initiatives, we have diversified our product offerings and enhanced our ability to cater to the evolving requirements of our customers.

Our Company was incorporated on May 23, 1990 'Decent Spinners Private Limited', a private limited company under the Companies Act, 1956 and was granted a certificate of incorporation by the Registrar of Companies, Delhi and Haryana ("RoC"). Pursuant to a special resolution dated November 03, 2025 passed by the Shareholders, which was confirmed by an order of the Regional Director (Northern Region), Ministry of Corporate Affairs dated February 27, 2026, the registered office of the Company was shifted from the Union territory of Delhi to the state of Haryana. Further, our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra-Ordinary General Meeting held on March 30, 2026 and the name of our Company changed from "Decent Spinners Private Limited" to

“Decent Spinners Limited” & Registrar of Companies, the Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies, Central Processing Centre issued a new certificate of incorporation consequent upon conversion dated April 09, 2026, The CIN of the Company is U74899HR1990PLC143283.

Set out below is the brief pictorial representation of our journey:



Our Company has a total of 517 machines and equipments installed across its manufacturing facilities, comprising machines of varying capacities and sizes ranging from smaller beam machines to large imported Raschel Warp Knitting Machines ("RWKM"). The machine base includes approximately 450 beam machines and 14 imported RWKMs, which form a key part of our manufacturing operations. These machines support large-scale production and help maintain consistency in product quality, design and manufacturing efficiency across our blanket product range. For further details, see "Our Business - List of plant and machineries" on page 187.

In addition to catering to the domestic market, our Company has also established a presence in international markets through its export operations, which were initiated in the financial year 2025-26 and continue to expand. We currently export our products to countries such as Nepal, Oman and Yemen. For the financial year ended March 31, 2026, our Company has generated export revenue of ₹ 83.71 lakhs. Our ability to serve both domestic and international markets enables us to diversify our revenue base, reduce dependence on a single geography, and capitalize on growth opportunities across regions.

We are led by our Promoter Directors, Naresh Kumar and Parv Gupta, who are actively involved in the management and operations of our Company. Naresh Kumar, aged 48 years, is the Promoter, Chairman and Managing Director of our Company. The promoter control of our Company changed in the year 2000, following which the present promoter group became part of management and control of the Company. He has been associated with our Company as a Director since April 2000 and was re-designated as Managing Director with effect from February 05, 2026. He holds a Bachelor of Commerce degree from D.A.V. College, Karnal. He provides strategic leadership and oversees the

overall operations of our Company, including raw material sourcing, vendor management, cost control, production planning, plant operations, workforce supervision, and driving business expansion and market development initiatives. Parv Gupta, aged 22 years, is the Promoter, Whole-Time Director and Chief Financial Officer of our Company. He has been associated with our Company as a Director since January 23, 2026, and was designated as Whole-Time Director and Chief Financial Officer with effect from February 05, 2026. He holds a Bachelor of Commerce degree from the University of Delhi and has cleared Chartered Financial Analyst (CFA), Level II. He is responsible for overseeing accounting operations and statutory compliance, leading budgeting and forecasting processes, and contributing to the Company's financial strategy while supporting growth and expansion initiatives. For further details, see "History and Certain Corporate Matters - Major events and milestones of our Company" on page 204.

Our Promoters are supported by an experienced management team, whose combined expertise across operations and finance has been instrumental in driving our business performance, ensuring operational efficiency, and positioning us to capitalize on growth opportunities. The collective experience and leadership of our team continue to be a key factor in our sustained growth and success.

KEY PERFORMANCE INDICATORS

Our financial & operational performance indicators for the financial year ended March 31, 2026, March 31, 2025 and March 31, 2024 are detailed below:

Financial and Operation Key Performance Indicators:

(₹ in lakhs)

Key Performance Indicators (KPIs)	For the Financial Year ended March 31, 2026	For the Financial Year ended March 31, 2025	For the Financial Year ended March 31, 2024
Revenue from Operations (₹ in lakhs) ⁽¹⁾	8,611.56	5,102.68	3,633.38
Total Income (₹ in lakhs) ⁽²⁾	8,618.88	5,104.31	3,638.29
EBITDA (₹ in lakhs) ⁽³⁾	1,841.33	619.57	357.09
EBITDA Margin (%) ⁽⁴⁾	21.38%	12.14%	9.83%
Profit After Tax (₹ in lakhs) ⁽⁵⁾	1,044.34	237.40	72.19
Net profit ratio (%) ⁽⁶⁾	12.12%	4.65%	1.98%
Return on Equity (RoE) (%) ⁽⁷⁾	92.02%	48.05%	20.79%
Debt To Equity Ratio ⁽⁸⁾	1.96	3.50	5.64
Return on Capital Employed (RoCE) (%) ⁽⁹⁾	34.22%	19.70%	11.07%
Current Ratio ⁽¹⁰⁾	1.54	1.21	1.31
Interest Coverage Ratio ⁽¹¹⁾	6.64	2.59	1.44
Net Fixed Asset Turnover Ratio (times) ⁽¹²⁾	10.78	8.14	5.11
Working Capital Cycle (days) ⁽¹³⁾	193	179	241

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants pursuant to their certificate dated June 15, 2026

The Audit committee in its resolution dated June 15, 2026 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Draft Red Herring Prospectus other than as disclosed in this section.

1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial information.

2) Total Income means the Revenue from Operations plus Other Income.

3) EBITDA is calculated as restated profit prior to exceptional items and tax and excluding other income and including finance costs, depreciation and amortization expense

4) EBITDA Margin refers to EBITDA during a given period as a percentage of Revenue from Operations during that period.

5) Profit After Tax provides information regarding the overall profitability of the business/company.

6) Net Profit Ratio quantifies our efficiency in generating profits from Revenue from Operations and is calculated by dividing net profit after taxes by Total Income.

7) Return on equity (RoE) is equal to Net profit after taxes divided by average shareholder's equity excluding preference share capital.

8) Total Debt to equity ratio is calculated by dividing Total debt by Shareholder's Equity (excluding preference share capital) and Total Debt comprises of non-current borrowings and current borrowings.

9) RoCE (Return on Capital Employed) is calculated as EBIT as a percentage of Capital employed wherein capital employed refers to sum of total equity, non-current borrowings and current borrowings as at the year end

10) Current Ratio is a liquidity ratio that measures our ability to pay off it's short-term obligations (those which are due within one year) using it's current assets (those which are convertible to cash within one year) and is calculated by dividing the current assets by current liabilities.

11) Interest Coverage Ratio measures a company's ability to meet its interest obligations from its operating profits, typically calculated as EBIT divided by interest expense.

12) Net Fixed Asset Turnover Ratio (times) measures the efficiency with which a company utilizes its net fixed assets to generate revenue and is calculated by dividing Revenue from Operations by average net fixed assets.

13) Working Capital Cycle days is defined as trade receivable days plus inventory days less trade payable days.

REVENUE BIFURCATION

The details of the contribution to Revenue from Operations for the relevant period are set out below:

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	For the Financial year ended March 31, 2026		For the Financial year ended March 31, 2025		For the Financial year ended March 31, 2024	
	Revenue from Operations	% of Total Revenue from Operations	Revenue from Operations	% of Total Revenue from Operations	Revenue from Operations	% of Total Revenue from Operations
Sale of Products	8,599.28	99.86%	5,038.06	98.74%	3,489.68	96.05%
Sale of Service*	-	-	63.99	1.25%	140.09	3.86%
Other Operating Revenue	12.28	0.14%	0.63	0.01%	3.61	0.10%
Total	8,611.56	100.00%	5,103.68	100.00%	3,508.19	100.00%

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants pursuant to their certificate dated June 15, 2026

*For Fiscal 2025 and Fiscal 2024, the revenue reported under the head "Sale of Services" was generated from Parv International, a member of our Promoter Group. Such services primarily related to operational and business support activities

rendered in the ordinary course of business.

The aforesaid transactions were undertaken on an arm's length basis and in the ordinary course of business. The revenue generated from such services amounted to ₹6.399 lakhs and ₹140.09 lakhs in Fiscal 2025 and Fiscal 2024, respectively, representing only 1.25 % and 3.86% of our Revenue from Operations for the respective years. Accordingly, such service income constituted an insignificant portion of our total operating revenue and was not material to our results of operations.

Sale of Products and Service

Revenue from Operations from Sale of Products includes sale of manufactured goods and Traded goods. Below is the revenue bifurcation from Manufactured and Traded Goods: -

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	For the Financial year ended March 31, 2026		For the Financial year ended March 31, 2025		For the Financial year ended March 31, 2024	
	Revenue from Operations	% of Total Sale of Products	Revenue from Operations	% of Total Sale of Products	Revenue from Operations	% of Total Sale of Products
Manufactured Goods	7,542.43	87.71%	2,752.51	54.63%	1,616.79	46.33%
Traded Goods	1,056.85	12.29%	2,285.55	45.37%	1,872.89	53.67%
Total	8,599.28	100.00%	5,038.06	100.00%	3,489.68	100.00%

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants pursuant to their certificate dated June 15, 2026

Revenue from Sales of Services represents job work services rendered by our Company to our Promoter Group Entity, Parv International. Under these arrangements, the Company undertakes the process of converting sales rags into shoddy yarn on a job work basis. The consideration received for carrying out such job work activities has been recognized under the head "Sale of Services".

OUR GEOGRAPHICAL PRESENCE

In addition to catering to the domestic market, our Company has recently established a presence in international markets through its export operations, which were initiated in the Financial Year 2025-26. Currently we have presence in 16 states of India and 3 countries.

The geographical bifurcation of revenue generated from domestic operations and exports for the financial year ended 2026, 2025, and 2024 is provided below:

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	For the Financial year ended March 31, 2026		For the Financial year ended March 31, 2025		For the Financial year ended March 31, 2024	
	Revenue from Operations	% of Total Revenue from Operations	Revenue from Operations	% of Total Revenue from Operations	Revenue from Operations	% of Total Revenue from Operations
Domestic Sales	8,527.85	99.03%	5,102.68	100.00%	3,633.38	100.00%
Foreign Sales	83.71	0.97%	-	0.00%	-	0.00%
Total	8,611.56	100.00%	5,102.68	100.00%	3,633.38	100.00%

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants pursuant to their certificate dated June 15, 2026

Our Company is generating majority of the revenue from the state of Haryana, during the financial year ended 2026, 2025, 2024, our Company generated Rs. 7,705.99 lakhs, Rs. 4,885.69 lakhs and Rs. 3,505.39 lakhs respectively which constituted, 90.36%, 95.75% and 96.48% of the Revenue from Operation of domestic sale for the respective years.

Domestic wise revenue bifurcations for the year ended March 31, 2026, March 31, 2025 and March 31, 2024 are detailed as below:

(Amount in ₹ lakhs, unless otherwise stated)

Name of States	For the Financial Year ended March 31, 2026		For the Financial Year ended March 31, 2025		For the Financial Year ended March 31, 2024	
	Revenue from Operations	% of Total Revenue from Operations	Revenue from Operations	% of Total Revenue from Operations	Revenue from Operations	% of Total Revenue from Operations
Haryana	7,705.99	90.36%	4,885.69	95.75%	3,505.39	96.48%
Delhi	422.84	4.96%	61.79	1.21%	12.22	0.34%
Jharkhand	215.74	2.53%	-	-	-	-
Uttar Pradesh	101.75	1.19%	55.11	1.07%	40.96	1.12%
Punjab	26.49	0.31%	20.70	0.41%	49.07	1.35%
West Bengal	14.20	0.17%	9.84	0.19%	8.98	0.25%
Telangana	14.37	0.17%	5.70	0.11%	-	-
Madhya Pradesh	10.37	0.12%	7.01	0.14%	10.95	0.30%
Rajasthan	7.85	0.09%	16.98	0.33%	2.56	0.07%
Jammu & Kashmir	5.85	0.07%	4.85	0.10%	-	-
Karnataka	2.39	0.03%	-	-	-	-
Himachal Pradesh	-	-	2.10	0.04%	1.00	0.03%
Bihar	-	-	5.01	0.10%	-	-
Chandigarh	-	-	0.58	0.01%	-	-
Gujarat	-	-	-	-	0.29	0.01%
Nagaland	-	-	27.32	0.54%	1.96	0.05%
Total Revenue from Operations	8,527.84	100.00%	5,102.68	100.00%	3,633.38	100.00%

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants pursuant to their certificate dated June 15, 2026

Country wise Revenue Bifurcation

Our Company commenced export operations in Financial Year 2025-26 and currently exports its products to Nepal, Oman and Yemen. The Company generated export revenues of ₹ 83.71 lakhs for the financial year ended 2026 representing 0.97% of the Revenue from Operations for the respective periods.

Set out below is the country-wise bifurcation for the Financial Year ended 2026, 2025, and 2024:

(Amount in ₹ lakhs, unless otherwise stated)

Sr. No.	Countries	For the Financial Year ended					
		March 31, 2026	% of Total Revenue from Operations	March 31, 2025	% of Total Revenue from Operations	March 31, 2024	% of Total Revenue from Operations
1	India	8,527.85	99.03	5,102.68	100.00	3,633.38	100.00
2	Yemen	42.99	0.50	-	-	-	-
3	Oman	34.99	0.41	-	-	-	-
4	Nepal	5.73	0.07	-	-	-	-
	Total	8,611.56	100.00	5,102.68	100.00	3,633.38	100.00

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants pursuant to their certificate dated June 15, 2026

The graphic below highlights our domestic presence:



Domestic Sales Footprint

Our business is seasonal in nature, with demand for our blankets generally increasing during the festive and winter seasons, which typically extend from late October to early March, resulting in higher sales during such period. A substantial portion of our revenue from operations is generated during the third quarter and fourth quarter of the financial year, corresponding with the Diwali season and the onset of winter in key domestic and export markets. Accordingly, our procurement of raw materials, production planning, inventory management, dispatch schedules and working capital deployment are aligned with anticipated seasonal demand patterns.

The quarterly revenue distribution is as follows:

(₹ in lakhs)

Particulars	For the Financial Year ended March 31, 2026		For the Financial Year ended March 31, 2025		For the Financial Year ended March 31, 2024	
	Revenue from Operations	% of Total Revenue from Operations	Revenue from Operations	% of Total Revenue from Operations	Revenue from Operations	% of Total Revenue from Operations
Q1 (April to June)	481.23	5.59%	834.23	16.35%	465.03	12.80%
Q2 (July to September)	2,510.39	29.15%	1,375.58	26.96%	781.36	21.51%
Q3 (October to December)	2,966.55	34.45%	1,830.35	35.87%	1,516.84	41.74%
Q4 (January to March)	2,653.39	30.81%	1,062.52	20.82%	870.15	23.95%
Total	8,611.56	100.00%	5,102.68	100.00%	3,633.38	100.00%

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

For further details on the industry in which the Company operates, please refer to the chapter titled 'Industry Chapter' beginning on page 127.

OUR PRODUCTS

Our Company offers three principal products i.e. mink blankets, semi cloudy blankets and cloudy blankets, each designed to cater to distinct consumer segments. All product lines are manufactured in-house at our facility in Kohand, Karnal, Haryana, through an integrated production process encompassing knitting, printing, dyeing, washing, finishing, and packaging.

1. Mink Blankets

Mink blankets constitute the Company's entry-level product offering within its blanket portfolio. These blankets are manufactured using synthetic mink fabric, characterized by a short, dense pile that replicates the texture of natural mink fur. The fabric offers moderate softness, warmth, and durability, making it suitable for everyday household use across a broad consumer segment. Mink blankets are positioned as an affordable comfort product and are available in a range of printed designs and colors, catering to mass-market demand in both urban and semi-urban markets.

Under our mink blanket category, we offer two sub-segments—soft mink blankets and super soft mink blankets—each available in both single and double sizes and across varied weight options, enabling us to cater to diverse customer preferences and market segments.

Product Category	Configuration	Weight Range
Soft Mink Blankets	Single Bed – Single Ply	1.4 – 2.5 kg
	Double Bed – Single Ply	1.8 – 4.0 kg
	Single Bed – Double Ply	2.4 – 3.5 kg
	Double Bed – Double Ply	3.5 – 5.0 kg
Super Soft Mink Blankets	Single Bed – Single Ply	1.2 – 2.2 kg
	Double Bed – Single Ply	1.5 – 3.0 kg
	Single Bed – Double Ply	2.6 – 5.0 kg
	Double Bed – Double Ply	3.6 – 5.5 kg

Key features of Mink Blankets:

Material: High-quality polyester yarn engineered to replicate plush, velvety softness.

Warmth: Excellent thermal insulation for winter use across varied geographies.

Variety: Available in 50–60 proprietary designs including floral, animal prints, and geometric patterns.

Durability: Resistant to pilling; retains softness post repeated machine washing.

Double-sided: Many variants feature dual-design options.

2. Cloudy Blankets

Cloudy blankets represent the Company's premium product offering and these blankets are engineered using ultra-fine, high-density micro-fibre fabric that delivers an exceptionally plush, feather-light feel, closely approximating the sensation of sleeping under a cloud — from which the product draws its name. The fabric construction provides optimal thermal regulation, enhanced breathability, ensuring both luxury comfort and long-term structural integrity. Cloudy blankets are designed for the discerning consumer and the premium retail segment, and command a higher price positioning reflective of the raw material inputs, manufacturing precision, and finished product quality.

Under our Cloudy Blankets range we have following collections: -

Collections	Bed Type	Weight Range	Features & Positioning
 DREAMS	Single Bed	3.0 kg – 5.0 kg	Lightweight cloud-feel; ideal for everyday use; assorted floral and geometric prints.
 GULMOHAR	Double Bed	5.0 kg – 8.0 kg	Premium finish; rich patterns; gifting and household use; higher ASP.

Key Features of Cloud Blankets:

Material Composition: *Manufactured using a specialized blend of synthetic fibres engineered to provide a soft, cloud-like texture and enhanced tactile comfort.*

Weight Advantage: *Relatively lighter than conventional mink blankets offering comparable thermal insulation, thereby improving ease of handling and portability.*

Product Premiumization: *Contributes to higher average selling price (ASP) and improved margins, forming a key component of the Company's premium product strategy.*

Design Capability: *Supported by an in-house design portfolio comprising approximately 50–60 proprietary patterns, which are deployed across product categories.*

Customization Capability: *Offers flexibility in terms of size, weight, design, colour, and packaging, catering to specific requirements of private label and institutional customers.*

3. Semi-Cloudy Blankets

Semi Cloudy blankets represent the Company's mid-tier product offering, bridging the gap between everyday utility and premium comfort. These blankets are crafted from a good synthetic fabric that incorporates an enhanced pile construction, resulting in noticeably softer hand-feel, improved loft, and superior heat retention compared to standard mink variants. The fabric exhibits a smoother surface finish, offering consumers an elevated tactile experience. Semi Cloudy blankets are targeted at the aspirational consumer segment seeking enhanced comfort at an accessible price point.

Under our Semi-Cloudy Blanket range, we offer multiple designs, colours and size variants to cater to the preferences of our customers across different markets.

Under our Semi Cloudy Blankets range we have following collections: -

Collections	Bed Type	Weight Range	Features & Positioning
 WARMTH	Single Bed	3.0 kg – 5.0 kg	Enhanced thermal comfort; plush surface; wide design variety; cold weather focused.
 PARADISE	Double Bed	5.0 kg – 8.0 kg	Luxury-grade softness; double-ply construction; vibrant aesthetics; highest tier.

Key Features of Semi-Cloudy Blankets:

Enhanced Softness and Comfort: *Manufactured with comparatively higher pile formation and treated with softening agents to provide a soft and comfortable feel.*

Balanced Fluffiness: *Medium brushing and finishing processes create a raised surface that offers an optimal balance between softness and fluffiness.*

Value Proposition: *Positioned in the mid-premium segment, offering enhanced comfort and aesthetics compared to conventional mink blankets while remaining cost-effective.*

Design and Customisation Capability: *Available in a variety of designs, colours, sizes and packaging options, enabling us to cater to the diverse requirements of distributors, traders and other institutional customers.*

MANUFACTURING UNIT

As on the date of this Draft Red Herring Prospectus, our Company operates one manufacturing facility located at 101 Milestone, Grand Trunk Road, Kohand, Karnal, Haryana – 132114, India, situated within the established Panipat–Karnal textile manufacturing corridor.



Aerial View of our Company's Manufacturing Facility at Karnal, Haryana



Aerial side View of our Company's Manufacturing Facility at Karnal, Haryana



Entrance View of our Company's Manufacturing Facility at Karnal, Haryana

Our manufacturing facility supports an integrated blanket manufacturing process, commencing with the procurement of yarn and covering all subsequent stages, including knitting, dyeing, printing, processing, finishing and packaging. The Company maintains an end-to-end production cycle of approximately 2 days, which enables efficient production planning and timely execution of customer orders, particularly during peak seasonal demand.

Installed Capacity, Actual Production and Capacity Utilization

The following table sets forth installed capacity, actual production and capacity utilization of our products set as below is based on certain assumptions and estimates adopted by our management for the purpose of computing such capacity and has been certified by SRJ Certification Services Private Limited, independent Chartered Engineer, by their certificate dated June 02, 2026.

Manufacturing Capacity and Capacity Utilisation – Mink Blankets / Cloudy Blankets / Semi-Cloudy Blankets

(Lakh KG, unless otherwise stated)

Particulars	For Financial Year ended on March 31,2026	For Financial Year ended on March 31,2025	For Financial Year ended on March 31,2024
Installed Capacity	18.15	18.15	18.15
Actual Production	16.52	10.87	12.58
Capacity Utilisation (%)	91.0%	59.9%	69.3%

As Certified by Santosh Ramlakhan Jaiswar, Chartered Engineer (Membership No. 77571, Institution of Engineers (India); Registration No. PE/00034/23, Engineering Council of India), associated with SRJ Certification Services Private Limited, vide certificate dated June 02, 2026.

Manufacturing Capacity and Capacity Utilisation – Shoddy Woollen Yarn

(Lakh KG, unless otherwise stated)

Particulars	For Financial Year ended on March 31,2026	For Financial Year ended on March 31,2025	For Financial Year ended on March 31,2024
Installed Capacity	8.58	8.58	8.58
Actual Production	3.08	2.95	4.64
Capacity Utilisation (%)	35.9%	34.3%	54.0%

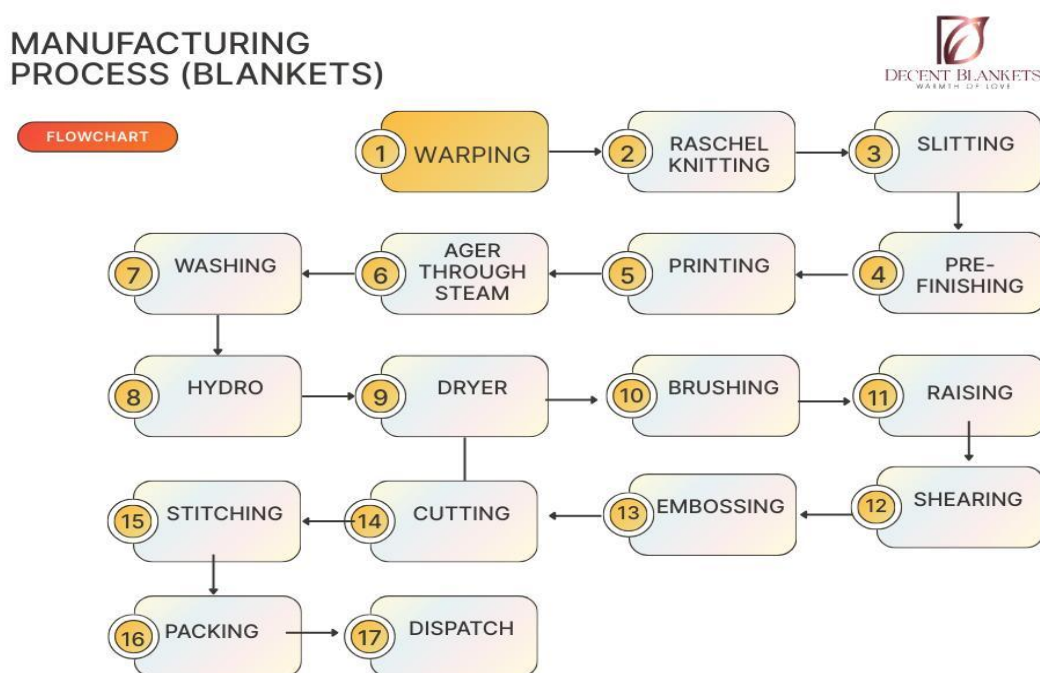
As Certified by Santosh Ramlakhan Jaiswar, Chartered Engineer (Membership No. 77571, Institution of Engineers (India); Registration No. PE/00034/23, Engineering Council of India), associated with SRJ Certification Services Private Limited, vide certificate dated June 02, 2026.

Further, we intend to utilise a portion of the Net Proceeds towards capital expenditure for the procurement of machinery for the upgradation of our existing manufacturing facility located at Kohand, Karnal, Haryana (“Manufacturing Facility”). The proposed upgradation will primarily involve the replacement of existing machinery and purchase of new machinery. Upon completion of the upgradation, the installed capacity for the manufacture of Blankets is expected to increase from 18.15 lakh kg per annum to 47.52 lakh kg per annum, thereby improving operational efficiency and enhancing production capabilities. The installed capacity for the manufacture of shoddy woollen yarn will remain unchanged.

In order to undertake the aforesaid upgradation of the existing manufacturing facility, we intend to utilize a portion of the Net Proceeds. For further details, please refer to the chapter titled “Objects of the Offer” beginning on page 104.

MANUFACTURING PROCESS

Manufacturing Process-Blankets



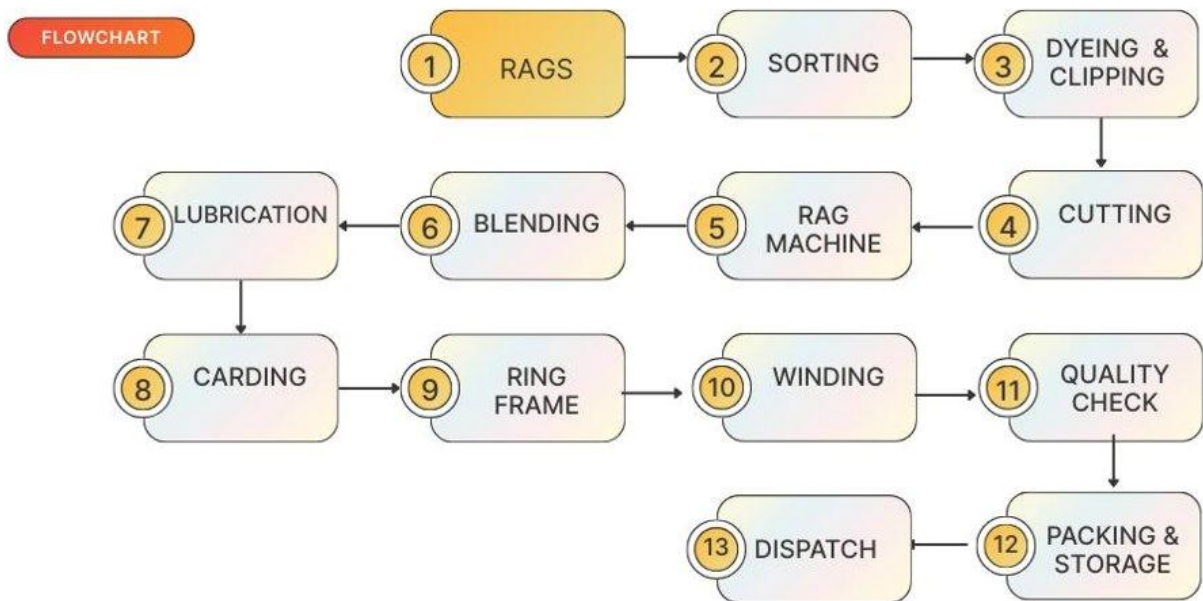
Description:

1. **Warping:** At this stage, polyester yarn procured as raw material is arranged and wound onto large beams. These beams are then mounted onto Raschel knitting machines using cranes for further processing.
2. **Raschel Knitting:** The yarn beams are processed through Raschel warp-knitting machines to produce blanket fabric in roll form.
3. **Slitting:** The knitted fabric rolls are split into two equal-width rolls using slitting machines to facilitate further processing.
4. **Pre-Finishing:** The slit fabric is brushed and polished to improve its surface feel, smoothness, and appearance.
5. **Printing:** The processed fabric rolls are printed using flat-bed printing machines to create various designs and patterns.
6. **Steam Ageing (Ager Process):** The printed fabric is passed through a high-temperature steam chamber where the colours are fixed into the fabric.
7. **Washing:** The fabric is washed in multi-chamber washing machines to remove excess dyes and chemicals, while also improving softness and finish.
8. **Hydro Extraction:** Excess water from the washed fabric is removed using hydro extraction machines.

9. **Drying:** The fabric is then dried using high-temperature dryer machines to remove remaining moisture.
10. **Brushing:** The dried fabric is brushed to enhance its texture and softness by lifting the surface fibres.
11. **Raising:** The fabric undergoes raising, where the fibre surface is further lifted to create a plush feel, depending on the blanket type (single ply or double play).
12. **Shearing and Polishing:** The raised fabric is trimmed evenly and polished to achieve a smooth and uniform surface finish.
13. **Embossing:** Designs and patterns are embossed onto the fabric to enhance its visual appeal.
14. **Cutting:** The processed fabric rolls are cut into individual blanket sizes.
15. **Stitching:** Each blanket is stitched and finished with borders (such as satin borders) and labels.
16. **Quality Check and Packing:** The finished blankets are inspected for quality and categorized into A, B, and C grades. They are then packed accordingly with proper design and colour matching.
17. **Dispatch:** The packed blankets are dispatched to customers and distributors through transport vehicles.

Manufacturing Process- Shoddy Yarn

MANUFACTURING PROCESS (SHODDY YARN)



Description:

1. **Raw Material Procurement (Rags):** The primary raw material comprises post-industrial and post-consumer acrylic rags, including garment cuttings, hosiery waste, sweater scraps, and fabric leftovers, which are procured in baled form from garment manufacturers, recyclers, and sorting units.

2. **Sorting:** The procured rags are manually sorted based on fibre composition, colour, fabric type, and contamination levels, and non-acrylic or unsuitable materials are removed to ensure quality.
3. **Dyeing and Clipping:** The selected rags are dyed into required colours to meet production specifications and minimize the need for further dyeing.
4. **Cutting / Pre-Opening:** The sorted rags are cut into small, uniform pieces to facilitate efficient processing and smooth fibre recovery.
5. **Opening (Shredding / Garneting):** The cut rags are processed through opening machines to convert them into fibrous form, while removing dust and impurities.
6. **Blending:** Reclaimed fibres may be blended with virgin or other compatible fibres to improve strength, uniformity, and spinning performance.
7. **Lubrication / Conditioning:** Fibres are treated with finishing agents to reduce breakage, improve cohesion, and control static during spinning.
8. **Carding:** Fibres are carded to further clean, align, and convert them into continuous slivers suitable for spinning.
9. **Spinning:** Carded slivers are converted into Shoddy yarn using spinning machines, producing yarn of the required thickness and strength.
10. **Winding:** The Shoddy Yarn is wound onto cones or packages to facilitate handling and further use.
11. **Quality Control:** The Shoddy Yarn is tested for strength, uniformity, and other parameters, along with visual inspection to ensure quality.
12. **Packing and Storage:** Finished Shoddy Yarn is packed in suitable materials and stored in controlled conditions to prevent damage.
13. **Dispatch:** The packaged Shoddy Yarn is dispatched to customers, including weaving, knitting, carpet, and blanket manufacturers.

OUR COMPETITIVE STRENGTHS

1. **Geographical Advantage:** Our Company's manufacturing base in Kohand, Karnal within the Panipat which is known as the "Textile City" or "Manchester of Home Textiles", and is the largest and most prominent cluster for home furnishings in India, specializing in products like bedsheets, blankets, durries, cushion covers, curtains, mats, and floor coverings. This concentration of production capacity, supported by established supply chains, skilled workforce, and integrated processing capabilities, positions the cluster as a critical contributor to the domestic home furnishing industry as well as a key supplier to export markets (*Source: Infomerics report*).

The location of our manufacturing facility near the Panipat textile cluster provides several advantages to our business operations. These include easy availability of key raw materials, access to multiple suppliers and service providers, and availability of skilled and semi-skilled labour experienced in textile manufacturing activities. The location also helps in reducing transportation and procurement costs and provides access to established processing, packaging and logistics facilities.

Further, the presence of a large number of textile and home furnishing businesses in the region supports efficient supply chain management, quicker procurement of materials and smooth conduct of manufacturing operations, which collectively support our business operations and growth.

2. **Integrated Manufacturing Operations with Short Production Cycle:** Our Company undertakes manufacturing processes in-house, commencing from the processing of procured yarn and covering knitting, printing, washing, finishing and packaging of blankets. This integrated manufacturing setup enables enhanced quality control, operational efficiency and effective cost management across the production process. While we procure yarn from external suppliers, we undertake most value-added manufacturing processes internally, which supports product quality and timely execution of orders. Further, our production cycle of enables us to respond efficiently to customer requirements and seasonal demand fluctuation
3. **Experienced Management Team and Qualified Personnel with Significant Industry Experience:** Our Company is led by an experienced management team with significant expertise across manufacturing, procurement, finance, and trading operations within the textile and blanket industry. Our Promoter and Managing Director, Naresh Kumar, brings over 25 years

of experience in business strategy, operations management, sourcing, and business development. Parv Gupta, Whole-time Director and Chief Financial Officer, oversees the Company's financial management, budgeting, compliance, and strategic planning. Further, Ritu Garg, Non-Executive Director, possesses extensive experience in the overseeing the end-to-end trading operations of blankets, rugs, shoddy yarn and related products. We believe that the collective experience, industry knowledge, and leadership capabilities of our management team enable us to efficiently manage our operations, maintain strong stakeholder relationships, and pursue sustainable business growth.

- 4. Proprietary Design Portfolio – approx. 50–60 Designs with Customization Depth:** The Company has developed and continuously updates a portfolio of approx. 50–60 proprietary blanket designs across Mink and Cloud product lines (including floral, animal prints, geometric patterns, and thematic designs). This design depth supports private labelling and B2B customization for institutional clients, and is supported by in-house high-definition screen manufacturing for printing. The ability to offer design customization is a meaningful differentiator in attracting and retaining both domestic dealers and export buyers.

Our design-led approach, supported by in-house manufacturing capabilities, enables us to cater to evolving customer preferences and enhances our positioning in both domestic and export markets.

OUR BUSINESS STRATEGY

The Company's growth strategy is organized across four strategic pillars:

- 1. Target Market Identification and Expansion:** We focus on identifying and catering to specific customer segments across domestic and international markets, with an increasing emphasis on premium and value-added product categories. Our in-house sales team undertakes continuous market mapping and customer engagement to identify new opportunities.

A significant portion of our business is derived from repeat customers, reflecting strong customer relationships and product acceptance. Going forward, we intend to expand our geographical presence and deepen penetration in existing markets by strengthening our dealer and distributor network.

- 2. Improving Operational Efficiency and Cost Optimization:** We continuously undertake measures to improve operational efficiency across our manufacturing and supply chain processes. Our focus areas include optimization of production parameters, reduction of wastage, and efficient utilization of resources to enhance productivity.

We have established sourcing relationships for key raw materials, enabling us to maintain consistency in quality and pricing. Further, we are focused on adopting cost-effective and environmentally responsible production practices.

- 3. Strengthening Distribution and Expanding Market Reach:** We intend to further strengthen our distribution network and explore additional sales channels, including online platforms and institutional sales. This is expected to enhance our market reach and provide access to a wider customer base.

We also aim to increase our presence in export markets by leveraging existing relationships and expanding into new geographies.

- 4. Efficient Order Execution and Customer Retention:** We focus on timely execution of orders through effective coordination between our sales, production, and logistics teams. Our integrated manufacturing operations and short production cycle enable us to respond efficiently to customer requirements.

RAW MATERIALS PROCUREMENT

According to the Infomerics Report, Panipat holds a dominant position in the blanket manufacturing segment and is estimated to account for nearly 75% of India's total blanket production. The concentration of manufacturing capacity in the region, supported by established supply chains, availability of skilled labour and integrated processing infrastructure, makes Panipat a key hub for the domestic home furnishing industry as well as export markets.

We are dependent on third-party suppliers for procurement of our primary raw materials, namely polyester yarn and grey fiber, which together constitute approximately 65% of our total cost of production. We primarily procure such raw materials from the local markets of Panipat, which is a well-established hub for textile and blanket manufacturing activities with an extensive supplier base and established supply chain network.

Our procurement requirements are substantially met through 4 to 5 major suppliers operating in the local market, with whom we have developed ongoing business relationships based on consistent quality, timely availability and competitive pricing. However, we do not have long-term purchase agreements with such suppliers. While we rely on these suppliers for regular

procurement of raw materials, we are not exclusively dependent on any single supplier and are able to source raw materials from multiple suppliers available in the market. For supplier concentration risk kindly refer risk factor no. “We do not have long-term agreements or assured sources of supply for a significant portion of our raw materials. Any disruption in the availability of raw materials, increase in raw material prices, or loss of key suppliers may adversely affect our business, results of operations, financial condition and cash flows.” on page 24.

The table below sets forth details of our supplier-concentration:

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	For the Financial Year ended March 31, 2026		For the Financial Year ended March 31, 2025		For the Financial Year ended March 31, 2024	
	Amount	% of Purchase	Amount	% of Purchase	Amount	% of Purchase
Top 1 Supplier	927.03	15.32%	1,263.91	33.35%	736.31	22.85%
Top 3 Supplier	2,386.71	39.45%	2,743.80	72.40%	1,610.43	49.98%
Top 5 Supplier	3,402.84	56.25%	3,377.74	89.13%	2,186.20	67.84%
Top 10 Supplier	4,500.29	74.39%	3,716.99	98.09%	2,887.11	89.59%

Note: Purchases include purchases of raw materials and purchase of stock in trade

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

Set out below are the details of our top ten suppliers, for the period indicated hereinbelow.

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	For the Financial Year ended March 31, 2026	
	Amount	As a percentage of Purchase (in %)
Supplier 1	927.03	15.32%
Supplier 2	754.35	12.47%
Supplier 3	705.33	11.66%
Supplier 4	538.18	8.90%
Supplier 5	477.95	7.90%
Supplier 6	373.37	6.17%
Supplier 7	236.75	3.91%
Supplier 8	195.45	3.23%
Supplier 9	152.52	2.52%
Supplier 10	139.35	2.30%

Note: Purchases include purchases of raw materials & components and purchase of stock in trade

*While more than 50% of our total purchases originate from our top 10 suppliers, the names of such suppliers have not been disclosed in the above table as we have not obtained consents from all such suppliers for such disclosure.

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

Set out below are the details of our top ten suppliers, for the period indicated hereinbelow.

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	For the Financial Year ended March 31, 2025	
	Amount	As a percentage of Purchase (in %)
Supplier 1	1,263.91	33.35%
Supplier 2	987.32	26.05%
Supplier 3	492.57	13.00%
Supplier 4	320.96	8.47%
Supplier 5	312.98	8.26%
Supplier 6	105.08	2.77%
Supplier 7	101.51	2.68%
Supplier 8	75.66	2.00%
Supplier 9	30.03	0.79%
Supplier 10	26.98	0.71%

Note: Purchases include purchases of raw materials & components and purchase of stock in trade

*While more than 50% of our total purchases originate from our top 10 suppliers, the names of such suppliers have not been disclosed in the above table as we have not obtained consents from all such suppliers for such disclosure.

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	For the Financial Year ended March 31, 2024	
	Amount	As a percentage of Purchase (in %)
Supplier 1	736.31	22.85%
Supplier 2	497.86	15.45%

Particulars	For the Financial Year ended March 31, 2024	
	Amount	As a percentage of Purchase (in %)
Supplier 3	376.27	11.68%
Supplier 4	356.53	11.06%
Supplier 5	219.23	6.80%
Supplier 6	212.01	6.58%
Supplier 7	179.37	5.57%
Supplier 8	143.23	4.44%
Supplier 9	91.33	2.83%
Supplier 10	74.97	2.33%

Note: Purchases include purchases of raw materials & components and purchase of stock in trade

*While more than 50% of our total purchases originate from our top 10 suppliers, the names of such suppliers have not been disclosed in the above table as we have not obtained consents from all such suppliers for such disclosure.

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CUSTOMERS

Set forth below are the details of contribution towards our revenue from our top 1, top 3, top 5 and top 10 customers in last three Financial Year and other details.

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	For the Financial Year ended March 31, 2026		For the Financial Year ended March 31, 2025		For the Financial Year ended March 31, 2024	
	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations
Top 1 Customer	1,371.67	15.94%	1,260.79	24.71%	714.25	19.66%
Top 3 Customer	2,607.75	30.30%	2,191.39	42.95%	1,430.73	39.38%
Top 5 Customer	3,376.69	39.24%	2,652.69	51.99%	1,723.26	47.43%
Top 10 Customer	4,647.41	54.00%	3,390.89	66.46%	2,181.85	60.05%

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

The table below sets out our revenue from our 10 customers, on the basis of revenue contribution, including as a percentage of Revenue from Operations for Financial Year ended March 31, 2026:

(Amount in ₹ lakhs, unless otherwise stated)

Particulars*	For the Financial Year ended March 31, 2026	
	Amount	As a percentage of Revenue from Operations (in %)
Customer 1	1,371.67	15.94%
Customer 2	763.36	8.87%
Customer 3	472.72	5.49%
Customer 4	402.41	4.68%
Customer 5	366.53	4.26%
Customer 6	343.38	3.99%
Customer 7	293.49	3.41%
Customer 8	231.43	2.69%
Customer 9	220.82	2.57%
Customer 10	181.60	2.11%

*Customer names have been anonymized since consent from such customers is not available.

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

The table below sets out our revenue from our ten (10) customers, on the basis of revenue contribution, including as a percentage of Revenue from Financial Year ended March 31, 2025

(Amount in ₹ lakhs, unless otherwise stated)

Particulars*	For the Financial Year ended March 31, 2025	
	Amount	As a percentage of Revenue from Operations (in %)
Customer 1	1,260.79	24.71%
Customer 2	617.60	12.10%
Customer 3	313.00	6.13%
Customer 4	231.13	4.53%
Customer 5	230.18	4.51%

Particulars*	For the Financial Year ended March 31, 2025	
	Amount	As a percentage of Revenue from Operations (in %)
Customer 6	199.39	3.91%
Customer 7	183.99	3.61%
Customer 8	175.28	3.44%
Customer 9	91.14	1.79%
Customer 10	88.40	1.73%

*Customer names have been anonymized since consent from such customers is not available.

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

The table below sets out our revenue from our ten (10) customers, on the basis of revenue contribution, including as a percentage of Revenue from Operations for Financial Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

Particulars*	For the Financial Year ended March 31, 2024	
	Amount	As a percentage of Revenue from Operations (in %)
Customer 1	714.25	19.66%
Customer 2	558.71	15.38%
Customer 3	157.77	4.34%
Customer 4	152.44	4.20%
Customer 5	140.09	3.86%
Customer 6	112.61	3.10%
Customer 7	91.33	2.51%
Customer 8	89.91	2.47%
Customer 9	88.31	2.43%
Customer 10	76.43	2.10%

*Customer names have been anonymized since consent from such customers is not available.

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

MARKETING STRATEGY

Our Company focuses on expanding its presence in the blanket and textile industry through a combination of strategy by establishing existing customer relationship and digital marketing initiatives. Over the years, we have developed business relationships with dealers, distributors and customers across multiple states in India, which supports the growth of our business operations and market reach.

Our marketing strategy is focused on increasing brand visibility, strengthening customer relationships and expanding our customer base in existing as well as new markets.

In addition, we have engaged a professional marketing agency for carrying out digital marketing activities aimed at improving our online visibility and customer reach. The agency undertakes activities such as search engine optimization (SEO), social media optimization (SMO), social media marketing (SMM) and search engine marketing (SEM). These activities help improve our visibility across digital platforms, generate customer inquiries and enhance awareness of our products and brand.

Our Company maintains a digital presence through our website www.decentblankets.com, facilitating domestic and international B2B enquiries. The website is optimized for search visibility targeting buyers seeking blanket manufacturers, exporters, and private label suppliers. Further, our Company has presence over social media platforms also.

UTILITIES

Infrastructure Facilities

Our Company's registered office is located at V.P.O KOHAND, Gharunda, Karnal, Gharunda, Haryana-132114, India. Further, our Manufacturing facility (Factory) is located at 101 Milestone, Grand Trunk Road, Kohand, Karnal, Haryana – 132114.

Our office is well equipped with requisite facilities, infrastructure facilities, computer systems, servers and other communication equipment, uninterrupted power supply, internet connectivity, and other processing facility, which are required for our business operations to function smoothly.

Power & electricity

Our Company's registered office and manufacturing facility power requirement sources is being fulfilled through Uttar Haryana Bijli Vitran Nigam Limited (UHBVN) and the same is sufficient for our day- to-day functioning.

Water

Our registered office and manufacturing facility have adequate water supply arrangements for human consumption and for our manufacturing purposes. The requirements are fully met at our existing premises.

Information technology

The Company relies on information technology to support its accounting and business operations. For accounting and financial management, the Company uses Tally software, which enables efficient bookkeeping, preparation of financial statements, tax compliance, and inventory management. The software also facilitates accuracy in financial reporting and helps maintain statutory compliance. In addition, the Company uses a spectrometer as part of its operational processes to ensure precision and reliability in quality checks.

In addition to accounting, the Company continues to explore and adopt digital tools and technologies that enhance operational efficiency, record-keeping, and internal control systems. Our focus on leveraging reliable and widely accepted software solutions ensures transparency, consistency, and scalability in our financial and business processes.

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.

We have not experienced any material strikes, work stoppages, labour disputes or actions by or with our employees and we consider our relationship with our employees to be good. All the employees who are employed in their respective departments work with integrity to make sure the operation the company has fulfilled and the targets the company has set are achieved.

As of March 31, 2026, we employed 59 full-time employees in the following departments:

Sr. No.	Department	Number of full-time employees
1.	Management	2
2.	Purchase and Procurement	5
3.	Production and Operations	36
4.	Quality Control	2
5.	Sales and Marketing	2
6.	Dispatch and Logistics	4
7.	Finance and Accounts	4
8.	Administration and Human Resources	2
9.	Secretarial and Compliance	1
10.	Security	1
Total		59

Employee Attrition:

Particulars	For the Financial Year ended March 31, 2026	For the Financial Year ended March 31, 2025	For the Financial Year ended March 31, 2024
Employees Left During the Year	36	10	41
Average Employee Headcount	50	39	40
Attrition Rate (%)	80.90%	31.75%	138.98%

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

As on March 31, 2026, 5 employees have been registered with Employee Provident Fund and Employee State Insurance out of 59 employees.

The remaining employees are not covered under the Employees' Provident Fund (EPF) and Employees' State Insurance (ESIC) schemes as they do not fall within the statutory eligibility criteria. These include employees whose wages exceed the prescribed statutory thresholds and certain categories of staff who are not mandatorily required to be covered under these schemes under applicable law.

COMPETITION

The blanket and home textile industry is highly competitive, with the presence of both organized and unorganized players offering similar products. We face competition from established manufacturers as well as local and regional suppliers operating through both online and offline channels. Competition in the industry mainly depends on factors such as product quality, pricing, designs, timely delivery and customer relationships. Market players regularly introduce new products and designs to attract customers and increase their market presence. The industry is also affected by changes in customer demand, market trends and raw material prices. To remain competitive, we focus on maintaining product quality, timely delivery, efficient operations and long-term relationships with our customers. Our competitors as disclosed in this Draft Red Herring Prospectus are Prakash Woolen & Synthetic Mills Limited & Silky Overseas Limited.

COLLABORATIONS AND PERFORMANCE GUARANTEE

As on date of this Draft Red Herring Prospectus, our Company has not entered into any collaboration agreements or offered performance guarantee with any Company.

PLANT & MACHINERY

Our factory premises are equipped with the necessary plant and machinery required for our manufacturing operations, all of which are owned by the Company. A list of the plant and machineries as on March 31, 2026 is provided below:

Sr. No.	Machine Name	Quantity	Department
1.	Beam 21/30	300	Knitting Department
2.	Beam 21/40	150	Knitting Department
3.	Raschel Machine (Double Needle Bar)	14	Knitting Department
4.	Stitching Machine	12	Stitching Department
5.	Polisher	5	Finishing Department
6.	Ring Frame	4	Spinning Mill Dept
7.	Warping Machine	3	Warping Department
8.	Brushing Machine	3	Finishing Department
9.	Interlock Machine	3	Stitching Department
10.	Raising Machine	2	Finishing Department
11.	Policut Machine	2	Finishing Department
12.	Rags Machine	2	Spinning Mill Dept
13.	Teaser Machine	2	Spinning Mill Dept
14.	Card Machine	2	Spinning Mill Dept
15.	Winder	2	Spinning Mill Dept
16.	Crane	1	Knitting Department
17.	Slitting Machine	1	Knitting Department

Sr. No.	Machine Name	Quantity	Department
18.	High Speed Brushing Machine	1	Finishing Department
19.	Embossing Machine	1	Embossing Department
20.	Printing Machine (IndiaTex Model-2021)	1	Printing Department
21.	Ager Machine	1	Printing Department
22.	Washing Machine (9-Chamber)	1	Printing Department
23.	Hydro	1	Printing Department
24.	Dryer	1	Printing Department
25.	Boiler	1	Printing Department
26.	Hydro Spinning	1	Spinning Mill Dept

IMPORTS-EXPORTS AND IMPORT-EXPORT OBLIGATIONS

The Company has commenced export operations to international markets, including Nepal, Oman and Yemen. As on the date of filing this Draft Red Herring Prospectus, the Company does not have any outstanding export obligations under any export promotion schemes. The Company undertakes export transactions in compliance with applicable laws and regulations, and export proceeds are realized through Authorised banking channels. The Company maintains necessary documentation, including shipping bills and foreign exchange remittance records, in relation to its export activities.

OUR PROPERTIES

The detail of our properties owned or leased by our Company are as follows:

Properties

The following table sets forth the location and other details of the material properties owned/ leased by us for our business purpose:

Sr. No	Address of Premises	Purpose	Date of Purchase/ Lease/Period of Lease	Whether Lessor/seller is related	Owned/ Leased	Tenure	Monthly rent/lease amount
1.	V.P.O Kohand, Gharunda, Karnal, Gharunda, Haryana-132114, India	Registered Office and Manufacturing Facility	May 28, 1990	No	Owned	NA	NA
2.	101 K.M. Stone G.T. road Kohand Karnal Haryana	Godown	April 16, 2026	No	Leased	11 months	1,30,000 per month

INSURANCE POLICIES

We maintain insurance coverage under various insurance policies for, among other things, our furniture & fixtures, as may be required. We believe that we maintain all material insurance policies that are customary for companies operating in our industry. The insurance policies are reviewed periodically to ensure that the coverage is adequate. Although we attempt to limit and mitigate our liability for damages our insurance may not be enforceable in all instances or the limitations of liability may not protect us from entire liability for damages. *For further details, please refer to “Risk Factors - Our insurance coverage may not be adequate to protect us against all losses that may arise in the course of our business. Any uninsured or underinsured loss may adversely affect our business, financial condition, cash flows and results of operations.” on the page 35.*

The following table sets forth details of our insurance policies as on the date of this Draft Red Herring Prospectus:

Sr. No.	Assets Covered	Insurance Company	Policy Period	Nature of Policy	Sum Insured (₹)
1	Stock, Building and Plant & Machinery	The New India Assurance Company Limited	June 13, 2026 to June 12, 2027	New India Bharat Flexi Laghu Udyam Suraksha Policy	38,00,00,000
2	Toyota Fortuner (HR-06-AN-0007)	Bajaj Allianz General Insurance Company Limited	April 8, 2026 to April 7, 2027	Private Car Package Policy	14,12,100
3	Maruti Swift (HR-70-D-2267)	The New India Assurance Company Limited	October 27, 2025 to October 26, 2026	Private Car Package Policy	2,33,685
4	Honda Activa (HR-05-BN-0007)	The New India Assurance Company Limited	August 8, 2025 to August 7, 2026	Standalone Motor Own Damage Policy	67,014
Total Insurance Coverage					38,17,12,799

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by way of their certificate dated June 15, 2026.

INTELLECTUAL PROPERTY RIGHTS

Trademark:

We have registered trademarks under the Trade Marks Act, 1999 with the Trade Marks Registry, Delhi. The details of our registered trademarks are as follows:

Sr. No.	Particulars	Class	Trademark Application No.	Date of Application	Status
1.		24	6867161	February 19, 2025	Formalities Check pass
2.		24	7694104	April 29, 2026	Formalities Check pass
3.		24	5145110	September 23, 2021	Registered

As see “Risk Factors - Any failure to adequately protect our intellectual property rights or any infringement of third-party intellectual property rights may adversely affect our business, reputation, financial condition and results of operations.” on page 45.

DETAILS OF WEBSITE DOMAIN

The Company maintains its official website, <https://www.decentblankets.com/>, to provide information about its business, products and operations. The domain is registered with an accredited registrar, and the Company ensures timely renewal and maintenance of the domain.”

Sr. No.	Domain Name and ID	Sponsoring Registrar	Creation Date	Registry Expiry Date
1.	Decent Blankets – www.decentblankets.com	EPIQUE CREATIVES	May 5, 2026	May 4, 2027
2.	Decent Spinners Limited www.decentspinnerslimited.com	EPIQUE CREATIVES	May 5, 2026	May 4, 2027

CORPORATE SOCIAL RESPONSIBILITY

We have adopted a Corporate Social Responsibility (“CSR”) policy in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014. Our CSR initiatives are part of our overall strategy of developing communities and environmental sustainability, as well as creating a protected future for the generations to come. CSR provisions under Section 135 of the Companies Act, 2013 became applicable to our Company in Fiscal 2026.

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KEY REGULATIONS AND POLICIES IN INDIA

In carrying on our business as described in the “Our Business” on page 168, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, see “Government and Other Statutory Approvals” on page 298.

Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our Company’s businesses. Our Company is required to obtain and regularly renew certain licenses/ registrations and/or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye-laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by our Company:

A. Industry Related Laws

Textiles Committee Act, 1963

The Textile Committee Act, 1963 (the “**Act**”) was enacted in 1963 to provide for the establishment of a committee for ensuring the quality of textiles and textile machinery and for matters connected therewith. The Act prescribes for establishment of a textile committee (hereinafter referred to as the “**Textile Committee**”) with the general objective of ensuring a standard quality of textiles both for internal marketing and export purposes as well as standardization of the type of textile machinery used for manufacture. In addition to the general objection as mentioned above, the function of the Textile Committee inter alia include, to undertake, assist and encourage, scientific, technological and economic research in textile industry and textile machinery, promotion of export of textile and textile machinery, establishing or adopting or recognizing standard specifications for textile and packing materials used in the packing of textiles or textile machinery for purpose of export and internal consumption and affix suitable marks on such standardized varieties of textiles and packing materials, specify the type of quality control or inspection which will be applied to textile or textile machinery, provide for training in the techniques of quality control to be applied to textiles or textile machinery, provide for inspection and examination of textiles, textile machinery and packing material used in the packing of textile and textile machinery, establishing laboratories and text houses for testing of textiles and data collection and such other matters related to the textile industry.

Textile Development and Regulation Order, 2001 (“Textile Order”)

The Central Government in exercise of the powers conferred upon it under section 3 of the Essential Commodities Act, 1955 and in supersession of the Textile (Development and Regulation) Order, 1993 brought in force the Textile Order. Under the Textile Order every manufacturer of textiles, textile machinery and every person dealing with textiles is required to maintain books of accounts, data and other records relating to the business in the matter of production, processing, import, export, supply, distribution, sale, consumption etc. and shall furnish such returns or information in respect to the business as and when required by the Textile Commissioner. The Textile Order confers upon the Textile Commissioner powers to issue directions by notification with the prior approval of Central Government to any manufacturer regarding the specification or class of textiles which shall not be manufactured, dyes and chemicals which shall not be used in the manufacture of textile, maximum and minimum quantity of textiles which shall be manufactured, maximum ex-factory or wholesale or retail price at which textiles shall be sold, markings to be made on textiles by manufacturers and the time and manner of such markings and direct the officer in charge of any laboratory to carry out or cause to be carried out such tests relating to any textiles as may be specified by the Textile Commissioner.

National Textile Policy, 2000

The National Textile Policy, 2000 (“NTP”) aims at facilitating the growth of the textile industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing. The objective is sought to be achieved by liberalizing controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment. In furtherance of its objectives, the strategic thrust of the NTP is on technological upgradation, enhancement of productivity, quality consciousness, product diversification, maximizing employment opportunities, and so on. The NTP also envisages certain sector specific initiatives, including the sector of raw materials, spinning, weaving, power loom, handloom, jute and textile. The Policy also lays down certain delivery mechanisms for the implementation of the policy and to enable the Indian textile industry to realize its full potential and achieve global excellence.

Salient objective of NTP is as follows:

- Equip the textile industry to withstand pressures of import penetration and maintain a dominant presence in the domestic market;
- Develop a strong multi-fiber base with thrust on product upgradation and diversification;
- Sustain and strengthen the traditional knowledge, skills and capabilities of our weavers and craftspeople;
- Enrich human resource skills and capabilities, with special emphasis on those working in the decentralized sectors of the textile industry; and for this purpose, to revitalize the institutional structure;
- Make Information Technology (IT), an integral part of the entire value chain of textile;
- Production and thereby facilitate the textile industry to achieve international standards in terms of quality, design and marketing; and
- Involve and ensure the active co-operation and partnership of the State Governments, Financial Institutions, Entrepreneurs, Farmers and Non-Governmental Organizations in the fulfilment of these objectives, vide the NTP, the Government has conveyed its commitment towards providing a conducive environment to enable the Indian textile industry to realize its full potential, achieve global excellence, and fulfil its obligation to different sections of society

Textiles (Development and Regulation) Order, 1992.

The order was brought into force by central Government under section 3 of the Essential Commodities Act, 1955 and repeal the Textile (Control) Order, 1986. The order requires every person on installing the power loom machine and Spinning Machine, knitting machine or Lace-making machine subject to the provisions of any Central or State law shall submit an Information Memorandum to the State Government under whose territory the power loom has been installed and copy to Textile Commissioner, Government of India, Bombay. The order provides that every manufacturer of, and every dealer in yarn or cloth or other textile products shall keep such books of accounts and other records relating to his business and shall furnish such returns or information at such intervals as the Textile Commissioner may require.

The Factories Act, 1948 (“Factories Act”)

The Factories Act defines a “factory” to cover any premises which employs ten or more workers and in which manufacturing process is carried on with the aid of power and, any premises where there are at least twenty workers even though there is no electrically aided manufacturing process being carried on. Each State Government has rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories.

The Factories Act provides that an occupier of a factory i.e. the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors must ensure the health, safety and welfare of all workers. There is a prohibition on employing children below the age of fourteen years in a factory. The occupier and the manager of a factory may be punished in accordance with the Factories Act for different offences in case of contravention of any provision thereof and in case of a continuing contravention after conviction, an additional fine for each day of contravention may be levied

Indian Boilers Act, 2025 (“Boilers Act”) and the Indian Boiler Regulations, 1950 (Boilers Regulations)

The Boilers Act provides for inter alia the safety of life and property of persons from the danger of explosions of steam boilers and regulates the possession of steam boilers. It sets out the requirements from the danger of explosions of steam boilers and regulates the possession of steam boilers. It sets out the requirements for achieving uniformity in registration and inspection

during manufacture, erection and use of boilers in India and for matters connected therewith. The Boilers Regulations inter alia provides for standard requirements with respect to material, construction, safety and testing of boilers.

Legal Metrology Act, 2009 (“LM Act”) and the Legal Metrology (Packaged Commodities) Rules, 2011 (“Packaged Commodity Rules”)

The LM Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. The LM Act and rules framed thereunder regulate, inter alia, the labelling and packaging of commodities, appointment of government-approved test centers for verification of weights and measures used, and lists penalties for offences and compounding of offences under it. Any non-compliance or violation under the LM Act may result in, inter alia, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases. The Packaged Commodity Rules define “pre-packaged commodity” as a commodity which without the purchaser being present is placed in a package of a pre- determined quantity. The Packaged Commodity Rules prescribes the regulations for imports, pre-packing and the sale of commodities in a packaged form intended for retail sale, whole sale and for export and import, certain rules to be adhered to by importers, wholesale and retail dealers, the declarations to be made on every package, the size of label and/or importers and the manner in which the declarations shall be made, etc. These declarations that are required to be made include, inter alia, the name and address of the manufacturer, the dimensions of the commodity, the maximum retail price, generic name of the product, the country of origin and the weight and measure of the commodity in the manner as set forth in the Packaged Commodity Rules. The Packaged Commodity Rules were amended in the year 2017 to increase protection granted to consumers especially relating to e-commerce entities. Pursuant to the amendments, the inventory e-commerce entity itself will be made liable and punishable for failure to make relevant declarations on its platform as required under the Act and the Rules.

Bureau of Indian Standards Act, 2016

The Bureau of Indian Standards Act, 2016 provides for the establishment of a national standards body for the harmonious development of the activities of standardization, conformity assessment and quality assurance of goods, articles, processes, systems and services and for matters connected therewith or incidental thereto. The Act provides for the establishment of bureau for the standardization, marking and quality certification of goods. Functions of the bureau include, inter alia, (a) recognizing as an Indian standard, any standard established for any article or process, system or service by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) conducting such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process, system or service in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license. A person may apply to the bureau for grant of license or certificate of conformity, if the articles, goods, process, system or service conforms to an Indian Standard.

Haryana Water Resources (Conservation, Regulation and Management) Act 2020

This Act establishes the Haryana Water Resources (Conservation, Regulation and Management) Authority in the state of Haryana. An Act to establish the Haryana Water Resources (Conservation, Regulation, and Management) Authority for conservation, management, and regulation of water resources i.e. groundwater and surface water within the State of Haryana for ensuring the judicious, equitable, and sustainable utilization, management, regulation thereof, fix the rates for use of water and for matters connected therewith or incidental thereto.

Consumer Protection Act, 2019 (the “Consumer Protection Act”)

The Consumer Protection Act provides for the protection of the interests of consumers and the establishment of authorities for the timely and effective administration and the settlement of consumer disputes. The Act empowers the Central Government to constitute the Central Consumer Protection Authority to regulate matters relating to the violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of the public and consumers, and to promote, protect and enforce the rights of consumers as a class, and conduct inquiries or investigations under the Consumer Protection Act. Further, the Consumer Protection Act enables complainants to file complaints in respect of, inter alia, goods suffering defects, services suffering deficiencies, and goods or services hazardous to life and safety. Consumers are

also empowered to file product liability actions, for claiming compensation for the harm caused to them by defective products or deficient services, in respect of which such product manufacturers or sellers may be held responsible.

Consumer Protection (E-Commerce) Rules, 2020 (the “E-commerce Rules”)

The E-Commerce Rules regulate the marketing, sale and purchase of goods and services over a digital or electronic network. It restricts the use of any unfair trade practice by e-commerce entities and mandates the establishment of an adequate grievance redressal mechanism and the appointment of a grievance officer. Further, the E-Commerce Rules required all e-commerce entities to appoint a nodal person of contact or an alternate senior designated functionary to ensure compliance with its provisions. Contravention of the E-Commerce Rules will attract penal action in accordance with the Consumer Protection Act, 2019.

Companies Act, 2013

The Companies Act 2013 is the law covering incorporations, dissolution and the running of companies in India. The Act came into force across India on 12th September 2013 and has a few amendments to the previous act of 1956. It has also introduced new concepts like a One Person Company.

Indian Contract Act, 1872

The Indian Contract Act 1872 is a comprehensive guide that governs contracts and agreements in India. The act was passed to provide a legal framework for contract law and has been amended several times over the years to keep up with changing economic conditions. The Indian Contract Act of 1872 is a comprehensive legal framework that controls all commercial relationships in India. The act lays down the rules and regulations that need to be followed while entering into a contract and also provides remedies for breach of contract.

Sale of Goods Act, 1930 (the “Sale of Goods Act”)

The Sale of Goods Act governs contracts relating to sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts i.e. the Indian Contract Act, 1872. A contract for sale of goods has, however, certain peculiar features such as, transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract, conditions and warranties implied under a contract for sale of goods, etc. which are the subject matter of the provision of the Sale of Goods Act.

B. Laws Relating to Employment

The Industrial Relations Code, 2020

The Industrial Relations Code, 2020 consolidates and replaces the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946, and provides a unified framework governing trade union, conditions of employment, standing orders, dispute resolution and industrial relations. The IR Code introduces Fixed Term Employment (FTE), permitting employers to engage workers on direct, fixed-duration contracts with full parity in wages, allowances and statutory benefits applicable to permanent employees, and provides for gratuity eligibility after completion of one year under such employment. It establishes a Re-skilling Fund, requiring industrial establishments to contribute an amount equivalent to 15 days' wages for every worker retrenched, to be credited to the worker's account within 45 days, in addition to retrenchment compensation. The Code provides a framework for recognition of trade unions, designating a union with 51% membership as the Negotiating Union; where this threshold is not met, a Negotiating Council is constituted from unions with at least 20% membership, strengthening collective bargaining processes. The Code expands the definition of “worker” to include sales promotion employees, journalists and persons in supervisory roles earning up to ₹18,000 per month, and broadens the definition of “industry” to cover all systematic activities involving employer-employee relationships, regardless of profit motive or capital investment. The threshold for prior government approval for lay-off, retrenchment and closure has been increased from 100 to 300 workers, and State Governments may increase this limit further. The threshold for applicability of Standing Orders has also been raised from 100 to 300 employees, easing compliance for smaller establishments. The Code mandates proportional representation of women in internal grievance redressal committees and permits work-from-home arrangements in the services sector subject to mutual consent. It strengthens dispute resolution by establishing two-member Industrial Tribunals, comprising a judicial member and an administrative member, and allows parties to directly approach tribunals if conciliation does not result in a settlement within 90 days. The Code requires 14 days' prior notice for strikes and

lockouts across all establishments and expands the definition of “strike” to include mass casual leave to ensure lawful and orderly industrial action. It decriminalises minor offences, allowing compounding through monetary penalties, and enables digital record-keeping, registrations and electronic communication, promoting efficiency and transparency. Our Company is required to comply with the provisions of the IR Code to the extent applicable to its workforce and operations

Code on Wages, 2019

The Code on Wages, 2019 consolidates and replaces four central legislations relating to wages namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976 and provides a unified framework governing wage fixation, payment of wages, bonus and prohibition of gender-based discrimination. The Code establishes a statutory right to minimum wages for all employees across organised and unorganised sectors, expanding coverage beyond the earlier regime which applied only to scheduled employments. It empowers the Central Government to fix a statutory floor wage based on minimum living standards, with scope for regional variation, and mandates that no State Government may prescribe minimum wages below the notified floor wage. Appropriate Governments are required to fix minimum wages having regard to workers’ skill levels (unskilled, semi-skilled, skilled and highly skilled), geographical areas and working conditions, including factors such as temperature, humidity or hazardous environments. The Code prohibits discrimination on the basis of gender, including transgender identity, in matters relating to recruitment, wages and employment conditions for similar work. Provisions relating to wage payment, timelines and permissible deductions apply universally to all employees, irrespective of wage ceilings, and require payment of overtime wages at not less than twice the normal rate for work performed beyond prescribed hours. Employers, including companies, firms and associations, are responsible for ensuring timely payment of wages and may be held liable for failure to do so. The Code introduces the concept of an Inspector-cum-Facilitator, who is empowered to advise employers on compliance while also undertaking inspections and enforcement activities. The Code provides for compounding of first-time, non-imprisonable offences, and decriminalises certain offences by replacing imprisonment with monetary penalties (up to 50% of the maximum fine), thereby shifting towards a facilitative and compliance-oriented regulatory approach. Our Company is required to comply with the provisions of the Code on Wages to the extent applicable to its employees and operations.

Code on Social Security, 2020

The Code on Social Security amends and consolidates laws relating to social security, and subsumes various social security related legislations, *inter alia* including the Employee’s State Insurance Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, Building and Other Construction Workers’ Welfare Cess Act, 1996 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organizations such as the Employee’s Provident Fund Organization and the Employee’s State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

Industries (Development and Regulation) Act, 1951

The industries (Development and Regulation) Act, 1951 (the “Act”) governs the development and regulation of industries in India, and its main objective is to empower the Government to: (i) take necessary steps for the development of industries; (ii) regulate the pattern and direction of industrial development; and (iii) control the activities, performance and results of industrial undertakings in public interest. The Act is applicable to the ‘Scheduled Industries’ which have been listed down in the first schedule of the Act and small-scale industrial undertakings and ancillary units are exempted from the provisions of the Act.

The Act regulated the industries by requiring them to obtain industrial licensing by filing an Industrial Entrepreneur Memoranda with the Secretariat of Industrial Assistance, Department of Industrial Policy and Promotion. This Act is administered by the Ministry of Industries and Commerce through its Department of Industrial Policy & Promotion. This department is responsible for the formulation and implementation of promotional and developmental measures for growth of the industrial sector and also monitors the industrial growth and production, in general, and selected industrial sectors.

Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 (“EPF Act”)

The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the Government of India from time to time. It requires all such establishments to be registered with the State provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees’ provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

Employees Deposit Linked Insurance Scheme, 1976

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to the Commissioner or other officer so authorized and shall be produced for inspection from time to time. The amount received as the employer's contribution and also the Central Government's Contribution to the insurance fund shall be credited to an account called a "Deposit-Linked Insurance Fund Account."

The Occupational Safety, Health and Working Conditions Code, 2020 (the "OSH Code")

The OSH Code consolidates thirteen Central Labour Acts – The Factories Act, 1948; The Plantations Labour Act, 1951; The Mines Act, 1952; The Working Journalists and other Newspaper Employees (Conditions of Service and Miscellaneous Provisions) Act, 1955; The Working Journalists (Fixation of Rates of Wages) Act, 1958; The Motor Transport Workers Act, 1961; The Beedi and Cigar Workers (Conditions of Employment) Act, 1966; The Contract Labour (Regulation and Abolition) Act, 1970; The Sales Promotion Employees (Conditions of Service) Act, 1976; The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979; The Cine-Workers and Cinema Theatre Workers (Regulation of Employment) Act, 1981; The Dock Workers (Safety, Health and Welfare) Act, 1986 and; The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. It introduces a single electronic registration for establishments employing 10 or more workers, with power to extend the Code to hazardous activities even with one employee. It provides a one licence—one registration—one return framework, expands the definition of inter-state migrant workers, mandates annual health check-ups and written appointment letters, and permits women to work across all establishments and during night hours with consent and safety measures. The Code revises contract labour provisions by raising applicability to 50 workers, enabling all-India five-year licences and requiring principal employers to ensure welfare facilities and to pay wages if contractors default. It also revises factory thresholds (20 workers with power; 40 without power), limits working hours to 8 hours per day / 48 per week, provides for safety committees in larger establishments, and introduces Inspector-cum-Facilitator and compounding mechanisms to encourage compliance. Our Company is required to comply with the OSH Code to the extent applicable to its workforce and operations.

The Employee Compensation Act, 1923

The Employee Compensation Act, 1923, formerly known as the Workmen's Compensation Act, mandates employers to provide compensation to employees who suffer injuries, disabilities, or death due to workplace accidents. The Act aims to offer financial protection to workers and their families, ensuring that they receive fair compensation for any loss or injury sustained during employment. It outlines the employer's liability for compensation, including cases of occupational diseases and accidents arising out of and in the course of employment. The Act also specifies the amount of compensation based on the nature and severity of the injury, as well as the method for calculating wages and distributing compensation. By establishing a legal framework for employee compensation, the Act promotes safer work environments and ensures that workers are adequately protected in the event of workplace accidents.

Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (SHWPPR Act) provides for protection against sexual harassment at the workplace to women and prevention and redressal of complaints of sexual harassment. The SHWPPR Act Defines-Sexual Harassment to include any unwelcome sexually determined behavior (whether directly or by implication). Workplace under the SHWPPR Act has been defined widely to include government bodies, private and public sector organizations, non-governmental organizations, organizations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an Internal Complaints Committee at each office or branch, of an organization employing at least 10 employees. The Government in turn is required to set up a Local Complaint Committee at the district level to investigate complaints regarding sexual harassment from establishments where our internal complaints committee has not been constituted.

Child Labour (Prohibition and Regulation) Act, 1986

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

C. Environmental Laws

The Environment (Protection) Act, 1986 (the “EPA”)

The EPA has been enacted with the objective of protecting and improving the environment and for matters connected therewith. As per the EPA, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EPA, including the power to direct the closure, prohibition or regulation of any industry, operation or process.

National Environmental Policy, 2006

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

The Environmental Impact Assessment Notification, 2006 (the “Notification”)

As per the Notification, any construction of new projects or activities or the expansion or modernization of existing projects or activities as listed in the Schedule attached to the notification entailing capacity addition with change in process and or technology can be undertaken only after the prior environmental clearance from the Central government or as the case may be, by the State Level Environment Impact Assessment Authority, duly constituted by the Central government under the provisions of the Environment (Protection) Act, 1986, in accordance with the procedure specified in the notification. The environmental clearance process for new projects comprises of four stages viz. screening, scoping, public consultation and appraisal. However, in 2016, MoEF issued a notification for integrating standard and objectively monitorable environmental conditions with building permissions for buildings of different sizes with rigorous monitoring mechanism for implementation of environmental concerns and obligations in building projects. This is in line with the objective of the Central government to streamline the permissions for buildings and construction sector so that affordable housing can be provided to weaker sections in urban area under the scheme ‘Housing for All by 2022’ and is proposing to remove the requirement of seeking a separate environment clearance from the MoEF for individual buildings having a total build up area between 5,000 square metre and 150,000 square metre, apart from adhering to the relevant bye-laws of the concerned State authorities.

The Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set out by the concerned PCB. The Water Act also provides that the consent of the concerned PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent.

Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)

The Air Act requires that any industry or institution emitting smoke or gases must apply in a prescribed form and obtain consent from the state PCB prior to commencing any activity. The state PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

Municipal Solid Wastes (Management and Handling) Rules, 2000 (“Waste Management Rules, 2000”) as superseded by Solid Waste Management Rules, 2016 (“Waste Management Rules, 2016”)

The Waste Management Rules, 2000 applied to every municipal authority responsible for collection, segregation, storage, transportation, processing and disposal of municipal solid wastes. Any municipal solid waste generated in a city or a town was required to be managed and handled in accordance with the compliance criteria and the procedure laid down in Schedule II of

the Waste Management Rules, 2000. The Waste Management Rules, 2000 made the persons or establishments generating municipal solid wastes responsible for ensuring delivery of wastes in accordance with the collection and segregation system as notified by the municipal authority. The Waste Management Rules, 2000 have been superseded by the Waste Management Rules, 2016 which stipulate various duties of waste generators which, inter alia, include segregation and storage of waste generated by them in the manner prescribed in the Waste Management Rules, 2016; separate storage of construction and demolition waste and payment of user fee for solid waste management as specified in the bye-laws of the local bodies.

D. Intellectual Property Laws

Trademarks Act, 1999 (“Trademarks Act”)

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trademark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal.

Copyright Act, 1957

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, and rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

Designs Act, 2000 (“Designs Act”)

The objective of Designs Act is to promote and protect the design element of industrial production. It is also intended to promote innovative activity in the field of industries. The Controller General of Patents, Designs and Trade Marks appointed under the Trademarks Act shall be the Controller of Designs for the purposes of the Designs Act. When a design is registered, the proprietor of the design has copyright in the design during ten years from the date of registration.

Patents Act, 1970 (“Patents Act”)

The Patents Act governs the patent regime in India. India is a signatory to the Trade Related Agreement on Intellectual Property Rights and recognizes both product as well as process patents. The Patents Act provides for, inter alia, the following:

- Patent protection period of 20 years from the date of filing the patent application;
- Recognition of product patents in respect of food, medicine and drugs;
- Import of patented products will not be considered as an infringement; and
- Under certain circumstances, the burden of proof in case of infringement of process patents may be transferred to the alleged infringer.

E. Foreign Investment Regulations

The foreign investment in India is governed, among others, by the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ("FEMA Rules") and the consolidated FDI policy (effective from October 15, 2020) issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion ("FDI Policy"), each as amended. Further, the Reserve Bank of India has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 on October 17, 2019 which regulates mode of payment and remittance of sale proceeds, among others. The FDI Policy and the FEMA Rules prescribe inter alia the method of calculation of total foreign investment (i.e. direct foreign investment and indirect foreign investment) in an Indian company.

Foreign Trade (Development and Regulation) Act, 1992 ("FTDRA"), the Foreign Trade (Regulation) Rules, 1993 ("FTRR") and the Foreign Trade Policy 2015-2020 ("Foreign Trade Policy")

The FTDRA provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTDRA empowers the Central Government to formulate and amend the foreign trade policy. The FTDRA prohibits any person from making an import or export except under an Importer-exporter Code Number ("IEC") granted by the director general or any other authorised person in accordance with the specified procedure. The IEC may be suspended or cancelled if the person who has been granted such IEC contravenes, amongst others, any of the provisions of the FTDRA, or any rules or orders made thereunder, or the foreign policy or any other law pertaining to central excise or customs or foreign exchange. The FTDRA also prescribes the imposition of penalties on any person violating its provisions. The FTRR prescribes the procedure to make an application for grant of a license to import or export goods in accordance with the foreign trade policy, the conditions of such license, and the grounds for refusal of a license. The FTDRA empowers the Central Government to, from time to time, formulate and announce the foreign trade policy. The Foreign Trade Policy came into effect in 2017 and requires all importers and exporters to obtain an IEC. Further, pursuant to the policy, the Director General of Foreign Trade may impose prohibitions or restrictions on the import or export of certain goods, for reasons including the protection of public morals, protection of human, animal or plant life or health, and the conservation of national resources. The Foreign Trade Policy also prescribes restrictions on imports or exports in relation to specific countries, organisations, groups, individuals or products. The Foreign Trade Policy also provides for various schemes, including the export promotions capital goods scheme and duty exemption/remission schemes. India's current Foreign Trade Policy (2015-20) (as extended until September 30, 2022 and thereafter, extended till March 31, 2023) envisages helping exporters leverage benefits of GST, closely monitoring export performances, increasing ease of trading across borders, increasing realization from India's agriculture-based exports and promoting exports from MSMEs and labour-intensive sectors.

Foreign Exchange Management Act, 1999 ("the FEMA") and Rules and Regulations thereunder

Export of goods and services outside India is governed by the provisions of the Foreign Exchange Management Act, 1999, read with the applicable regulations. The Foreign Exchange Management (Export of goods and services) Regulations, 2000 have been superseded by the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 ("Export of Goods and Services Regulations 2015") issued by the RBI on January 12, 2016 (last amended on June 23, 2017). The RBI has also issued a Master Circular on Export of Goods and Services. The export is governed by these Regulations which make various provisions such as declaration of exports, procedure of exports as well as exemptions.

F. Taxation Laws

Income-tax Act, 2025, as amended by the Finance Act, 2026

The Income-tax Act, 2025, as amended by the Finance Act, 2026, governs the taxation of income of our Company in India. Pursuant to the provisions of the IT Act, 2025, our Company is required to pay income tax on its total income, comply with applicable withholding tax obligations, including tax deduction at source on specified payments, and adhere to requirements relating to advance tax, filing of returns, maintenance of books of accounts and audit. The IT Act, 2025 also provides for matters such as minimum alternate tax, transfer pricing regulations and faceless tax administration. Any non-compliance with the provisions of the IT Act, 2025 may result in interest, penalties and prosecution. Changes in applicable tax laws, rates or interpretations may have an impact on our tax liability, cash flows, results of operations and financial condition.

Professional Tax

Professional tax is a state level tax which is imposed on income earned by way of profession, trade, calling or employment. At present, professional tax is imposed only in Karnataka, Bihar, West Bengal, Andhra Pradesh, Telangana, Maharashtra, Tamil Nadu, Gujarat, Assam, Kerala, Meghalaya, Odisha, Tripura, Madhya Pradesh, and Sikkim.

Goods and Services Tax (GST)

Goods and Services Tax (GST) is levied on the supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for the imposition of tax on the supply of goods or services and will be levied by central on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the central and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Tax Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen-digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assessed is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon. GST has replaced following indirect taxes and duties at the central and state levels.

G. Other Applicable Laws

Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")

The MSMED Act, was enacted to promote and enhance the competitiveness of Micro, Small and Medium Enterprise ("MSME"). A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. The Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated June 1, 2020 revising definition and criterion and the same came into effect from July 1, 2020. The notification revised the definitions as "Micro enterprise", where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees; "Small enterprise", where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; "Medium enterprise", where the investment in plant and machinery or equipment does not exceed five crore and turnover does not exceed two hundred and fifty crore rupees.

Information Technology Act, 2002 ("Information Technology Act")

The Information Technology Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information; (ii) facilitate electronic filing of documents; and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The Information Technology Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information liability and creates liability for failure to protect sensitive personal data.

The Information Technology Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India ("DoIT"), on April 11, 2011, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 ("IT Security Rules") which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected and any third-party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

The DoIT also notified the Information Technology (Intermediaries Guidelines and Digital Media Ethics Code) Rules, 2021 (“**IT Intermediaries Rules**”) requiring intermediaries receiving, storing, transmitting, or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the IT Intermediaries Rules, to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it, as well as specifying the due diligence to be observed by intermediaries.

Personal Data Protection Bill, 2019 (the “Bill”)

The Bill, which proposes to supersede the Information Technology Act deals with the provisions relating to compensation payable by companies for failure to protect personal data. The Bill also establishes a Data Protection Authority of India. Currently, the Bill categorizes two kinds of data, (a) “Personal Data” data about or relating to a natural person who is directly or indirectly identifiable, having regard to any characteristic, trait, attribute or any other feature of the identity of such natural person, whether online or offline, or any combination of such features with any other information, and shall include any inference drawn from such data for the purpose of profiling; and (b) “Sensitive Personal Data” includes such personal data, which may, reveal, be related to, or constitute: (i) financial data;(ii) health data;(iii) official identifier;(iv) sex life;(v) sexual orientation; and (vi) biometric data. The applicability of the Bill also extends to foreign companies that handle data of individuals in India. The Bill accords certain rights to individuals with respect to the protection of their data. However, there are certain exceptions to protection offered under the Bill, such as, acts done in interest of security of state, public order, sovereignty and integrity of India and friendly relations with foreign states, and acts done for preventing incitement to commission of any cognizable offence relating to the above matters. Processing of personal data is also exempted from provisions of the Bill under certain conditions, as long as such processing is for a specific, clear and lawful purpose, this includes an act undertaken for prevention, investigation, or prosecution of any offence, or personal, domestic, or journalistic purposes. As on date, the Bill is pending with Joint Parliament Committee, and is yet to be notified and take effect.

Municipality Laws

State governments are empowered to endow municipalities with such powers and authority as may be necessary to enable them to perform functions in relation to permitting the carrying on of trade and operations. Accordingly, State governments have enacted laws authorizing municipalities to regulate use of premises, including regulations for issuance of a trade license to operate, along with prescribing penalties for non-compliance.

Shops and Establishments Legislations in various states

The provisions of local shops and establishments legislations applicable in the states in India where our establishments are set up require such establishments to be registered. The state shops and establishments legislations regulate the working and employment conditions of the workers employed in shops and establishments, including commercial establishments, and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of records, maintenance of shops and establishments and other rights and obligations of the employers and employees. These shops and establishments legislations, and the relevant rules framed thereunder, also prescribe penalties in the form of monetary fines or imprisonment for the violation of their provisions, as well as procedures for appeals in relation to such contraventions.

Fire Prevention Laws

State governments have enacted laws that provide fire prevention and life safety. Such laws may be applicable to our offices and Training Centers and include provisions in relation to providing fire safety and life saving measures by occupiers of buildings, obtaining certification in relation to fire prevention and life safety measures and imposing penalties for non-compliance.

Competition Act, 2002

The Competition Act, 2002 came into effect on June 1, 2011, and has been enacted to “prohibit 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 Act prohibits Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India. 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.

Insolvency and Bankruptcy Code, 2016 (the “Code”)

The Insolvency and Bankruptcy Code, 2016 cover Insolvency of companies, Limited Liability partnerships (LLPs), unlimited liability partnerships, and individuals. The IBC 2016 has laid down a collective mechanism for resolution of insolvencies in the country by maintaining a delicate balance for all stakeholders to preserve the economic value of the process in a time bound manner. The code empowers any creditor of a Corporate Debtor (CD), irrespective of it being a Financial Creditor (FC) or Operational Creditor (OC) or secured or unsecured creditor, or the Corporate Debtor itself, to make an application before the Adjudicating Authority (AA) to initiate Corporate Insolvency Resolution Process (CIRP) against a Corporate Debtor, at their discretion, in the event of there being a default by the Corporate Debtor in payment of their dues for an amount as specified from time to time. On initiation of the Said CIRP, a resolution to be sought for the company within a time bound time period of 180 days.

H. General Laws

Apart from the above list of laws, which is inclusive in nature and not exhaustive, general laws like the following are also applicable to our Company:

Bharatiya Nyaya Sanhita, 2023 (“BNS”)

The Bharatiya Nyaya Sanhita, 2023 consolidates and replaces the Indian Penal Code, 1860 and inter alia provides the substantive criminal law in India. The Act defines offences, prescribes punishments and sets out liability for individuals and entities. Key provisions cover offences against the State, human body, property, documents and cyber-enabled crimes along with penalties for corporate fraud and misconduct. Compliance with this Act is relevant for entities and their management in the context of criminal liability, fraud prevention and corporate governance.

Bharatiya Nagarik Suraksha Sanhita, 2023 (“BNSS”)

The Bharatiya Nagarik Suraksha Sanhita, 2023 replaces the Code of Criminal Procedure, 1973 and lays down the procedural framework for investigation, trial and adjudication of offences. The Act, inter alia, provides for registration of FIRs, powers of investigation, rights of the accused, trial processes and mechanisms for appeal. It also introduces timelines for filing chargesheets and mandates use of technology in investigation and trial. Compliance with this Act is relevant for entities in relation to criminal proceedings against them or their personnel.

Bharatiya Sakshya Adhiniyam, 2023 (“BSA”)

The Bharatiya Sakshya Adhiniyam, 2023 replaces the Indian Evidence Act, 1872 and governs the admissibility and relevancy of evidence in judicial proceedings. The Act, inter alia, provides for documentary, oral, electronic and digital evidence and prescribes rules for burden of proof, examination of witnesses and evidentiary value of records. Compliance with this Act is relevant for entities in connection with legal proceedings involving documentary and electronic records.

Negotiable Instruments Act, 1881 (“NI Act”)

The Negotiable Instruments Act, 1881 as amended regulates promissory notes, bills of exchange and cheques and defines the rights and obligations of parties thereto. The Act, inter alia, provides for the recognition of negotiable instruments, endorsement, transferability and penalties for dishonour of cheques. It prescribes criminal liability for dishonour of cheques due to insufficiency of funds and enables summary trial procedures. Compliance with this Act is relevant for entities issuing or accepting negotiable instruments in the course of business.

Transfer of Property Act, 1882 ("TPA")

The Transfer of Property Act, 1882 as amended regulates the transfer of immovable property in India. The Act, inter alia, provides for sale, mortgage, lease, exchange and gift of property and prescribes the rights and obligations of transferors and transferees. It governs conditions, restrictions and formalities relating to such transfers. Compliance with this Act is relevant for entities involved in acquisition, disposal or development of immovable property.

Arbitration and Conciliation Act, 1996 ("Arbitration Act")

The Arbitration and Conciliation Act, 1996 as amended provides the legal framework for arbitration, conciliation and related alternative dispute resolution mechanisms in India. The Act, inter alia, provides for recognition and enforcement of arbitration agreements, conduct of arbitral proceedings and enforceability of domestic and foreign awards. It incorporates provisions aligned with UNCITRAL Model Law and prescribes timelines for expeditious disposal. Compliance with this Act is relevant for entities entering into contracts containing arbitration clauses or subject to arbitration proceedings.

Registration Act, 1908 ("Registration Act")

The Registration Act, 1908 as amended provides for registration of documents relating to immovable property and certain other instruments. The Act, inter alia, prescribes documents compulsorily registrable, procedures for presentation, time limits and effects of non-registration. It ensures public notice of transactions and maintains records affecting property rights. Compliance with this Act is relevant for entities executing property-related documents or transactions.

Indian Stamp Act, 1899

Under the Indian Stamp Act, 1899 (the “**Stamp Act**”) stamp duty is payable on instruments evidencing a transfer creation or extinguishment of any right, title, or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules of the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

Prevention of Money Laundering Act, 2002

Money laundering is the processing of criminal proceeds to disguise its illegal origin. Terrorism, illegal arms sales, financial crimes, smuggling, and the activities of organized crime, including drug trafficking and prostitution rings, generate huge sums. Embezzlement, insider trading, bribery and computer fraud also produce large profits and create an incentive to legitimise the ill-gotten gains through money laundering. When a criminal activity generates substantial profits, the individual or group involved in such activities route the funds to safe heavens by disguising the sources, changing the form, or moving the funds to a place where they are less likely to attract attention.

The law of criminal procedure is intended to provide a mechanism for the enforcement of criminal law. Without the proper procedural law, the substantive criminal law which defines offences and provides punishment for them would be almost worthless.

Limitation Act, 1963

The law relating to Law of Limitation to India is the Limitation Act, 1859 and subsequently Limitation Act, 1963 which was enacted on 5th of October, 1963 and which came into force from 1st of January, 1964 for the purpose of consolidating and amending the legal principles relating to limitation of suits and other legal proceedings. The basic concept of limitation is relating to fixing or prescribing of the time period for barring legal actions. According to Section 2 (j) of the Limitation Act, 1963, ‘period of limitation’ means the period of limitation prescribed for any suit, appeal or application by the Schedule, and ‘prescribed period’ means the period of limitation computed in accordance with the provisions of this Act

HISTORY AND OTHER CORPORATE MATTERS

Brief History of our Company

Our Company was originally incorporated on May 23, 1990 under the Companies Act, 1956 as “Decent Spinners Private Limited”, a private limited company, with its registered office situated at 3-D Jalan Market, 2nd Floor Maliwada, Chandni Chowk, Delhi-110006, India. A Certificate of Incorporation was granted by the Registrar of Companies, Delhi and Haryana (“RoC”), under Corporate Identity Number (“CIN”) U74899DL1990PTC040239. Pursuant to a Special Resolution passed by the Shareholders of the Company at the Extra-Ordinary General Meeting held on November 03, 2025, and subsequently confirmed by an Order of the Regional Director (Northern Region), Ministry of Corporate Affairs (“RD Order”) dated February 27, 2026 (bearing Order ID: Sec 12(5)/ROC Delhi I/AB9774578/RD Delhi/2026), the registered office of the Company was shifted from the Union Territory of Delhi to the State of Haryana, outside the jurisdiction of the erstwhile Registrar of Companies, Delhi, to the jurisdiction of the Registrar of Companies, Haryana (“RoC Haryana”). Consequent upon such shifting, the Registrar of Companies, Haryana issued a Certificate of Registration of the Regional Director Order for Change of State under Section 13(5) of the Companies Act, 2013 on March 19, 2026. The registered office of the Company is presently situated at V.P.O. Kohand, Gharunda, Karnal, Haryana – 132 114. Subsequently, our Company was converted from a private limited company to a public limited company pursuant to a Special Resolution passed by the members of the Company at the Extra-Ordinary General Meeting held on March 30, 2026. Consequent upon such conversion, the name of the Company was changed from “Decent Spinners Private Limited” to “Decent Spinners Limited”. A fresh Certificate of Incorporation consequent upon conversion from a private limited company to a public limited company was issued by the Assistant Registrar of Companies / Deputy Registrar of Companies/ Registrar of Companies, Central Processing Centre on April 09, 2026. The Corporate Identity Number (CIN) of our Company, as presently standing, is U74899HR1990PLC143283. Our Company is registered with the Registrar of Companies, Haryana (RoC Haryana), situated at 3rd Floor, Corporate Bhawan, Plot No. 4-B, Sector 27-B, Chandigarh – 160 019. Rameshkumar Mehra, Rajesh Mehra and Ashish Mehra were the initial subscribers to the Memorandum of Association (MOA) of our Company. For further details of our Promoters please refer the chapter titled “*Our Promoters and Promoter Group*” beginning on page 221.

Corporate Profile of our company

For information on our Company’s profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major vendors and suppliers, please refer the chapter titled “*Our Business*”, “*Industry Overview*”, “*Our Management*”, “*Restated Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 168, 127, 208, 227 and 282 respectively. Our Company has Seven shareholders as on the date of filing of this Draft Red Herring Prospectus.

Changes in the Registered Office of our Company since incorporation

Currently, the Registered Office of our company is situated at V.P.O KOHAND, Gharunda, Karnal, Gharunda, Haryana-132114, India. We set out below the changes in the registered office of our Company since inception till filing of this Draft Red Herring Prospectus.

Date of Change	Registered Office Address	Reason
May 11, 1990	3-D Jalan Market, 2nd Floor Maliwada, Chandni Chowk, Delhi-110006, India	Operational and Administration purpose
August 21, 1993	4/4, East Punjabi Bagli, New Delhi-110026, India	
May 31, 2000	87/Pocket 24-F, Sector 7, Rohini, New Delhi-110085, India	
April 11, 2019	41-B, Ramgarh, Jahangirpuri, New Delhi-110033, India	
March 03, 2026	Change in State within the Jurisdiction of existing ROC - V.P.O KOHAND, Gharunda, Karnal, Gharunda, Haryana-132114, India.	

Major Events in the History of our Company

Financial Year	Event
1990 – 1991	Incorporation of our Company in the name style of “Decent Spinners Private Limited”
1993 – 1994	Topline of our company crossed ₹ 1 Crore
2000 – 2001	Purchased of equity shares by Naresh Kumar through transfer of shares.
2021 – 2022	Topline of our company crossed ₹ 17 Crore
	The Company acquired an independent electricity feeder (hotline) to ensure smoother operations and reduce its dependence on generators, thereby contributing to the reduction of its carbon footprint. The Company also installed an Effluent Treatment Plant (ETP) with a treatment capacity of up to 20,000 liters of water per day.

Financial Year	Event
2022 – 2023	Topline of our company crossed ₹ 32 Crore
2023-2024	The Company transitioned its boilers from traditional wood and coal fuel to bio-fuel, demonstrating its commitment to sustainability
2024 – 2025	The Company strategically upgraded its product line by transitioning from basic quality products to premium quality products, enhancing brand positioning and market competitiveness.
2025 – 2026	The Company commenced export operations to international markets including Oman, Nepal and Yemen, marking its entry into the global market.
	The Company shifted its Registered Office from Delhi to Haryana in March 2026 as part of its operational and strategic restructuring.
	To improve manufacturing efficiency and product quality, the Company installed advanced machinery and modern technology
2026-2027	Conversion of our Company from private limited company to public limited company

Awards and accreditations

As on the date of this Draft Red Herring Prospectus, our Company has not received any awards and accreditations.

Main objects of our Company

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

1. To carry on the business of manufacturing, processing, finishing, spinning, weaving of all kinds of shoddy yarn, woolen yarn, carpet woolen yarn, bar rack yarn, grey yarn, worsted and non-worsted yarn, waste synthetic and man-made fibrous, flax hemp jute wool silk, cotton, textiles or any fibrous substance and buying, selling and dealing in all kinds of wool, waste, rags, synthetic, rayon, nylon, shoddy yarn and all kinds of yarns and other such allied products thereof.
2. Carry on the business of manufacturers, traders, fabricators, exporters and importers of terry-towels, cotton, towels, fabrics and made ups made from any or all types of fibers.
3. To manufacture, buy, sell, import and export all kinds of cotton, polyester, woolen and silk goods and the business of manufacture of cotton, woolen and silk spinners and doublers, flax and jute spinners, wool combers, worsted spinner, linen manufacturers, worsted stuff, manufacturers, drapers, flax, hemp, jute, cotton, wool and silk merchants, bleachers and dyers and cloths of vitriol bleach and dyeing materials of therein.
4. To carry on agency business in all its branches and to act as agents for Indian and foreign for sale, purchase, export and import of for the business referred to in above goods.

Amendments to the Memorandum of Association of our company

Since Incorporation, the following changes have been made to the Memorandum of Association of our Company in last ten (10) years:

Sr. No.	Particulars of Amendment	Date of Shareholders Approval
1.	Adoption of new set of Memorandum of Association in pursuance to the Companies Act, 2013.	February 01, 2021
2.	Increase in authorized share capital of our Company from ₹ 50,00,000 divided into 50,000 Equity shares of ₹ 100 each to ₹ 1,50,00,000 divided into 1,50,000 Equity shares of ₹ 100 each.	February 01, 2021
3.	Amendment to the MOA to reflect the subdivision from ₹ 1,50,00,000 divided into 1,50,000 Equity shares of ₹ 100 each to ₹ 1,50,00,000 comprising of 15,00,000 Equity shares of face value of ₹ 10 each.	January 27, 2026
4.	Increase in authorized share capital of our Company from ₹ 1,50,00,000 comprising of 15,00,000 Equity shares of face value of ₹ 10 each to ₹ 22,00,00,000 divided into 2,20,000 Equity shares of ₹ 10 each.	March 16, 2026
5.	Conversion of private company into public company and subsequent change of name of our Company from “ <i>Decent Spinners Private Limited</i> ” to “ <i>Decent Spinner Limited</i> ”.	March 30, 2026
6.	Increase in authorized share capital of our Company from ₹ 22,00,00,000 divided into 2,20,000 Equity shares of ₹ 10 each to ₹ 24,50,00,000 divided	April 20, 2026

Sr. No.	Particulars of Amendment	Date of Shareholders Approval
	into 2,45,00,000 Equity shares of ₹ 100 each.	

Capital Raising (Debt/Equity)

For details of the equity capital raising of our Company, please refer to the chapter titled “*Capital Structure*” on page 86.

Injunctions or Restraining Orders

There are no injunctions/ restraining orders that have been passed against the Company.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets etc.

Our Company has not made any acquisitions or divestments of any business or undertakings, mergers, amalgamation or revaluation of assets in the last ten years preceding the date of this Draft Red Herring Prospectus.

Defaults or rescheduling of borrowing with financial institutions/banks

As on the date of this Draft Red Herring Prospectus, there have been no defaults or rescheduling of borrowings with any financial institutions/banks in respect of borrowings of our Company.

Promoters of our Company

The Promoters of our Company are Naresh Kumar, Ritu Garg, and Parv Gupta. For details, see “*Our Promoters and Promoter Group*” beginning on page 221.

Details of holding company

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

Details of subsidiary or associate company

As on the date of this Draft Red Herring Prospectus, our Company does not have any associate company or subsidiary company.

Number of shareholders of our Company

Our Company has 7 (seven) shareholders as on the date of filing of this Draft Red Herring Prospectus.

Shareholders Agreements

Our Company has not entered into any shareholders agreements as on the date of this Draft Red Herring Prospectus.

Other Agreements

Our Company has not entered into any specific or special agreements except that have been entered into in Ordinary course of business as on the date of filing of this Draft Red Herring Prospectus.

Material Agreements

Our Company has not entered into any material agreement, other than the agreements entered into by it in normal course of its business.

Joint Ventures and Collaborations

As on date of this Draft Red Herring Prospectus, our Company is not a party to any joint venture or collaboration agreements.

Competition

For details on the competition faced by our Company, please refer to the chapter titled “*Our Business*” beginning on page 168.

Strategic and financial partnerships

Our Company has no strategic and financial partners as on the date of filing of this Draft Red Herring Prospectus. For details related to business activity please refer chapter titled “*Our Business*” on page 168.

Non-Compete Agreement

Our Company has entered into Non-compete Agreement with its Promoter Group entity i.e. Parv International, as on the date of filing this Draft Red Herring Prospectus. For further details, please refer to the chapter “*Our Promoter and Promoter Group*” on page 221.

Launch of key products or services, entry or exit in new geographies

For details of launch of key products or services, please refer to the chapter “*Our Business*” on page 168 and “*Objects of the Offer*” on page 104.

Time and Cost Overruns in Setting-up Projects

There are no time and cost overruns in setting-up of Projects as on date of this Draft Red Herring Prospectus.

Lock-out or strikes

There have been no lock-outs or strikes in our Company since inception.

Changes in the activities of our Company during the last five years

There have been no changes in the activities of our Company during the last five years.

Corporate Profile of our Company

For details on the description of our Company’s activities, the growth of our Company, please see “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” and “*Basis of Offer Price*” on page 168, 282 and 116.

Changes in Management

For details of change in management, please see chapter titled “*Our Management*” on page 208.

Changes in accounting policies in last three (3) years

There have been no changes in accounting policies of our Company in last three years.

Guarantees provided by our Promoters

Save and except as disclosed in this Draft Red Herring Prospectus, our Promoters have not given any guarantees to third parties that are outstanding as on the date of filing of this Draft Red Herring Prospectus.

OUR MANAGEMENT

Board of Directors

As on the date of filing of this Draft Red Herring Prospectus, our Company has 5 (five) directors on our Board, of whom, one Managing Director, one Whole Time Director, one Non-Executive Director (Women Director) and two independent directors.

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

Name, designation, date of birth, address, occupation, period of directorship, and DIN	Age (years)	Other directorships
Naresh Kumar Designation: Chairman and Managing Director DIN: 00736018 Date of birth: November 17, 1977 Address: Opp. Police Line, H. No. 2, Ashoka Colony, Karnal- 132001, Haryana, India. Occupation: Business Original Date of Appointment: Director since April 01, 2000 Current Term: 5 years w.e.f. February 05, 2026	48	Indian Companies: Nil Foreign Companies: Nil
Parv Gupta Designation: Whole Time Director DIN: 11032995 Date of birth: December 24, 2003 Address: H. No. 2, Ashoka Colony, Opp. Police Line, Karnal- 132001, Haryana, India. Occupation: Business Original Date of Appointment: January 23, 2026 Current Term: 5 years w.e.f. February 05, 2026	22	Indian Companies: Nil Foreign Companies: Nil
Ritu Garg Designation: Non-Executive Director DIN: 11032984 Date of birth: March 19, 1981 Address: H. No. 2, Ashoka Colony, Opp. Police Line, Karnal- 132001, Haryana, India. Occupation: Business Original Date of Appointment: January 02, 2026 Current Term: Liable to retire by rotation	45	Indian Companies: Nil Foreign Companies: Nil

Name, designation, date of birth, address, occupation, period of directorship, and DIN	Age (years)	Other directorships
Sanjay Kumar Designation: Non- Executive Independent Director DIN: 08920598 Date of birth: July 14, 1977 Address: Seervashu Chand, Afzalgarh, Bijnor, UP-246722, India Occupation: Professional Original Date of Appointment: April 06, 2026 Current Term: 5 years i.e. April 06, 2026	48	Indian Companies: Panchsheel Abhinav Foundation Niyati Federation for Social Empowerment Tipco Engineering India Limited Foreign Companies: Nil
Pradeep Singh Designation: Non- Executive Independent Director DIN: 09431813 Date of birth: July 17, 1994 Address: 2070 Gram Rasulpur Post Ahamadpur Kusumba, Fatehpur- 212641, Uttar Pradesh, India Occupation: Professional Nationality: Indian Original Date of Appointment: February 07, 2026 Current Term: 5 years w.e.f. February 07, 2026	31	Indian Companies: Dwarika Ricemill Limited Empyrean Consultancy Services Private Limited Cashcry Consultancy Private Limited Kapila Krishudyog Limited Foreign Companies: Nil

Brief profiles of our directors

Naresh Kumar, aged 48 years, is the Promoter, Chairman, and Managing Director of our company. He has been associated with the company as Director since April 2000 and was re-designated as Managing Director with effect from February 05, 2026. He has more than 25 years of experience in Business strategy and management. He holds Bachelor of Commerce degree from D.A.V. College, Karnal. He leads the company's overall operations and strategic direction. His responsibilities include overseeing raw material sourcing, vendor management and cost control, cultivating long-term relationships with suppliers and customers, managing production planning and plant operations, supervising the workforce, and driving business expansion and market development strategies.

Parv Gupta, aged 22 years, is the Promoter, Whole-time Director and Chief Financial Officer of our Company. He has been associated with our Company as a Director since January 23, 2026 and has been designated as a Whole-time Director and Chief Financial Officer with effect from February 05, 2026. He holds a Bachelor of Commerce degree from the University of Delhi and has cleared Chartered Financial Analyst (CFA), Level II. He has over four years of experience in accounting and finance, including bookkeeping, accounting operations, and GST compliance. He oversees the Company's accounting operations and statutory compliance, leads budgeting and forecasting activities, and contributes to the Company's financial strategy and growth initiatives.

Ritu Garg, aged 45 years, she is a Non-Executive Director of our Company. She has been associated with our Company since January 2, 2026, when she was appointed as an Additional Non-Executive Director, and was subsequently re-designated as a Non-Executive Director with effect from February 5, 2026. She passed Matriculation and Bachelor of Commerce Examination from Punjab School Education Board. She has been engaged in the business of Parv International since 2013, where she oversees the end-to-end trading operations of blankets, rugs, shoddy yarn and related products.

Sanjay Kumar, aged 48 years, is the Non- Executive Independent Director of our company. He has been associated with our company since April 06, 2026 as Non- Executive Independent Director. He holds Bachelor of Arts from Kumaun University, Post Graduate Diploma in Business Management degree from Ishan Institute of Management & Technology, Doctor of Philosophy in Management and Commerce from Mewar University. He holds Certificate of Appreciation, awards and certification course certificates different International Incubation Ecosystem. He has more than 15 years of experience. Previously, he was associated with Dev Sanskriti Vishwavidhyalaya as lecturer of Management from July 2008 to August 2011, GL Bajaj as Associate Professor in Management Studies from July 2021 to March 2023, Hi-tech Institute of Engineering & Technology as Manager CTTIA/IEDC/Business Incubator from November 2015 to April 2019, Innovation & Incubation Hub MNNIT Foundation as Chief Executive Officer from September 2024 to January 2026.

Pradeep Singh, aged 31 years, is the Non-Executive Independent Director of our Company. He has been associated with our company since February 07, 2026 as Non- Executive Independent Director. He holds a Master of Commerce degree from Mahatma Jyotiba Phule Rohilkhand University, Bareilly and a Bachelor of Commerce degree from University of Allahabad and is an associate member of Institute of Company Secretaries of India. He has more than 5 years of experience in secretarial and compliance work. He was previously associated with Aasra Fincorp Private Limited as Company Secretary from March 2021 to August 2021 and with Spice Online Private Limited as Company Secretary from September 2021 to May 2022. He was practicing as a Company Secretary from June 2022 to September 2023. He is currently serving as the Company Secretary and Compliance Officer of NACDAC Infrastructure Limited since March 2024.

Confirmations:

a) Details of directorship in companies suspended or delisted.

None of our Directors is or was a director of any listed company, whose shares have been or were suspended from being traded on any stock exchanges, in the last five years prior to the date of this Draft Red Herring Prospectus, during the term of their directorship in such company.

Further, none of our directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange during the term of their directorship in such company.

b) Family Relationship between the Directors, Key Managerial Personnel and Senior Management Personnel

Except as stated below, none of the Directors of our Company are related to each other as per Section 2(77) of the Companies Act, 2013.

Name	Relationship
Naresh Kumar and Ritu Garg	Naresh Kumar is spouse of Ritu Garg
Naresh Kumar and Parv Gupta	Naresh Kumar is father of Parv Gupta
Ritu Garg and Parv Gupta	Ritu Garg is mother of Parv Gupta

Arrangements with major Shareholders, Customers, Suppliers or Others

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a director or member of a senior management as on the date of this Draft Red Herring Prospectus.

We confirm that as on date of this Draft Red Herring Prospectus, our Group Company does not have any conflict of interest with the suppliers of raw materials and third-party service providers (crucial for operations of our Company) and our Directors, KMPs and SMPs.

- c)** None of the Directors are categorized as a wilful defaulter or Fraudulent Borrower, as defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations.
- d)** None of the abovementioned Directors have been declared a Fugitive Economic Offender under section 12 of the Fugitive Economic Offender Act, 2018.
- e)** None of the Promoters or Directors has been or is involved as a promoter or directors of any other Company which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

Service contracts with Directors

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

Borrowing Powers

In accordance with our Articles of Association and the applicable provisions of the Companies Act, and pursuant to a special resolution of our Shareholders at an EGM held on April 09, 2026, our Board is Authorised to borrow monies from time to time in excess of aggregate of paid up share capital and free reserves (apart from temporary loans obtained / to be obtained from the company's bankers in ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed ₹ 500 Crore.

Terms of employment of our Managing Director

Naresh Kumar, Managing Director

Pursuant to a resolution passed by the Board of Directors at the meeting held on February 05, 2026, Naresh Kumar was appointed as the Managing Director of our Company for a period of five years with effect from February 05, 2026 and approved by the Shareholders of our Company at the EGM held on February 07, 2026 the terms of remuneration, including his salary, allowances and perquisites were approved in accordance with the provisions of Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms of our Managing Director have been summarized below:

I	Remuneration:
A	Remuneration up to ₹15,00,000/- per annum including all the perquisites and benefits if any, except the perquisites falling outside the purview of the ceiling of remuneration as per applicable provisions of Schedule V of the Act
B	Above remuneration excludes commission amount payable on the minimum remuneration by way of salary, Perquisites and other terms and conditions as specified and subject to receipts of the requisite approvals.

Parv Gupta, Whole Time Director

Pursuant to a resolution passed by the Board of Directors at the meeting held on February 05, 2026, Parv Gupta was appointed as the Whole Time Director of our Company for a period of five years with effect from February 05, 2026 and approved by the Shareholders of our Company at the EGM held on February 07, 2026 the terms of remuneration, including his salary, allowances and perquisites were approved in accordance with the provisions of Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms of our Whole Time Director have been summarized below:

I	Remuneration:
A	Remuneration up to ₹ 8,40,000/- per annum including all the perquisites and benefits if any, except the perquisites falling outside the purview of the ceiling of remuneration as per applicable provisions of Schedule V of the Act
B	Above remuneration excludes commission amount payable on the minimum remuneration by way of salary, Perquisites and other terms and conditions as specified and subject to receipts of the requisite approvals.

Sitting fees and commission to Non-Executive Directors and Independent Directors

Pursuant to a resolution passed by the Board of Directors on April 09, 2026, our Non-Executive Director shall be entitled to a sitting fee of ₹12,500/- for attending each meeting of the Board. Furthermore, as per the resolution passed on April 09, 2026, the Non-Executive Director shall be entitled to a sitting fee of ₹2,500/- for attending each meeting of the committees, as may be determined by the Board from time to time.

Our Company does not pay any remuneration to our Non-Executive and Non-Executive Independent Directors as an annual remuneration/ commission.

None of our Non-Executive and Non-Executive Independent Directors have received any sitting fees in the preceding financial year except as disclosed in the chapter titled "*Restated Financial Statements*" on page 227.

Payments or benefits to our directors

Executive Directors:

The table below sets forth the details of the remuneration by issuer Company (including sitting fees, salaries, commission and perquisites, professional fee, consultancy fee, if any) paid to our Executive Directors:

Name of the Executive Directors	Years	Remuneration (₹ in Lakhs)
Naresh Kumar	2025-26	5.55
	2024-25	2.40
	2023-24	2.40
Parv Gupta	2025-26	1.40*
	2024-25	NA
	2023-24	NA

*Appointed on February 05, 2026

Non-Executive Directors:

Non-Executive Directors are not entitled to any remuneration except sitting fees for attending meetings of the Board, or of any committee of the Board. Hence, Pradeep Singh the Non-Executive Independent Director of the company was paid ₹ 10,000 for the year ended as on 31st March 2026.

Contingent and deferred compensation payable to the Directors

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

Bonus or profit-sharing plan for our directors

Our Company does not have any performance-linked bonus or a profit-sharing plan in which our directors have participated.

Shareholding of Directors in our Company

Except as disclosed, none of our directors hold any shares of the company as on the date of this Draft Red Herring Prospectus:

Particulars	Pre- offer		Post- offer	
	Number of shares	Percentage of holding	Number of shares	Percentage of holding
Naresh Kumar	97,12,780	66.03%	[●]	[●]%
Ritu Garg	37,81,800	25.71%	[●]	[●]%
Parv Gupta	3,52,000	2.39%	[●]	[●]%
Total	1,38,46,580	94.13%	[●]	[●]%

Interests of our Directors

Our Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board or a committee thereof and as well as to the extent of reimbursement of expenses payable to them under the Articles.

Our Executive Directors are interested to the extent of remuneration payable to them pursuant to the Articles of Company and resolution approved by the Board of Directors/Members of the Company as the case may be, time to time for the services rendered as an Officer or employee of the Company.

The Directors are also members of the Company and are deemed to be interested in the Equity Shares, if any, held by them and/or any Equity Shares that may be held by their relatives, the companies, firms and trusts, in which they are interested as directors, members, partners, trustees, beneficiaries and promoters and in any dividend distribution which may be made by our Company in the future. For the shareholding of the Directors, please refer “*Our Management - Shareholding of Directors in our Company*” beginning on page 208.

Further, our directors may also be directors on the boards, or are shareholders, of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For further details, see “*Summary of Related Party Transactions*” on page 72.

Other than our promoters, none of the other Directors have any interest in the promotion of our Company other than in the ordinary course of business.

Our director, Naresh Kumar and Ritu Garg who are also Promoter Selling Shareholders will receive respective portion of the proceeds from the Offer of the Offered Shares in the Offer for Sale.

Payment of benefits (non-salary related)

No amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given to any of our directors except the remuneration for services rendered.

Changes in our Company's Board of Directors during the last three (3) years:

Name of Director	Designation	Date of Change	Reason
Ritu Garg	Non- Executive Director	January 02, 2026	Appointment as Additional Non- Executive Director
Veera Garg	Director	January 02, 2026	Resignation as Director
Parv Gupta	Executive Director	January 30, 2026	Appointment as Executive Director
Parv Gupta	Whole Time Director	February 05, 2026	Change in designation from Executive Director to Whole Time Director
Ritu Garg	Non- Executive Director	February 07, 2026	Regularization as Non- Executive Director
Naresh Kumar	Managing Director	February 05, 2026	Re-designated as Managing Director
Pradeep Singh	Non- Executive Independent Director	February 07, 2026	Appointment as Non- Executive Independent Director
Jeewan Chandra	Non- Executive Independent Director	February 07, 2026	Appointment as Non- Executive Independent Director
Jeewan Chandra	Non- Executive Independent Director	April 06, 2026	Resignation as Non- Executive Independent Director
Sanjay Kumar	Non- Executive Independent Director	April 06, 2026	Appointment as Non- Executive Independent Director

COMPLIANCE WITH CORPORATE GOVERNANCE

As our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, as on date of this Draft Red Herring Prospectus, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 are not applicable to our Company. In additions to the applicable provisions of the Companies Act, 2013 will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. However, our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- a) Audit Committee;
- b) Stakeholders' Relationship Committee;
- c) Nomination and Remuneration Committee; and
- d) Corporate Social Responsibility Committee (CSR)

Details of each of these committees are as follows:

1. Audit Committee

Our Company has formed the Audit Committee vide resolution passed in the meeting of Board of Directors held on April 09, 2026 as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended). The Audit Committee comprises of following members:

Name of the Directors	Designation	Designation in Committee
Pradeep Singh	Non-Executive Independent Director	Chairperson
Sanjay Kumar	Non-Executive Independent Director	Member
Naresh Kumar	Managing Director	Member

The Company Secretary of our Company shall act as Secretary of the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to furnish clarifications to the shareholders in any matter relating to financial statements. The scope and function of the Audit Committee and its terms of reference shall include the following:

Terms of reference:

Role of Audit Committee

The scope of audit committee shall include, but shall not be restricted to, the following:

1. Oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
 2. Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
 3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
 4. Formulation of a policy on related party transactions, which shall include materiality of related party transactions;
 5. Reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
 6. Examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Modified opinion(s) in the draft audit report.
 7. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
 8. 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;
 9. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 10. Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;
- Explanation:** The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.
11. Scrutiny of inter-corporate loans and investments;
 12. Valuation of undertakings or assets of the Company, wherever it is necessary;
 13. Evaluation of internal financial controls and risk management systems;

14. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussion with internal auditors of any significant findings and follow up there on;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
20. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, members (in case of non-payment of declared dividends) and creditors;
21. Reviewing the functioning of the whistle blower mechanism;
22. Monitoring the end use of funds raised through public offers and related matters;
23. Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
24. Approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
25. Reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;
26. Carrying out any other functions required to be carried out as per the terms of reference of the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;
27. Consider and comment on rationale, cost- benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its members; and
28. To review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively; and
29. Such roles as may be prescribed under the Companies Act, SEBI Listing Regulations and other applicable provisions.
30. Approve all related party transactions and subsequent material modifications.

Review of information by Audit Committee

The audit committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Management letters / letters of internal control weaknesses issued by the statutory auditors;
3. Internal audit reports relating to internal control weaknesses;
4. The appointment, removal and terms of remuneration of the chief internal auditor;
5. Statement of deviations in terms of the SEBI Listing Regulations;

- a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of Regulation 32(1) of the SEBI Listing Regulations; and
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.
6. review the financial statements, in particular, the investments made by any unlisted subsidiary.

2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Section 178(5) of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated April 09, 2026. The constituted Stakeholders Relationship Committee comprises of following members:

Name of the Directors	Designation	Designation in Committee
Pradeep Singh	Non-Executive Independent Director	Chairperson
Sanjay Kumar	Non-Executive Independent Director	Member
Ritu Garg	Non-Executive Director	Member

The Company Secretary of our Company shall act as Secretary to the Stakeholders Relationship Committee.

The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

Terms of Reference

Stakeholders Relationship Committee

1. Considering and specifically looking into various aspects of interest of shareholders, debenture holders and other security holders;
2. Resolving the grievances of the security holders of the listed entity including complaints related to transfer / transmission of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
3. Review of measures taken for effective exercise of voting rights by members;
4. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures, or any other securities;
5. Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures, and other securities from time to time;
6. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
7. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the members of the company; and
8. Carrying out such other functions as may be specified by the Board from time to time or specified / provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

3. Nomination and Remuneration Committee:

Our Company has formed the Nomination and Remuneration Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated April 09, 2026. The Nomination and Remuneration Committee comprises of following members:

Name of the Directors	Designation	Designation in Committee
Pradeep Singh	Non-Executive Independent Director	Chairperson
Sanjay Kumar	Non-Executive Independent Director	Member
Ritu Garg	Non-Executive Director	Member

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:

The terms of reference:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the “**Board**” or “**Board of Directors**”) a policy relating to the remuneration of the directors, key managerial personnel and other employees (“**Remuneration Policy**”).

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
 - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short-term and long-term performance objectives appropriate to the working of the Company and its goals.
2. Formulation of criteria for evaluation of performance of independent directors and the Board;
 3. Devising a policy on Board diversity;
 4. Identifying persons who are qualified to become directors and who may be appointed as senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out effective evaluation of performance of Board, its committees and individual directors (including independent directors) to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
 5. Analyzing, monitoring and reviewing various human resource and compensation matters;
 6. Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
 7. Determining the Company’s policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
 8. Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
 9. Reviewing and approving the Company’s compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
 10. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, if applicable;
 11. Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
 - (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

12. Administering monitoring and formulating detailed terms and conditions the employee stock option scheme/ plan approved by the Board and the members of the Company in accordance with the terms of such scheme/ plan (“**ESOP Scheme**”), if any;
13. Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/ or rescinding rules and regulations relating to the administration of the ESOP Scheme;
14. Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.
15. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - (a) use the services of an external agencies, if required;
 - (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - (c) consider the time commitments of the candidates.
16. Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

4. Corporate Social Responsibility Committee (CSR)

Our Company has formed the CSR Committee as per Section 135 of the Companies Act, 2013 and other applicable provisions of the Act vide board resolution dated April 09, 2026. The CSR Committee comprises of following members:

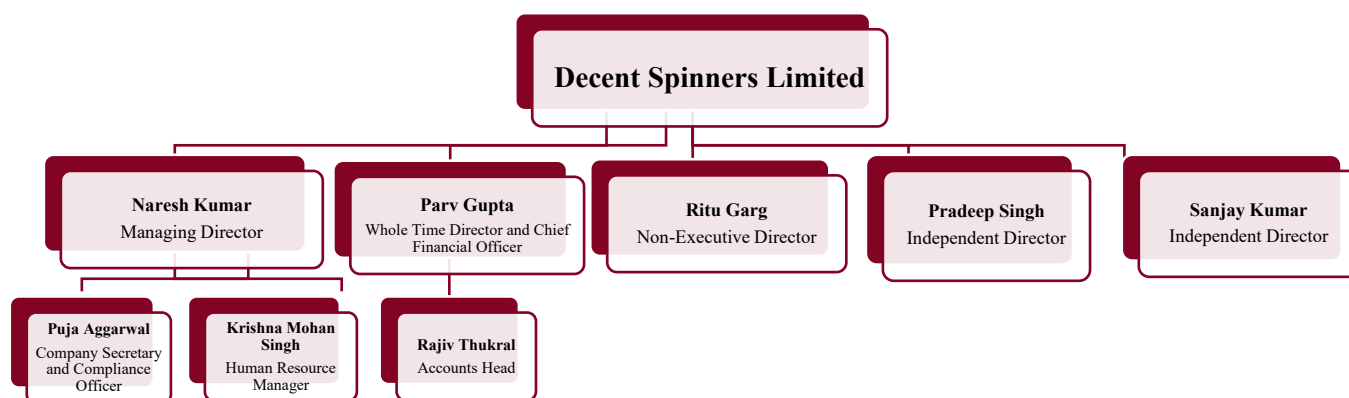
Name of the Directors	Designation	Designation in Committee
Naresh Kumar	Managing Director	Chairperson
Parv Gupta	Whole Time Director	Member
Sanjay Kumar	Non-Executive Independent Director	Member

The Company Secretary of our Company shall act as a Secretary to the CSR Committee. The scope and function of the Committee and its terms of reference shall include the following:

1. Formulate and recommend to the Board, CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII.
2. Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
3. Monitor the implementation of CSR activities as per the approved policy
4. Perform any other functions as stipulated under the Companies Act or as deemed necessary for CSR Compliance.

Management Organization Structure

The following chart depicts our Management Organization Structure



Compliance with SME Listing Regulations

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of BSE Limited.

Profiles of our Key Managerial Personnel

For the profiles of Naresh Kumar as a Managing Director and Parv Gupta as Whole Time Director and Chief Financial Officer, whose details are provided under “*Brief Details of our Directors*” in the “*Our Management*” beginning on page 208. The details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below:

1. **Puja Aggarwal**, aged 39 years, is the Company Secretary and Compliance Officer of our Company. She has been associated with our company since March 03, 2026 as Company Secretary and Compliance Officer. She has cleared Bachelor of Commerce from Asansol Girls’ College and holds a Masters of Business Administration degree from National Institution of Technology and is an associate member of the Institute of Company Secretaries of India (“**ICSI**”) and holds certification as CSR professional from ICSI. She is responsible for compliance with statutory and regulatory requirements and for ensuring that the decisions of our Board are implemented. She has had previous work experience with Gabion Technologies as a Compliance Officer from January 2025 to February 2026. She is entitled to a remuneration of ₹ 2.40 lakhs per annum.

Brief Profile of our Senior Management Personnel

The details of other Senior Management Personnel of our Company, as on the date of this Draft Red Herring Prospectus are set forth below:

1. **Krishan Mohan Singh**, aged 44 years, is the Human Resource Manager of our Company. He has been associated with our Company since April 10, 2021. He has passed his secondary School Examination from Bihar Scholl Examination Board, Patna. He has more than 10 years of experience in Human Resource field. Previously, he worked with Anand International from 2015 to 2021. He is entitled to a remuneration of ₹ 4.80 lakhs per annum.
2. **Rajiv Thukral**, aged 49 years, is the Accounts head of our Company. He has been associated with our Company since January 29, 2026. He has degree of Bachelor of Commerce from Kurukshetra University. He has more than 15 years of experience in Finance and accounts. Previously, he worked with S.K. International from 2010 to 2019 and Maa Lakshmi Texo Fab from 2019 to 2026. He is entitled to a remuneration of ₹ 4.80 lakhs per annum.

Status of Key Managerial Personnel and Senior Management

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

Service Contracts with Key Managerial Personnel and Senior Management

Our Key Managerial Personnel and Senior Management, other than our Managing Director and Whole Time Director, are governed by the terms of their respective appointment letters/resolutions of our Board in relation their terms of appointment and have not entered into any other service contracts with our Company. Further, no officer of our Company is entitled to any benefit upon termination of employment or superannuation, other than statutory benefits.

Relationship amongst the Key Managerial Personnel of our Company

Except as disclosed in “*Family Relationship between the Directors, Key Managerial Personnel and Senior Management Personnel*” on page 208, none of our Key Managerial Personnel or Senior Management are related to each other or any of our directors.

Shareholding of Key Management Personnel and Senior Management Personnel in our Company

Except for Naresh Kumar and Parv Gupta who holds 97,12,780 Equity Shares and 3,52,000 Equity Shares, constituting 66.03% and 2.39% of total paid-up share capital of our company, respectively, none of our Key Managerial Personnel and Senior Management Personnel hold Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus. For further details, please refer to section titled “*Capital Structure*” beginning on page 86.

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management Personnel

Our Company does not have profit sharing plans for the Key Management Personnel and Senior Management Personnel.

Payment of Benefits to of our Key Managerial Personnel and Senior Management Personnel

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within two preceding years or is intended to be paid or given to any of the Key Managerial Personnel and Senior Management Personnel except the normal remuneration for services rendered by them. Additionally, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management.

For further details, please refer section titled “*Restated Financial Statements*” beginning on page 227.

Interest of Key Managerial Personnel and Senior Management Personnel

Except as disclosed in this Draft Red Herring Prospectus, the Key Managerial Personnel and Senior Management Personnel of our Company do not have any interest in our Company other than to the extent of their shareholding, remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel and Senior Management Personnel have been appointed.

Changes in Our Company’s Key Managerial Personnel and Senior Managerial personnel during the last three (3) years

In addition to the changes specified under “*Changes in our Board during the Last Three Years*”, set forth below, are the changes in our Key Managerial Personnel and Senior Management Personnel in the last three years immediately preceding the date of filing of this Draft Red Herring Prospectus:

Name of KMP/ SMP	Designation	Date of Change	Reason
Parv Gupta	Chief Financial Officer	February 05, 2026	Appointment as Chief Financial Officer
Puja Aggarwal	Company Secretary and Compliance Officer	March 03, 2026	Appointment as Company Secretary and Compliance Officer
Krishan Mohan Singh	Human Resource Manager	April 10, 2021	Appointment as Human Resource Manager
Rajiv Thukral	Accounts Head	January 29, 2026	Appointment as Accounts Head

Employees’ Stock Option Plan

As on date of this Draft Red Herring Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.

Loans taken by Directors / Key Management Personnel and Senior Management Personnel

Our Company has not granted any loans to the Directors and/or Key Management Personnel and Senior Management Personnel as on the date of this Draft Red Herring Prospectus.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

As on the date of this Draft Red Herring Prospectus, Naresh Kumar, Ritu Garg and Parv Gupta are the Promoters of our Company. As on the date of this Draft Red Herring Prospectus, our Promoters' shareholding is as follows:

Name of the Promoters	Number of Equity Shares	% of pre-Offer issued, subscribed and paid-up Equity Share Capital
Naresh Kumar	97,12,780	66.03%
Ritu Garg	37,81,800	25.71%
Parv Gupta	3,52,000	2.39%

For details pertaining to our Promoters shareholding, please refer to chapter titled "*Capital Structure-History of buildup of Promoters' shareholding (including Promoters' contribution) and Lock-in of Promoters*" on page 86.

The details of our individual promoters are as under:

Naresh Kumar	
	Naresh Kumar , aged 48 years, is the promoter of our company designated as Chairman and Managing Director.
	For further details in respect of his date of birth, address, educational qualifications, professional experience, positions/posts held in the past and other directorships and special achievements, see " <i>Our Management</i> " on page 208.
	Date of Birth: November 17, 1977
	Address: Opp. Police Line, H. No. 2, Ashoka Colony, Karnal- 132001, Haryana, India
	PAN: AEBPG7041L
	Interest in other entities: Gora Lal & Sons Naresh Kumar & Sons HUF
Ritu Garg	
	Ritu Garg , aged 45 years, is the promoter of our company designated as Non-Executive Director.
	For further details in respect of her date of birth, address, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, see " <i>Our Management</i> " on page 208.
	Date of Birth: March 19, 1981
	Address: Opp. Police Line, H. No. 2, Ashoka Colony, Karnal- 132001, Haryana, India
	PAN: AINPG5994J
	Interest in other entities: Parv International Naresh Kumar & Sons HUF
Parv Gupta	
	Parv Gupta , aged 22 years, is the promoter of our company designated as Whole-Time Director.
	For further details in respect of his date of birth, address, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, see " <i>Our Management</i> " on page 208.
	Date of Birth: December 24, 2003
	Address: H. No. 2, Ashoka Colony, Opp. Police Line, Karnal- 132001, Haryana, India
	PAN: DWJPG3967E
	Interest in other entities: Naresh Kumar & Sons

Other Undertakings and Confirmations

Our Company undertakes that the details of Permanent Account Number, Bank Account Number(s), Aadhar Card Number, Driving License Number and Passport Number of the Promoters will be submitted at the time of submission of this Draft Red Herring Prospectus to the BSE for listing of the securities of our Company on SME Platform of BSE Limited.

Change in Control of our Company in last 5 years

There has been no change in control of our Company in the last 5 years immediately preceding the date of this Draft Red Herring Prospectus. For details, please see “*Capital Structure – Shareholding of our Promoters*” on page 86.

Experience of our Promoters in the business of our Company

Our Promoters hold experience in the business of our Company. For details in relation to experience of our Promoters in the business of our Company, please refer the chapter titled “*Our Management*” beginning on page 208.

Interest of Promoters

None of our Promoters have any interest in our Company except to the extent of compensation payable/ paid, loans given to the company, loans repaid by the Company, commission and reimbursement of expenses, if applicable and to the extent of any equity shares held by them or their relatives to the extent of benefits arising out of such shareholding. For further details please refer the chapters titled “*Capital Structure*”, “*Restated Financial Statements*” and “*Our Management*” beginning on page 86, 227 and 208.

Except as disclosed in “*Restated Financial Statements*” and “*Financial Indebtedness*” on page 227 and 279, respectively in this Draft Red Herring Prospectus, our Promoters and members of our Promoter Group have (i) not extended any personal guarantees and (ii) have not provided their personal properties, for securing the repayment of the bank loans obtained by our Company. Our Promoters have also advanced certain unsecured loans to our Company, for further details, please refer to the chapter titled “*Financial Indebtedness*” on page 279.

Except as disclosed in “*Our Business*” on page 168 respectively in this Draft Red Herring Prospectus our Promoters are not interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

There is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of our Company) and our Company, Promoters, Promoter Group, Key Managerial Personnel, Directors, and its directors.

Interest of Promoters in the Promotion of our Company

Our Company is currently promoted by the promoters in order to carry on its present business. Our promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company. For further details, see “*Capital Structure*”, “*Our Management*”, “*Summary of Related Party Transactions*” and “*Restated Financial Statements*” beginning on pages 86, 208, 72 and 227, respectively.

Interest of Promoters in the Properties of our Company

Except as disclosed in “*Our Business*” on page 168 respectively in this Draft Red Herring Prospectus, our Promoters are not interested in the properties acquired by our Company in the three years preceding the date of filing of this Draft Red Herring Prospectus with BSE or proposed to be acquired by our Company, or in any transaction by our Company for the acquisition of land, construction of building or supply of machinery.

Interest of Promoters in our Company other than as a Promoters

The Promoters of our Company are also interested in our Company as Managing Director (Naresh Kumar), as Whole Time Director (Parv Gupta) of our Company and may be deemed to be interested in the remuneration payable to them and the reimbursement of expenses incurred by them and as Non- Executive Director (Ritu Garg) of our company and may be deemed to be interested in the sitting fees payable to her and the reimbursement of expenses incurred by her in the said capacity. For further details, see “*Our Management*”, “*Financial Indebtedness*” on page 208 and 279, respectively, our Promoters do not have any interest in our Company other than as Promoters.

No sum has been paid or agreed to be paid to our Promoters or to the firms or companies in which our Promoters is interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our Promoters or by such firms or companies in connection with the promotion or formation of our Company.

Payment of amounts or benefits to the Promoters or Promoter Group during the last two years

Except as stated in the Chapter titled “*Restated Financial Statements*” on page 227, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoters’ Group as on the date of this Draft Red Herring Prospectus. For further details, please refer to the chapter titled “*Restated Financial Statements*” beginning on page 227.

Litigations involving our Promoters

Except as disclosed in the chapter titled “*Outstanding Litigation and Material Developments*” on page 293, as on date of this Draft Red Herring Prospectus, there are no litigation involving our Promoters.

Guarantees

Except as disclosed in the chapter titled “*Financial Indebtedness*” on page 279, our Promoters have not extended any guarantees against the Equity Shares held by them to third parties in respect of our Company and the Equity Shares that are outstanding as on the date of filing of this Draft Red Herring Prospectus.

Details of Companies / Firms from which our Promoters have disassociated in the last three years

Our Promoters have not dissociated themselves from any companies or firms in the three years preceding the date of this Draft Red Herring Prospectus:

Related Party Transactions

Except as stated in the Chapter titled “*Restated Financial Statements*” on page 227, our Company has not entered related party transactions with our Promoters.

Common Pursuits of Promoters and Promoter Group Companies

Our Promoters have interests in a Promoter Group entity, namely Parv International, which operates in a similar line of business as our Company. To address potential conflicts of interest, our Company has entered into a non-compete agreement with such entity, effective May 30, 2026. For further details on common pursuits and the associated risks, please refer to the risk factor titled ‘Conflicts of Interest’ in the chapter “*Risk Factors - Potential conflicts of interest may arise between our Company and certain Promoter Group entities engaged in similar or related business activities.*” beginning on page 43.

OUR PROMOTER GROUP

In addition to our Promoters, the following individuals, companies, partnerships and HUFs, etc. form part of our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations:

Natural Persons who are part of the Promoter Group

Members of the Promoter Group	Relationship with the promoter
Naresh Kumar	
Late Gora Lal Garg	Father
Veera Garg	Mother
Ritu Garg	Spouse
Simmy Kansal	Sister
Kiran Bala Singal	Sister
Parv Gupta	Son
Vishesh Gupta	Son
Rajinder Kumar	Spouse’s Father
Sunita Bansal	Spouse’s Mother
Bhupesh Bansal	Spouse’s Brother

Ritu Garg	
Rajinder Kumar	Father
Sunita Bansal	Mother
Naresh Kumar	Spouse
Bhupesh Bansal	Brother
Parv Gupta	Son
Vishesh Gupta	Son
Late Gora Lal Garg	Spouse's Father
Veera Garg	Spouse's Mother
Simmy Kansal	Spouse's Sister
Kiran Bala Singal	Spouse's Sister
Parv Gupta	
Naresh Kumar	Father
Ritu Garg	Mother
Vishesh Gupta	Brother

a) Companies / entities forming part of the Promoter Group

Sr. No.	Name of the entities
1.	Gora Lal & Sons (Proprietorship Firm of Naresh Kumar)
2.	Parv International (Proprietorship Firm of Ritu Garg)
3.	Naresh Kumar & Sons HUF
4.	Govind Rice Mills (Partnership Firm)

Other than as disclosed here, our Company has no companies or entities that form part of our Promoter Group.

Other Confirmations

Neither our Promoters nor members of the Promoters' Group have been declared as wilful defaulters by the RBI or any other governmental authority nor there are any violations of securities laws committed by them in the past or are currently pending against them.

Our Promoters have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018

Neither Promoters nor entities forming part of our Promoters' Group have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoters and members of the Promoters' Group are not and have never been promoter, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority in India or abroad.

Except as disclosed in the chapter titled "*Outstanding Litigation and Material Developments*" on page 293, there is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of this Draft Red Herring Prospectus against our Promoters or Promoter Group.

Shareholding of the Promoter Group in our Company

For details of shareholding of members of our Promoter Group as on the date of this Draft Red Herring Prospectus, please refer the chapter titled "*Capital Structure*" beginning on page 86.

Collaboration Agreements

Our Company is not a party to any collaboration agreements.

Material Agreement

Our Company has not entered into any material agreements other than the agreements entered into by it in ordinary course of business.

OUR GROUP COMPANY

Pursuant to a resolution of our Board dated April 09, 2026, in accordance with the SEBI (ICDR) Regulations, 2018 during the period for which financial information is disclosed in the Draft Red Herring Prospectus, covered under the applicable Accounting Standards i.e., GAAP with whom our Company has had related party transactions for Fiscal years ended March 31, 2026, March 31, 2025, and March 31, 2024 and also other companies as considered material by the Board as per the materiality policy adopted by the Board pursuant to its resolution dated April 09, 2026, (the “**Materiality Policy on Group Companies**”) for the purpose of disclosure in the Offer document in connection with the Offer.

In terms of the Materiality Policy on Group Companies apart from the companies with which there have been related party transactions during the period for which financial information has been disclosed under this Draft Red Herring Prospectus, a company is considered to be a material Group Company as under:

- a) The companies with which there were related party transactions (in accordance with AS-18), as disclosed in the Restated Financial Statements (“**Restated Financial Statements**”); or
- b) if such company fulfils both the below mentioned conditions: -
 - i. such company that forms part of the Promoter Group of the Company in terms of Regulation 2 (1) (pp) of the SEBI(ICDR) Regulations; and
 - ii. the Company has entered into one or more transactions during the immediately preceding fiscal year or audit period, as applicable, where the aggregate value of such transactions exceeds 10% of company’s total revenue as per Restated Financial Statements.

Accordingly, based on the parameters outlined above, our Company does not have any Group Company as on the date of this Draft Red Herring Prospectus.

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DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board to the Shareholders for their approval, at their discretion, subject to compliance with the provisions of our Articles of Association and the Companies Act, including the rules made thereunder and other relevant regulations, if any, each as amended. Further the Board shall also have the absolute power to declare interim dividend in compliance with the Companies Act. The dividend distribution policy of our Company was approved and adopted by our Board on April 09, 2026. In terms of the Dividend Policy, the dividend, if any, will depend of a number of internal and external factors, which, inter alia, include (a) capital expenditure for expansion, (b) prospective projects, (c) growth of business, (d) working capital needs, (e) acquisitions, (f) political, tax or regulatory changes, and (g) material changes relating to the operations of our Company or the economic or technological environment impacting the business of our Company. The circumstances under which the shareholders may not expect dividend distribution, inter alia, include (a) where eligibility criteria for recommendation of dividend has not been met by our Company including any regulatory restriction placed on our Company; (b) where our Board of Directors strongly believes in the need to conserve capital or funds required for contingencies or unforeseen future events; (c) where there is inadequacy of profit

Our Company has not declared any dividends in the last three fiscals and the period between last audited period and the date of filing of this Draft Red Herring Prospectus.

For further details, please refer to section titled “*Restated Financial Statements*” beginning on page 227.

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SECTION V: FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

To,
The Board of Directors
Decent Spinners Limited
(Formerly Known as Decent Spinners Private Limited)
V.P.O. Kohand Gharaunda, Karnal, Haryana 132114

Dear Sir/Ma'am,

We, **Vinay I Aggarwal & Associates, Chartered Accountants** have examined the attached Restated Financial Information of **Decent Spinners Limited** (Formerly Known as Decent Spinners Private Limited) (hereinafter referred as "the Company" or the "Issuer") comprising the Restated Statement of Assets and Liabilities of the Company as at March 31, 2026, March 31, 2025, and March 31, 2024, the Restated Statements of Profit and Loss of the company, the Restated Cash Flow Statement of the company for the year ended on March 31, 2026, March 31, 2025, and March 31, 2024, the Summary Statement of Significant Accounting Policies adopted by the company and notes to the restated financial information (collectively hereinafter referred as "Restated Financial Statement" or "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 10th June 2026 for the purpose of inclusion in the Draft Red-Herring Prospectus/ Red-Herring Prospectus/ Prospectus (together the "Offer Documents") prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares ("SME IPO") at SME Platform of BSE Limited ("BSE SME").

1. These restated Summary Statement have been prepared in terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India ("SEBI"), the relevant Stock Exchange ("BSE SME") and Registrar of Companies, Haryana ("ROC") in Connection with the proposed SME IPO of the company. The Restated Financial Information of the company have been extracted and prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Information. The Board of Directors of the Company responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. 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 25th April, 2026;
- 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.

4. This Restated Financial Information have been compiled by the management from:

- a) Audited financial statements of the Company as at year ended and for the year ended, March 31, 2026, March 31, 2025, and March 31, 2024, prepared in accordance with the Indian Accounting Standards ("Indian GAAP") which have been approved by the Board of Directors at their meeting held on 29th May 2026, 13th September 2025 and 01st August 2024 respectively.

5. For the purpose of our examination, we have relied on:

Auditors' Report issued by us dated 29th May 2026 on the financial statements of the company as at and for the year ended March 31, 2026

Auditors' Report issued M S K G & Co. dated 13th September 2025 on the financial statements of the company as at and for the year ended March 31, 2025

Auditors' Report issued Deepak G C Goel & Associates dated 01st August 2024 on the financial statements of the company as at and for the year ended March 31, 2024, as referred in Paragraph 4(a) above.

Reliance has been placed on the restated statement of assets and liabilities and the restated statements of profit and loss and cash flow statements, the Summary Statement of Significant Accounting Policies adopted by the company and notes to the restated financial information (collectively hereinafter referred as "Restated Financial Statement" or "Restated Financial Information") examined by us for the said years.

6. Based on our examination and according to the information and explanations given to us, we report that:

- a) The "Restated Summary Statement of Assets and Liabilities" as set out in **Annexure I** to this report, of the Company as at March 31, 2026, March 31, 2025, March 31, 2024 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
- b) The "Restated Summary Statement of Profit and Loss" as set out in **Annexure II** to this report, of the Company for the year ended March 31, 2026, March 31, 2025 and March 31, 2024, are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting

Policies and Notes to Accounts as set out in Annexure IV to this Report.

- c) The “Restated Summary Statement of Cash Flow” as set out in **Annexure III** to this report, of the Company for the year ended March 31, 2026, March 31,2025 and March 31,2024, are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Cash Flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
 - d) The Restated Standalone Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
 - e) The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years to which they relate, if any and there are no qualifications which require adjustments;
 - f) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
 - g) There were no qualifications in the Audit Reports issued by the Statutory Auditors as at and for the year ended March 31, 2026, March 31,2025 and March 31, 2024.
 - h) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Annexure IV to this report;
7. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the year ended March 31, 2026, March 31,2025 and March 31,2024.

Annexure No.	Particulars
I	Restated Statement of Assets & Liabilities
II	Restated Statement of Profit & Loss
III	Restated Cash Flow Statement
IV (A)	Statement of Significant Accounting Policies & Notes
IV (B)	Reconciliation of Restated Profit
IV (C)	Reconciliation of Restated Equity/ Net Worth
V	Restated Statement of Share Capital
VI	Restated Statement of Reserves & Surplus
VIIA	Restated Statement of Long Term / Short term Borrowings
VIII	Restated Long-Term Provisions
VIIB	Nature of security & terms of repayment for long/ short term borrowings including current maturities

IX	Restated Statement of Trade Payable
X	Restated Statement of Other Current Liabilities
XI	Restated Statement of Short-Term Provisions
XII	Restated Statement of Property, Plant, and Equipment
XIII	Restated Statement of Deferred Tax Assets
XIV	Restated Statement of Non- Current Investment
XV	Restated Statement of Long-Term Loan and advances
XVI	Restated Statement of Other Non-Current Assets
XVII	Restated Statement of Inventories
XVIII	Restated Statement of Trade Receivable
XIX	Restated Statement of Cash & Bank Balances
XX	Restated Statement of Short-Term Loans and Advances
XXI	Restated Statement of Other Current Assets
XXII	Restated Statement of Revenue from operations
XXIII	Restated Statement of Other Income
XXIV	Restated Statement of Cost of Material Consumed
XXV	Restated Statement of Purchase of Stock in Trade
XXVI	Restated Statement of Changes in Inventories
XXVII	Restated Statement of Employees Benefit Expenses
XXVIII	Restated Statement of Finance Cost
XXIX	Restated Statement of Other Expenses
XXX	Restated Detail of Exceptional Item
XXXI	Restated Standalone Statement of Financial Ratio
XXXII	Restated Statement of Related Parties Transactions
XXXIII	Statement of Capitalization, As Restated
XXXIV	Statement of Tax Shelter, As Restated
XXXV	Statement of Contingent Liabilities & Commitments, As Restated
XXXVI	Statement of Other Financial Information, As Restated
XXXVII	Notes to Standalone Restated Financial Statement

8. We, M/s. Vinay I Aggarwal & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI which is valid till 30th June, 2028.
9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by the Auditor, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Red-Herring Prospectus to be filed with Securities and Exchange Board of India (“SEBI”), the relevant stock exchange (“BSE SME”) and Registrar of Companies, Haryana (“ROC”) in connection with the proposed SME IPO of the company. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For M/s. Vinay I Aggarwal & Associates
Chartered Accountants
Firm’s Reg No. 019631N

Sd/-
CA. Shobhit Gupta Partner
Membership No. 502897

Place: Delhi
Date: 10th June 2026
UDIN: 26502897SCVJEO1042

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DECENT SPINNERS LIMITED
(FORMERLY KNOWN AS DECENT SPINNERS PRIVATE LIMITED)
CIN: U74899HR1990PLC143283

ANNEXURE – I

RESTATED STATEMENT OF ASSETS AND LIABILITIES

Particulars	Annexure	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
		(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
EQUITY AND LIABILITIES				
Shareholders' funds				
(a) Share capital	V	133.73	133.73	133.73
(b) Reserves and surplus	VI	1,523.39	479.05	241.65
		1,657.12	612.78	375.38
Non-current liabilities				
(a) Long-term Borrowings	VIIA	1,105.92	571.25	766.96
(b) Deferred tax liabilities (Net)	XIII	-	12.09	7.86
(c) Long term provisions	VIII	28.55	8.87	6.09
		1,134.47	592.21	780.91
Current liabilities				
(a) Short term borrowings	VIIA	2,149.37	1,573.63	1,352.05
(b) Trade payables	IX			
(i) total outstanding dues of micro and small enterprises; and		200.60	19.46	-
(ii) total outstanding dues of creditors other than micro and small enterprises		49.64	1.88	24.29
(c) Other current liabilities	X	170.72	54.77	107.45
(d) Short-term provisions	XI	337.02	73.26	9.74
		2,907.35	1,723.00	1,493.53
TOTAL		5,698.94	2,927.99	2,649.82
ASSETS				
Non-current assets				
(a) Property, plant and equipment and Intangible assets				
(i) Property, Plant and Equipment	XII	991.86	605.64	647.65
(ii) Capital Work in Progress	XII	-	16.77	-
(b) Deferred tax assets (net)	XIII	0.60	-	-
(c) Non Current Investment	XIV	27.75	18.75	9.75
(d) Long-term loans and advances	XV	158.44	165.07	-
(e) Other non-current assets	XVI	41.04	41.04	41.13
		1,219.69	847.27	698.53
Current assets				
(a) Inventories	XVII	1,997.23	1,800.58	1,764.93
(b) Trade receivables	XVIII	2,094.14	264.06	134.92
(c) Cash and bank balances	XIX	157.24	11.19	3.21
(d) Short-term loans and advances	XX	217.70	3.27	47.09
(e) Other current assets	XXI	12.94	1.62	1.14
		4,479.25	2,080.72	1,951.29
TOTAL		5,698.94	2,927.99	2,649.82

As per our report of even date attached

For Vinay I Aggarwal & Associates
Chartered Accountants
FRN: 019631N
Peer Review No: 021252

For and on behalf of the Board of Directors of
Decent Spinners Limited

Sd/-

Sd/-

Sd/-

CA Shobhit Gupta
Partner
Membership No : 502897

Naresh Kumar
DIN: 00736018
Managing Director

Parv Gupta
DIN: 11032995
Whole Time Director and CFO

Sd/-

Puja Aggarwal
Company Secretary & Compliance Officer
Membership No : 57088

Place: Karnal
Date: 10th June, 2026
UDIN:-26502897SCVJEO1042

Place: Karnal
Date: 10th June, 2026

DECENT SPINNERS LIMITED
(FORMERLY KNOWN AS DECENT SPINNERS PRIVATE LIMITED)
CIN: U74899HR1990PLC143283

ANNEXURE- II

RESTATED STATEMENT OF PROFIT AND LOSS

Particulars	Annexure	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
		(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Income				
Revenue from operations	XXII	8,611.56	5,102.68	3,633.38
Other income	XXIII	7.32	1.63	4.91
TOTAL INCOME		8,618.88	5,104.31	3,638.29
Expenses				
(a) Cost of Materials consumed	XXIV	5,354.17	1,833.70	1,745.74
(b) Purchase of stock-in-trade	XXV	1,030.94	2,216.69	1,772.04
(c) Changes in inventories of finished goods and stock in trade	XXVI	(256.22)	1.74	(725.09)
(d) Employee benefits expense	XXVII	220.04	169.01	163.84
(e) Finance costs	XXVIII	253.20	209.98	191.81
(f) Depreciation	XII	97.32	77.98	85.86
(g) Other expenses	XXIX	421.30	261.97	319.76
TOTAL EXPENSES		7,120.75	4,771.07	3,553.96
Profit / (Loss) before tax and exceptional item		1,498.13	333.24	84.33
Exceptional Items	XXX	70.37	-	-
Profit / (Loss) before tax		1,427.76	333.24	84.33
Tax expenses:				
(a) Current tax expense	XXXIV	396.11	91.61	14.08
(b) Deferred tax expense / (benefit)		(12.69)	4.23	(1.94)
Net tax expense/(benefit)		383.42	95.84	12.14
Profit / (Loss) for the year		1,044.34	237.40	72.19
Earnings per share				
Basic & Diluted (Post bonus)		7.10	1.61	0.49

As per our report of even date attached

For Vinay I Aggarwal & Associates
Chartered Accountants
FRN: 019631N
Peer Review No: 021252

For and on behalf of the Board of Directors of
Decent Spinnners Limited

Sd/-

CA Shobhit Gupta
Partner
Membership No : 502897

Sd/-

Naresh Kumar
DIN: 00736018
Managing Director

Sd/-

Parv Gupta
DIN: 11032995
Whole Time Director and CFO

Sd/-
Puja Aggarwal
Company Secretary & Compliance Officer
Membership No : 57088

Place: Karnal
Date: 10th June, 2026
UDIN:-26502897SCVJEO1042

Place: Karnal
Date: 10th June,2026

DECENT SPINNERS LIMITED (FORMERLY KNOWN AS DECENT SPINNERS PRIVATE LIMITED) CIN: U74899HR1990PLC143283 ANNEXURE- III RESTATED CASH FLOW STATEMENT			
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
A Cash flow from operating activities:			
Net profit before tax	1,427.76	333.24	84.33
Adjustments:			
Depreciation & Amortisation	97.32	77.98	85.86
(Profit) or Loss on Sale/Fire of Machinery	32.23	-	-
Interest Income	(1.51)	(1.18)	(1.61)
Interest on Income tax refund	-	-	(0.12)
Foreign Currency Exchange Fluctuation	1.39	-	-
Interest on Income tax and statutory dues	19.97	1.44	-
Profit on Sale of Mutual Fund	-	-	(3.30)
Finance Cost	233.22	208.54	191.69
Provision for Gratuity	20.53	2.88	1.38
	403.15	289.66	273.90
Operating cash flow before working capital changes	1,830.92	622.90	358.23
Movement in working capital			
I. Adjustments for (Increase)/decrease in operating assets :			
Trade receivables	(1,831.47)	(129.14)	39.70
Inventories	(196.65)	(35.65)	(749.85)
Short-term loans & advance	(214.43)	43.82	12.36
Other Current Assets	(11.32)	(0.48)	(0.40)
II. Adjustments for Increase/(decrease) in operating liabilities :			
Trade payables	228.90	(2.95)	8.68
Other current liabilities	115.95	(52.68)	3.95
	(1,909.01)	(177.08)	(685.57)
Cash generated from operations	(78.09)	445.82	(327.34)
Net income taxes paid	(153.18)	(29.62)	(6.57)
Net cash (used in) / provided by operating activities (A)	(231.27)	416.19	(333.91)
B Cash flows from investing activities:			
Purchase of fixed assets	(548.86)	(52.74)	(7.26)
Long term loan and advances	6.63	(165.07)	-
Investment Made	(9.00)	(9.00)	-
Proceeds from sale of Investment	-	-	12.23
Proceeds from Sales of fixed assets	49.86	-	36.43
Term Deposit	-	-	(6.93)
Security Deposits (paid)/received	-	0.09	(4.17)
Interest Received	1.51	1.18	1.61
Net cash provided by /(used in) investing activities (B)	(499.87)	(225.54)	31.91
C Cash flows from Financing activities:			
Proceeds from Borrowings	1,439.72	355.90	842.00
(Repayment) of Borrowings	(329.31)	(330.03)	(346.10)
Interest paid	(233.22)	(208.54)	(191.69)
Net cash flow from/ (used in) financing activities (C)	877.18	(182.67)	304.21
Net increase / (decrease) in cash & cash equivalents (A+B+C)	146.05	7.98	2.21
Cash & cash equivalents as at the beginning of the year	11.19	3.21	1.00
Cash & cash equivalents as at the end of the year	157.24	11.19	3.21
Notes to Cash Flow Statement			
Component of cash and cash equivalent :			
- Cash in hand	4.58	11.14	3.16
- Balance with Bank	152.66	0.05	0.05
	157.24	11.19	3.21

Note: Cash Flow Statement has been prepared under the Indirect Method.

As per our report of even date attached

For Vinay I Aggarwal & Associates
Chartered Accountants
FRN: 019631N
Peer Review No: 021252

Sd/-

CA Shobhit Gupta
Partner

Membership No : 502897

For and on behalf of the Board of Directors of
Decent Spinnners Limited

Sd/-

Naresh Kumar
DIN: 00736018
Managing Director

Sd/-

Pary Gupta
DIN: 11032995
Whole Time Director and
CFO

Sd/-
Puja Aggarwal
Company Secretary & Compliance Officer
Membership No : 57088

Place: Delhi
Date: 10th June, 2026
UDIN:-26502897SCVJEO1042

Place: Karnal
Date: 10th June, 2026

ANNEXURE IV (A)

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & NOTES TO RESTATED FINANCIAL STATEMENTS

1 COMPANY INFORMATION

DECENT SPINNERS LIMITED (CIN: U74899HR1990PLC143283; hence forth referred to as “the Company”) was incorporated on 23/05/1990 having registered office at V.P.O. Kohand Gharaunda, Karnal, Haryana 132114 with main objects of carrying on the business of manufacturing, trade, and export or otherwise deal in blankets and/or yarn. Company is converted into public Limited on 09/04/2026 and registered office of the company been shifted from 41-B Ramgarh, Jahangirpuri, New Delhi-110033 to its current registered office during the year 25-26.

2 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

The Restated Financial Information of the Company comprises the Restated Statement of Assets and Liabilities as at 31st March, 2026, 31st March, 2025 and 31st March, 2024, the Restated Statement of Profits and Loss and cash flows for the year ended on 31st March 2026, 31st March 2025, and 31st March, 2024 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 31st March 2026, 31st March, 2025, and 31st March, 2024, 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). 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.

The restated Financial information of the Company comprises the Restated Statement of Assets and Liabilities as at 31st March, 2026, 31st March, 2025, and 31st March, 2024, to comply with requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013 ('the Act').

The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended in pursuance of the Securities and Exchange Board of India Act, 1992; and the Guidance Note on Reports in Company Prospectuses (Revised 2019), as amended, issued by the Institute of Chartered Accountants of India (ICAI) (the “Guidance Note”).

The financial statements of the company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises the Accounting Standards notified u/s 133 of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees. The accounting policies have been framed, keeping in view the fundamental accounting assumptions of Going Concern, Consistency and Accrual, as also basic considerations of Prudence, Substance over form, and Materiality. These have been applied consistently, except where a newly issued accounting standard is initially adopted or a revision in the existing accounting standards require a revision in the accounting policy so far in use. The need for such a revision is evaluated on an ongoing basis.

The Financial Statements have been prepared on a going concern basis, in as much as the management neither intends to liquidate the company nor to cease operations. Accordingly, assets, liabilities, income and expenses are recorded on a Going Concern basis.

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it is:

Expected to be realized or intended to be sold or consumed in normal operating cycle;

Held primarily for the purpose of trading;

Expected to be realized within twelve months after the reporting period; or

Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it is:

Expected to be settled in normal operating cycle;

Held primarily for the purpose of trading;

Due to be settled within twelve months after the reporting period; or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the recognition of assets and their realization in cash and cash equivalents. The Company has considered twelve months as its operating cycle.

c) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods.

d) Revenue Recognition

The Company follows the accrual method of accounting and all claims, receivable and liabilities are provided on that basis. All revenue is recognised on accrual basis except non-recurring income is accounted otherwise.

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Sales excludes Goods & Service Tax and trade discount.

Sale of Services

Revenue from services is recognized net of GST on proportionate basis as and when services are rendered.

Interest Income

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable i.e. on the basis of matching concept.

e) Property, Plant and Equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses.

Property, plant and equipment retired from active use and held for sale, if any, are stated at the lower of their net book value and net realizable value and are disclosed separately in the balance sheet.

An item of property, plant and equipment and any significant part thereof initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of profit and loss when the asset is derecognized.

Capital work-in-progress

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost and related incidental expenses.

f) Depreciation

i. Property, Plant & Equipment

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the written down value method as per the useful lives as prescribed in Schedule II to the Companies Act, 2013 unless provided otherwise:

Assets	Useful Life
Building	30 Years
Computers	3 Years
Electrical Office equipment	10 Years
Blanket Plant and machinery*	30 Years
Other Plant and machinery	15 Years
Computers	3 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years

The useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

* Life of Blanket Machinery is taken as 30 years on the basis of certificate issued by Chartered Engineer.

g) Inventories

Inventories comprise of Raw Material, Finished Goods and Stock-in-Trade.

Raw materials are measured at the lower of cost and net realisable value. The cost of raw materials is based on the first-in first-out method principle. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Stock-in-trade are valued at lower of cost and net realizable value. The cost of stock-in-trade is based on the first-in-first-out method principle.

Finished goods are valued at lower of cost and net realizable value. The cost of finished goods includes raw material costs (net of recoverable taxes), direct cost of conversion and proportionate allocation of indirect costs incurred in bringing the inventories to their present location and condition.

h) Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made are classified as current investments or short term investment. All other investments are classified as non current investment or long-term investments. Investments are valued at cost inclusive of expenses incidental to their acquisition. Long term investments are carried at cost and any diminution in value is not recognized if such diminution is temporary in the opinion of the management. Short term investment are carried at the lower of cost and fair market value.

i) Operating lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease charges are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

j) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are really convertible into known amounts of cash and which are subject to insignificant risk of change in value.

k) Foreign currency transactions

Initial recognition:

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the balance sheet date:

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Treatment of exchange differences:

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

l) Employee benefits

Short-term employee benefits

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, leave encashment, incentives etc. and the same are recognised in the period in which the employee renders the related service.

Other long-term employee benefits

Expected to be settled beyond 12 months, and recognised based on actuarial valuation. Actuarial gains or losses are recognised in the Statement of Profit and Loss in the period in which they arise.

Defined contribution plans

The Company's contribution to provident fund and ESIC is considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity (unfunded), the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

l) Taxation

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

m) Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

n) Borrowing costs

Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

o) Earnings per Share

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extra ordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares, if any.

p) Cash Flow Statements:

Cash flows are reported using the indirect method, whereby profit / (loss) after tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

q) Operating Cycle:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current. As a result, current assets comprise elements that are expected to be realised within 12 months after the reporting date and current liabilities comprise elements that are due for settlement within 12 months after the reporting date.

r) Segment information

Based on similarity of activities, risks and reward structure, organization structure and internal reporting systems, the Company's primary business segment is providing Manufacturing and Trading of blanket and yarns.

s) Changes in Accounting Policies in the Periods/ Years Covered in the Restated Financials

There is only change in Significant Accounting Policies which needs to be adjusted in the Restated Summary Statements includes the impact of provision of gratuity made on actuarial valuation basis report.

ANNEXURE- IV (B)

RECONCILIATION OF RESTATED PROFIT

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Net Profit/ (loss) after tax as per audited statement of Profit & Loss	1,076.64	210.96	84.65
Adjustments for:			
Excess/ (Short) Provision for Tax	-	(5.98)	2.88
Excess/ (Short) Provision for Gratuity	-	(2.88)	(1.38)
Excess/ (Short) Change in Depreciation	(24.22)	50.97	(15.90)
Deferred Tax (Liability)/ Assets Adjustment	(8.08)	(15.66)	1.94
Net Profit/ (loss) after tax as Restated	1,044.34	237.40	72.19

Explanatory Notes to the above restatements made in Audited Financial Statements of the Company for the respective years.

To give Explanatory Notes regarding Adjustments

Appropriate adjustment have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets & liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years & the requirements of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018. The detailed explanation to the above adjustments are as follows:

Explanatory Notes to the aforesaid adjustments

For the year ended March 31, 2026

- 1. (Increase)/ Decrease in Depreciation:** Due to correct classification and depreciation rate been applied as per schedule II of Companies Act, 2013 .
- 2. Deferred Tax (Liability)/ Assets Adjustment:** Deferred Tax adjustment has been made owning the tax effect of disallowability of Provision for Gratuity and Change in Depreciation, .

For the year ended March 31, 2025

- 1. Excess/ (Short) Provision for Tax:** Short Provision for tax was created in the Audited Financial Statements due to disallowances of Provision for Gratuity in the Restated Financial Statements which was not disallowed in the Audited Financial Statements.
- 2. Excess/ (Short) Provision for Gratuity:** Provision for Gratuity has been created as per the Actuarial Report. The Gratuity was not booked in the Audited Financial Statements.
- 3. (Increase)/ Decrease in Depreciation:** Due to correct classification and depreciation rate been applied as per schedule II of Companies Act, 2013 .
- 4. Deferred Tax (Liability)/ Assets Adjustment:** Deferred Tax adjustment has been made owning the tax effect of disallowability of Provision for Gratuity and Change in Depreciation, .

For the year ended March 31, 2024

- 1. Excess/ (Short) Provision for Tax:** Short Provision for tax was created in the Audited Financial Statements due to disallowances of Provision for Gratuity in the Restated Financial Statements which was not disallowed in the Audited Financial Statements.
- 2. Excess/ (Short) Provision for Gratuity:** Provision for Gratuity has been created as per the Actuarial Report. The Gratuity was not booked in the Audited Financial Statements.
- 3. (Increase)/ Decrease in Depreciation:** Due to correct depreciation rate been applied as per Companies Act .
- 4. Deferred Tax (Liability)/ Assets Adjustment:** Deferred Tax adjustment has been made owning the tax effect of disallowability of Provision for Gratuity, and Change in Depreciation.

ANNEXURE- IV (C)

RECONCILIATION OF RESTATED EQUITY/ NETWORTH

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Equity/Net worth as per audited financial Statements	1,660.21	592.93	381.97
Adjustments for:			
Adjustment for gratuity obligation for earlier years	-	-	(5.10)
Adjustment for Depreciation for earlier years	-	-	(10.84)
Excess/ (Short) Provision for Gratuity	-	(9.36)	(1.38)
Excess/ (Short) Depreciation	-	24.23	(15.90)
Excess/ (Short) Provision for Tax	(3.10)	(3.10)	2.88
Deferred Tax (Liability)/ Assets Adjustment	-	8.08	23.75
Equity/Net worth as Restated	1,657.12	612.78	375.38

Explanatory Notes to the above restatements made in Audited Financial Statements of the Company for the respective years.

To give Explanatory Notes regarding Adjustments

Appropriate adjustment have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets & liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years & the requirements of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018.

Explanatory Notes to the aforesaid adjustments

1. Excess/ (Short) Provision for Tax: Accumulated effect of Excess provision for Tax, includes effect of 2023-24, 2024-25 and 2025-26, was created in the Audited Financial Statements due to disallowances of Provision for Gratuity in the Restated Financial Statements which was not disallowed in the Audited Financial Statements. The same has been disallowed while preparing Restated Financial Statements.

2. Excess/ (Short) Provision for Gratuity: Accumulated effect of Excess provision for Gratuity, includes effect of F.Y. 2023-24 and 2024-25 along with current year, has been created by the Company. However, Gratuity as per Actuarial Report has been taken at the time of preparation of Restated Financial Statements.

3. Cumulative effect of (Increase)/ Decrease in Depreciation: Due to correct depreciation rate been applied as per Companies Act.

4. Deferred Tax (Liability)/ Assets Adjustment: Deferred Tax adjustment has been made owing the tax effect of disallowability of Provision for Gratuity, and Change in Depreciation, . In this year Deferred tax Expenses/(Income) not been charged to profit and loss account and directly adjusted to reserve and surplus.

NOTES TO THE RESTATED FINANCIAL INFORMATION

ANNEXURE- V

DETAILS OF SHARE CAPITAL AS RESTATED

1. Statement of Share Capital:

Particulars	As at March 31, 2026		As at March 31, 2025		As at March 31, 2024	
	Number of shares	(Rs. in lakhs)	Number of shares	(Rs. in lakhs)	Number of shares	(Rs. in lakhs)
Authorised Capital						
Equity shares of Rs.10/- each with voting rights (In FY 2025 and 2024, face value of share were Rs. 100/-)	22,000,000	2,200.00	150,000	150.00	150,000	150.00
Total	22,000,000	2,200.00	150,000	150.00	150,000	150.00
Issued, Subscribed and fully paid up						
Equity shares of Rs.10/- each with voting rights (In FY 2025 and 2024, face value of share were Rs. 100/-)	1,337,300	133.73	133,730	133.73	133,730	133.73
Total	1,337,300	133.73	133,730	133.73	133,730	133.73

Terms/rights attached to equity share:

- As on date of report the company has only one class of equity shares.
- The Company has in order to improve the liquidity of the shares and to make them more affordable for the shareholders split/sub divide the existing shares of the company having a face value of Rs. 100/- (Rupees Hundred Only) each into equity share of Rs. 10/- (Rupees Ten Only) each vide a resolution passed at EGM of the company held at registered office of the company dated 27th January 2026 and the same were also approved by board in the meeting held on 23rd January 2026.
- The Company has increased its authorised share capital from Rs. 1,50,00,000 divided into 15,00,000 shares of Rs.10 each to Rs. 22,00,00,000 divided into 2,20,00,000 shares of Rs.10 each vide a resolution passed at EGM of the Company held at registered office of the Company dated 16th March 2026.
- The Company has increased its authorised share capital from Rs. 22,00,00,000 divided into 2,20,00,000 shares of Rs.10 each to Rs. 24,50,00,000 divided into 2,45,00,000 shares of Rs.10 each vide a resolution passed at EGM of the Company held at registered office of the Company dated 20th April 2026.
- The Company had undertaken bonus issue and issued 1,33,73,000 equity shares having face value of Rs. 10 each by way of passing resolution by shareholder of the company in EGM held on 06th April 2026 for the allotment of bonus shares in ratio of 10 shares for every 1 share held.
- Other than bonus issue as mentioned in note , if any, there are no buy back of equity shares and equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.
- No shares were reserved for issue under contracts / commitment for sale of shares / disinvestment.

2. Reconciliation of the number of Shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
At the beginning of the year	133,730	133,730	133,730
Additional Shares due to split of shares	1,203,570	-	-
Total	1,337,300	133,730	133,730

3. Details of shareholders hoding more than 5% shares in the Company (in terms of No. of Shares)

Class of shares / Name of shareholder	Year ended on March 31, 2026		Year ended on March 31, 2025		Year ended on March 31, 2024	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights						
Naresh Kumar	882,980	66.03%	45,500	34.02%	45,500	34.02%
Veera Garg	-	0.00%	46,000	34.40%	46,000	34.40%
Ritu Garg	343,800	25.71%	37,580	28.10%	37,580	28.10%
Total	1,226,780	91.74%	129,080	96.52%	129,080	96.52%

4. Shares held by promoters

Name of promoters	Year Ending on March 31, 2026			
	No. of Share	% of Total Share	Absolute change	% Change during the year
Equity shares with voting rights				
Naresh Kumar	882,980	66.03%	837,480	32.01%
Parv Gupta	32,000	2.39%	32,000	2.39%
Ritu Garg	343,800	25.71%	306,220	-2.39%

Name of promoters	Year Ending on March 31, 2025			
	No. of Share	% of Total Share	Absolute change	% Change during the year
Equity shares with voting rights				
Naresh Kumar	45,500	34.02%	-	0.00%
Ritu Garg	37,580	28.10%	-	0.00%

Name of promoters	Year Ending on March 31, 2024			
	No. of Share	% of Total Share	Absolute change	% Change during the year
Equity shares with voting rights				
Naresh Kumar	45,500	34.02%	-	0.00%
Ritu Garg	37,580	28.10%	-	0.00%

Terms & Rights attached to Equity Shares

The Company has issued one class of equity shares having a face value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes:

- The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
- The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- VI

DETAILS OF RESERVES & SURPLUS AS RESTATED

Particulars	As at March 31, 2026 (Rs. in lakhs)	As at March 31, 2025 (Rs. in lakhs)	As at March 31, 2024 (Rs. in lakhs)
Securities premium			
Opening balance	115.43	115.43	115.43
Closing balance (a)	115.43	115.43	115.43
Surplus / (Deficit) in Statement of Profit and Loss			
Balance at the beginning of the year	363.62	126.22	69.97
Add: Profit / (Loss) of the year	1,044.34	237.40	72.19
Less:- Change due to gratuity obligation for earlier years	-	-	(5.10)
Less: Depreciation for earlier years			(10.84)
Balance at the end of the year (b)	1,407.96	363.62	126.22
Total Reserve and Reserve and Surplus (a+b)	1,523.39	479.05	241.65

ANNEXURE- VIIA

DETAILS OF LONG/ SHORT TERM BORROWINGS AS RESTATED

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
LONG TERM BORROWINGS			
<u>Secured Loan</u>			
From Banks	635.72	270.98	298.80
Less: Current Maturities of long term borrowings	(166.52)	(166.52)	(80.81)
Total	469.20	104.46	217.99
<u>Unsecured Loan</u>			
From Directors and relatives	636.72	466.79	548.97
Grand Total	1,105.92	571.25	766.96
SHORT TERM BORROWINGS			
<u>Secured Loan</u>			
Cash Credit	1,982.85	1,407.11	1,271.24
Current Maturities of long term borrowings	166.52	166.52	80.81
Total	2,149.37	1,573.63	1,352.05

Notes:

1. Nature of Security & Terms of Repayment for Long/ Short Term Borrowings are disclosed in Annexure VIIB.
2. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
3. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.
4. The formal terms of repayment in relation to the unsecured loans mentioned above, have been not defined as the loans taken from the related parties. Also, maturity profile has not been disclosed. Further, the loans are quasi-equity in nature for the long term business purposes.

ANNEXURE- VIII

DETAILS OF LONG TERM PROVISIONS AS RESTATED

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Provision for employee benefits:			
- Gratuity	28.55	8.87	6.09
Total	28.55	8.87	6.09

Notes:

1. The Provisioning for Gratuity has been taken into account based on the Actuarial Valuer Report.
2. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
3. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- VIIB

NATURE OF SECURITY & TERMS OF REPAYMENT FOR LONG/ SHORT TERM BORROWINGS INCLUDING CURRENT MATURITIES

(Rs. in lakhs)

S. No.	Name of the Lender	Purpose	Sanctioned Loan (Rs. in Lakhs)	Amount Outstanding as at March 31, 2026	Amount Outstanding as at March 31, 2025	Amount Outstanding as at March 31, 2024	Latest Rate of Interest	Repayment Terms, Tenure and EMI	Primary and Collateral Security
LONG TERM BORROWING (SECURED: FROM BANK)									
1	Union Bank of India	Term Loan	470.00	128.68	200.99	273.30	Interest rate is equilant to applicable EBLR	Repayment Schedule for term loan of Rs. 470.00 Lakh, date of Sanctioned-22.01.2021, Tenure 84 months (including 6 months moratorium), Repayment in 78 monthly principal installments of Rs. 602564.10/- along with interest to be paid as and when debited.	Refer Note 2.1
2	Union Bank of India	Term Loan	600.00	499.58	55.00	-	Interest rate is equilant to applicable EBLR	Repayment Schedule for term loan of Rs. 600.00 Lakh, date of Sanctioned-29.03.2025, Tenure 84 months (including 0 months moratorium), Repayment in 84 monthly principal installments of Rs.714285.71/- along with interest to be paid as and when debited.	Refer Note 2.2
3	Union Bank of India	Term loan (GECL)	25.50	7.46	14.99	25.50	Interest rate is equilant to applicable EBLR+1% or 7.50% whichever is low.	Repayment Schedule for term loan of Rs. 25.50 Lakh, date of Sanctioned-13.12.2021, Tenure 60 months (including 24 months moratorium), Repayment in 36 monthly principal installments of Rs. 70833.33/- along with interest to be paid as and when debited.	Refer Note 2.3
LONG TERM BORROWING (UNSECURED: FROM DIRECTORS AND RELATIVES)									
1	Naresh Kumar	Unsecured Business Loan	200.00	130.82	88.72	112.65	9.00%	12 months (Renewed annually)	NA
2	Gora Lal and Sons	Unsecured Business Loan	25.00	-	-	1.36	9.00%	12 months (Renewed annually)	NA
3	Naresh Kumar & Sons HUF	Unsecured Business Loan	300.00	194.81	142.91	217.58	9.00%	12 months (Renewed annually)	NA
4	Parv Gupta	Unsecured Business Loan	150.00	61.66	39.72	17.06	9.00%	12 months (Renewed annually)	NA
5	Ritu Garg	Unsecured Business Loan	150.00	102.81	61.80	78.61	9.00%	12 months (Renewed annually)	NA
6	Veerag Garg	Unsecured Business Loan	200.00	146.63	133.64	121.71	9.00%	12 months (Renewed annually)	NA
SHORT TERM BORROWING (SECURED: FROM BANK)									
1	Union Bank of India	Cash Credit	2,200.00	1,982.85	1,407.11	1,271.24	Interest rate is equilant to applicable EBLR	Repayable on Demand and renewable annually.	Refer Note 2.3

Notes:

1. The sanction limits of aforesaid loans from Union Bank of India have been amended pursuant to the Amendatory Credit Arrangement Letter dated 10th December, 2025 of the Union Bank of India from 16 crore to 22 crore.

2. STATEMENT OF PRIMARY & COLLATERAL SECURITY, PERSONAL GUARANTEE, AS RESTATED

Note No.	Particulars
2.1	a) Primary Security:- Hypothecation all Plant & machinery to be purchased through our Bank Finance. b) Collateral Security:- (i) EM of Industrial land & Building measuring 15 Kanal-12 Marla comprised in Khewat no. 257 (New Khewat no. 413), Khatoni no. 597, Rect no. 88, Khasra no. 7/2(0-4), Khatoni no. 598, Rect no. 88 Khasra no. 7/1(7-16), Khewat no. 842, Khatoni no. 1159, Rect no. 88, Khasra no. 14/2(4-9), Khewat no. 846, Khatoni no. 1164, Rect no. 88, Khasra no. 15/1(3-3) situated at Village Kohand, Tehsil Gharaunda, District Karnal owned by M/s Decent Spinners Pvt. Ltd. (ii) EM of Shop no. 446 measuring 188.88 Sq Yards situated at New Grain Market, Karnal owned by Mr. Naresh Kumar Garg (iii) Residential House No. 2 measuring 393.8 Sq. Yards. situated at Ashoka Colony, within Municipal Limits, Karnal owned by Ms. Veera Garg w/o Sh. Gora Lal Garg c) Guarantee:- (i) Naresh Kumar (ii) Veera Garg (iii) Ritu Garg (iv) Parv Gupta v) Naresh Kumar HUF
2.2	a) Primary Security:- Hypothecation all Plant & machinery to be purchased through our Bank Finance. b) Collateral Security:- (i) EM of Industrial land & Building measuring 15 Kanal-12 Marla comprised in Khewat no. 257 (New Khewat no. 413), Khatoni no. 597, Rect no. 88, Khasra no. 7/2(0-4), Khatoni no. 598, Rect no. 88 Khasra no. 7/1(7-16), Khewat no. 842, Khatoni no. 1159, Rect no. 88, Khasra no. 14/2(4-9), Khewat no. 846, Khatoni no. 1164, Rect no. 88, Khasra no. 15/1(3-3) situated at Village Kohand, Tehsil Gharaunda, District Karnal owned by M/s Decent Spinners Pvt. Ltd. (ii) EM of Shop no. 446 measuring 188.88 Sq Yards situated at New Grain Market, Karnal owned by Mr. Naresh Kumar Garg (iii) Residential House No. 2 measuring 393.8 Sq. Yards. situated at Ashoka Colony, within Municipal Limits, Karnal owned by Ms. Veera Garg w/o Sh. Gora Lal Garg c) Guarantee:- (i) Naresh Kumar (ii) Veera Garg (iii) Ritu Garg (iv) Parv Gupta v) Naresh Kumar HUF
2.3	a) Primary Security:- Hypothecation of Stock and Book Debts (Present and future) of Company b) Collateral Security:- (i) EM of Industrial land & Building measuring 15 Kanal-12 Marla comprised in Khewat no. 257 (New Khewat no. 413), Khatoni no. 597, Rect no. 88, Khasra no. 7/2(0-4), Khatoni no. 598, Rect no. 88 Khasra no. 7/1(7-16), Khewat no. 842, Khatoni no. 1159, Rect no. 88, Khasra no. 14/2(4-9), Khewat no. 846, Khatoni no. 1164, Rect no. 88, Khasra no. 15/1(3-3) situated at Village Kohand, Tehsil Gharaunda, District Karnal owned by M/s Decent Spinners Pvt. Ltd. (ii) EM of Shop no. 446 measuring 188.88 Sq Yards situated at New Grain Market, Karnal owned by Mr. Naresh Kumar Garg (iii) Residential House No. 2 measuring 393.8 Sq. Yards. situated at Ashoka Colony, within Municipal Limits, Karnal owned by Ms. Veera Garg w/o Sh. Gora Lal Garg c) Guarantee:- (i) Naresh Kumar (ii) Veera Garg (iii) Ritu Garg (iv) Parv Gupta v) Naresh Kumar HUF

ANNEXURE- IX

DETAILS OF TRADE PAYABLES AS RESTATED

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
total outstanding dues of micro and small enterprises	200.60	19.46	-
total outstanding dues of creditors other than micro and small enterprises	49.64	1.88	24.29
Total	250.24	21.34	24.29

Notes: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	200.60	19.46	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	25.47	-	-
(iii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
(iv) 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 Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	25.47	-	-
(vi) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

Trade payable Ageing as Outstanding for following period from due date of payment
31st March, 2026

		(Rs. in lakhs)					
Particulars	Unbilled	Not Due*	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
- Micro, small and medium enterprises (MSME)	-	-	200.60	-	-	-	200.60
- Other	-	-	49.64	-	-	-	49.64
- Disputed Dues - MSME	-	-	-	-	-	-	-
- Disputed Dues - Other	-	-	-	-	-	-	-
Total	-	-	250.24	-	-	-	250.24

* There is no amount (Not Due) as per agreed terms with parties.

Trade payable Ageing as Outstanding for following period from due date of payment
31st March, 2025

		(Rs. in lakhs)					
Particulars	Unbilled	Not Due*	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
- Micro, small and medium enterprises (MSME)	-	-	19.46	-	-	-	19.46
- Other	-	-	1.88	-	-	-	1.88
- Disputed Dues - MSME	-	-	-	-	-	-	-
- Disputed Dues - Other	-	-	-	-	-	-	-
Total	-	-	21.34	-	-	-	21.34

* There is no amount (Not Due) as per agreed terms with parties.

Trade payable Ageing as Outstanding for following period from due date of payment
31st March, 2024

		(Rs. in lakhs)					
Particulars	Unbilled	Not Due*	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
- Micro, small and medium enterprises (MSME)	-	-	-	-	-	-	-
- Other	-	-	24.29	-	-	-	24.29
- Disputed Dues - MSME	-	-	-	-	-	-	-
- Disputed Dues - Other	-	-	-	-	-	-	-
Total	-	-	24.29	-	-	-	24.29

* There is no amount (Not Due) as per agreed terms with parties.

Notes:

- The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
- The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- X

DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Statutory Dues:			
GST Payable	-	2.10	-
TDS Payable	2.97	4.17	3.15
ESIC Payable	0.03	0.03	0.03
Provident Fund Payable	0.16	0.18	0.14
Interest on Income Tax	18.93	-	-
Interest payable to MSME	25.47	-	-
Other Expenses Payables	14.45	2.03	8.77
Salary Payable (Refer note 3)	21.11	3.52	34.39
Advances from Customers	87.60	42.74	60.97
Total	170.72	54.77	107.45

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.
3. The salary payable contains the director salary payable, if any, as appearing in the Annexure XXXII.

ANNEXURE- XI

DETAILS OF SHORT TERM PROVISIONS AS RESTATED

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Provision for Taxation	335.68	72.78	9.35
Provision for Employment Benefits:			
Gratuity	1.34	0.48	0.39
Total	337.02	73.26	9.74

Notes:

1. Provision for Income Tax have been adjusted against the Advance Tax, TDS & TCS Receivables, if any.
2. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
3. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XII

RECONCILIATION OF RESTATED PROPERTY, PLANT AND EQUIPEMENT

Previous year 2025-26

Property, Plant and Equipment (Rs. In Lakhs)										
Particulars	Gross block				Accumulated depreciation				Net block	Net block
	Balance as at April 1, 2025	Additions	Disposals	Balance as at March 31, 2026	Balance as at April 1, 2025	Depreciation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2026	Balance as at March 31, 2026	Balance as at March 31, 2025
Land	3.53	-	-	3.53	-	-	-	-	3.53	3.53
Buildings	32.69	-	-	32.69	21.38	1.07	-	22.45	10.24	11.31
Plant and Machinery*	965.40	559.84	169.29	1,355.95	394.04	89.75	87.20	396.58	959.37	571.36
Furniture and Fixtures	1.25	-	-	1.25	0.62	0.16	-	0.78	0.47	0.63
Electrical Office Equipment	15.82	5.28	-	21.10	7.89	2.55	-	10.43	10.67	7.93
Computers	2.00	0.51	-	2.51	1.65	0.50	-	2.15	0.36	0.35
Vehicles	48.32	-	-	48.32	37.79	3.29	-	41.08	7.24	10.53
Total	1,069.01	565.63	169.29	1,465.35	463.37	97.32	87.20	473.49	991.86	605.64

*Plant and Machinery includes blanket machinery of Rs. 633.24 Lakhs capitalised in 2021-22 for which management has estimated useful life as 30 years based on technical evaluation carried out by an independent chartered engineer . Accordingly, depreciation for the year is lower by Rs. 22.52 Lakhs for year ended 31st March 2026 and profit the higher by the same amount.

*Plant and Machinery includes blanket machinery of Rs. 515.03 Lakhs capitalised in 2025-26 for which management has estimated useful life as 30 years based on technical evaluation carried out by an independent chartered engineer . Accordingly, depreciation for the year is lower by Rs. 10.79 Lakhs for period ended 31st March 2026 and profit the higher by the same amount.

Capital Work in Progress (Rs. In Lakhs)										
Particulars	Gross block				Accumulated depreciation				Net block	Net block
	16.77	Additions	Capitalised	Balance as at March 31, 2026	Balance as at April 1, 2025	Depreciation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2026	Balance as at March 31, 2026	Balance as at March 31, 2025
Plant and Machinery	16.77	-	16.77	-	-	-	-	-	-	-
Total	16.77	-	16.77	-	-	-	-	-	-	-

Capital Work in Progress ageing schedule

CWIP	Amount in CWIP for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital Work in progress	-	-	-	-	-

Note: Additions to the PPE and CWIP

1. During the Financial year ended 2025-26, the Company has capitalised the machinery.
2. All the immovable properties classified under property, plant and equipment in the financial statement are held in the name of company as on balance sheet date. There are no instances where title deeds are held in the name of any other person or entity.
3. The Company does not have any intangible asset under development during the period . Hence Ageing Schedule not applicable.
4. The Company has not revalued its property, plant and equipment during the period.
5. The Company does not have any project which is temporary suspended.

Previous year 2024-25

(Rs. In Lakhs)										
Property, Plant and Equipment										
Particulars	Gross block				Accumulated depreciation				Net block	Net block
	Balance as at April 1, 2024	Additions	Disposals	Balance as at March 31, 2025	Balance as at April 1, 2024	Depreciation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2025	Balance as at March 31, 2025	Balance as at March 31, 2024
Land	3.53	-	-	3.53	-	-	-	-	3.53	3.53
Buildings	32.69	-	-	32.69	20.19	1.19	-	21.38	11.31	12.50
Plant and Machinery*	934.36	31.04	-	965.40	325.23	68.81	-	394.04	571.36	609.13
Furniture and Fixtures	1.19	0.06	-	1.25	0.41	0.21	-	0.62	0.63	0.78
Electrical Office Equipment	11.80	4.02	-	15.82	5.30	2.59	-	7.89	7.93	6.50
Computers	2.00	-	-	2.00	1.11	0.54	-	1.65	0.35	0.89
Vehicles	47.47	0.85	-	48.32	33.15	4.64	-	37.79	10.53	14.32
Total	1,033.04	35.97	-	1,069.01	385.39	77.98	-	463.37	605.64	647.65

*Plant and Machinery includes mink machinery of Rs. 633.24 Lakhs capitalised in 2021-22 for which management has estimated useful life as 30 years based on technical evaluation carried out by an independent chartered engineer. Accordingly, depreciation for the year is lower by Rs. 26.49 Lakhs for year ended 31st March 2025 and profit the higher by the same amount.

(Rs. In Lakhs)										
Capital Work in Progress										
Particulars	Gross block				Accumulated depreciation				Net block	Net block
	Balance as at April 1, 2024	Additions	Disposals	Balance as at March 31, 2025	Balance as at April 1, 2024	Depreciation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2025	Balance as at March 31, 2025	Balance as at March 31, 2024
Plant and Machinery	-	16.77	-	16.77	-	-	-	-	16.77	-
Total	-	16.77	-	16.77	-	-	-	-	16.77	-

Capital Work in Progress ageing schedule

CWIP	Amount in CWIP for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital Work in progress	16.77	-	-	-	16.77

Note: Additions to the CWIP and PPE

1. During the Financial Year 2024-25, the Company has purchased plant and machinery of Rs. 16.77 Lakhs which is not put to use at year end.
2. There are no projects in Capital Work in Progress that have exceeded the original timeline or original cost as at the reporting date.
3. All the immovable properties classified under property, plant and equipment in the financial statement are held in the name of company as on balance sheet date. There are no instances where title deeds are held in the name of any other person or entity.
4. The Company does not have any intangible asset under development during the period . Hence Ageing Schedule not applicable.
5. The Company has not revalued its property, plant and equipment during the period.
6. The Company does not have any project which is temporary suspended.

Previous year 2023-24

Property, Plant and Equipment

(Rs. In Lakhs)

Particulars	Gross block	Additions	Disposals	Balance as at March 31, 2024	Accumulated depreciation			Balance as at March 31, 2024	Net block	Net block
	Balance as at April 1, 2023				Balance as at April 1, 2023	Depreciation expense for the year	Eliminated on disposal of assets		Balance as at March 31, 2024	Balance as at March 31, 2023
Land	3.53	-	-	3.53	-	-	-	-	3.53	3.53
Buildings	32.69	-	-	32.69	18.88	1.31	-	20.19	12.50	13.81
Plant and Machinery*	1,067.46	2.75	135.85	934.36	348.42	76.23	99.42	325.23	609.13	719.04
Furniture and Fixtures	0.60	0.59	-	1.19	0.35	0.06	-	0.41	0.78	0.25
Electrical Office Equipment	8.66	3.14	-	11.80	3.68	1.62	-	5.30	6.50	4.98
Computers	1.22	0.78	-	2.00	0.97	0.14	-	1.11	0.89	0.25
Vehicles	47.47	-	-	47.47	26.65	6.50	-	33.15	14.32	20.82
Total	1,161.63	7.26	135.85	1,033.04	398.95	85.86	99.42	385.39	647.65	762.68

*Plant and Machinery includes mink machinery of Rs. 633.24 Lakhs capitalised in 2021-22 for which management has estimated useful life as 30 years based on technical evaluation carried out by an independent chartered engineer . Accordingly, depreciation for the year is lower by Rs. 37.83 Lakhs for year ended 31st March 2024 and profit the higher by the same amount.

Note: Additions to the PPE

1. All the immovable properties classified under property, plant and equipement in the financial statement are held in the name of company as on balance sheet date. There are no instances where title deeds are held in the name of any other person or entity.
2. The Company does not have any intangible asset under development during the period . Hence Ageing Schedule not applicable.
3. The Company has not revalued its property, plant and equipement during the period.
4. The Company does not have any project which is temporary suspended.

ANNEXURE- XIII

DETAILS OF DEFERRED TAX ASSETS/(LIABILITIES)- NET AS RESTATED

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
<u>Tax Rate</u>	25.168%	27.82%	26%
<u>Tax effect of items constituting Deferred tax liabilities</u>			
On difference between book balance and tax balance of property, plant and equipment	(30.21)	(14.69)	(24.65)
Total	(30.21)	(14.69)	(24.65)
<u>Tax effects of items Constituting Deferred Tax Asset</u>			
Unabsorbed tax losses & Depreciation	-	-	15.11
Unpaid Gratuity	7.52	2.60	1.68
Disallowances under the Income Tax Act, 1961	23.29	-	-
Total	30.81	2.60	16.79
Net deferred tax asset / (liability)	0.60	(12.09)	(7.86)

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XIV

OTHER NON-CURRENT INVESTMENT AS RESTATED

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Mutual Fund (At Cost)- Other Investment	27.75	18.75	9.75
Unquoted Mutual Funds	27.75	18.75	9.75
Canara Robeco Large and Mid Cap Fund Reg (G Unit Held (No.))	12,715.49	9,152.27	5,411.05
Aggregate value of quoted investment	-	-	-
Aggregate market value of quoted investment	-	-	-
Aggregate carrying value of unquoted investment	27.75	18.75	9.75
Aggregate provision for diminution in value of investment	-	-	-

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XV

DETAILS OF LONG TERM LOANS AND ADVANCES AS RESTATED

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Capital Advances	158.44	165.07	-
Total	158.44	165.07	-

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XVI

OTHER NON-CURRENT ASSETS AS RESTATED

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Security Deposits (Unsecured, Considered Good)	34.11	34.11	34.20
(i) In term deposit accounts			
- original maturity more than 12 months	6.93	6.93	6.93
Total	41.04	41.04	41.13

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XVII

DETAILS OF INVENTORIES AS RESTATED

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Raw Materials	111.87	125.33	87.94
Finished Goods	1,885.36	1,675.25	1,651.49
Trading Goods	-	-	25.50
Total	1,997.23	1,800.58	1,764.93

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.
3. Inventory is valued at the lower of cost and the net realisable value.

ANNEXURE- XVIII

DETAILS OF TRADE RECEIVABLES AS RESTATED

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
(Unsecured, considered good unless otherwise stated)			
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment			
Considered good	197.25	16.84	11.02
Considered doubtful	-	-	-
Less: Provision for doubtful trade receivables	197.25	16.84	11.02
	197.25	16.84	11.02
(b) Trade receivables outstanding for a period not exceeding six months from the date they were due for payment	1,896.89	247.22	123.90
(c) Unbilled	-	-	-
Total	2,094.14	264.06	134.92

Notes: Trade Receivable Ageing Schedule

Particulars	0						Total
	Not Due*	Less than 6 Months	6 Months to 1 year	1 - 2 Year	2 - 3 Year	More than 3 Year	
31st March, 2026							
(a) Undisputed Trade receivables-							
Considered good	-	1,896.89	193.84	3.41	-	-	2,094.14
Considered doubtful	-	-	-	-	-	-	-
(b) Disputed Trade receivables-							
Considered good	-	-	-	-	-	-	-
Considered doubtful	-	-	-	-	-	-	-
Less: Provision for doubtful trade receivables	-	-	-	-	-	-	-
Total	-	1,896.89	193.84	3.41	-	-	2,094.14
31st March, 2025							
(a) Undisputed Trade receivables-							
Considered good	-	247.22	4.26	2.18	10.40	-	264.06
Considered doubtful	-	-	-	-	-	-	-
(b) Disputed Trade receivables-							
Considered good	-	-	-	-	-	-	-
Considered doubtful	-	-	-	-	-	-	-
Less: Provision for doubtful trade receivables	-	-	-	-	-	-	-
Total	-	247.22	4.26	2.18	10.40	-	264.06
31st March, 2024							
(a) Undisputed Trade receivables-							
Considered good	-	123.90	0.62	10.40	-	-	134.92
Considered doubtful	-	-	-	-	-	-	-
(b) Disputed Trade receivables-							
Considered good	-	-	-	-	-	-	-
Considered doubtful	-	-	-	-	-	-	-
Total	-	123.90	0.62	10.40	-	-	134.92

* There is no amount (Not Due) as per agreed terms with parties.

Notes:

1. As per the view of the management of the company, in case of doubtful debts, if any, the provision for doubtful debt has been made.
2. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
3. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.
4. No receivables is due from directors or other officers of the Company either severally or jointly with any other person except as disclosed in related party transaction as per annexure XXXII.

ANNEXURE- XIX

DETAILS OF CASH AND BANK BALANCES AS RESTATED

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
A. Cash and cash equivalents			
(a) Cash on hand	4.58	11.14	3.16
(b) Balances with banks			
(i) In current accounts	152.66	0.05	0.05
Total - Cash and cash equivalents (A)	157.24	11.19	3.21
B. Other bank balances			
(i) In other deposit accounts			
- original maturity more than 12 months	6.93	6.93	6.93
Less:- Classified as Other Non Current Assets	(6.93)	(6.93)	(6.93)
Total - Other bank balances (B)	-	-	-
Total (A)+(B)	157.24	11.19	3.21

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XX

DETAILS OF SHORT TERM LOANS AND ADVANCES AS RESTATED

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
(Unsecured, considered good unless otherwise stated)			
Prepaid Expenses	2.36	1.27	1.32
Rent Receivable	0.10	-	-
Balance with statutory/government authorities			
-GST Receivable	5.79	-	39.11
Advance to Supplier	209.45	2.00	6.66
Total	217.70	3.27	47.09

Notes:

1. No Securities have been taken by the company against the advances given to the suppliers.
2. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
3. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XXI

DETAILS OF OTHER CURRENT ASSETS AS RESTATED

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Deferred IPO Expenses	11.00	-	-
Accrued Interest	1.94	1.62	1.14
Total	12.94	1.62	1.14

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XXII

DETAILS OF REVENUE FROM OPERATIONS AS RESTATED

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Revenue from Sale of Products			
-Manufacturing	7,542.43	2,752.51	1,616.79
-Trading	1,056.85	2,285.55	1,872.89
Revenue from Sale of Services (Refer Note No. 1 below)	-	63.99	140.09
Other Operating Revenues (Refer Note No. 2 below)	12.28	0.63	3.61
Total	8,611.56	5,102.68	3,633.38

Note No. 1: Revenue from Sale of Services

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Job Work	-	63.99	140.09
Total	-	63.99	140.09

Note No. 2: Other Operating Revenues

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Freight & Cartage	5.53	0.63	0.11
Scrap Sale	6.76	-	3.50
Total	12.28	0.63	3.61

Note 3: Revenue from Sale of Products & Services (Domestic and Export)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Domestic Sales	8,527.85	5,102.68	3,633.38
Foreign Sales	83.71	-	-
Total	8,611.56	5,102.68	3,633.38

Note 4: Revenue from Sale of Products

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Blankets	7,195.60	2,752.50	1,950.25
Polyester Yarn	1,056.85	2,199.35	1,502.17
Other	346.83	86.21	37.25
Total	8,599.28	5,038.06	3,489.68

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XXIII

DETAILS OF OTHER INCOME AS RESTATED

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Rent	0.60	0.45	-
Export Incentives	5.21	-	-
Income on Sale of Mutual Fund	-	-	3.30
Interest on Fixed Deposits	0.29	0.52	0.47
Interest on Income Tax Refund	-	-	0.12
Interest on Security Deposits	1.22	0.66	1.02
Total	7.32	1.63	4.91

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XXIV

DETAILS OF COST OF MATERIAL CONSUMED AS RESTATED

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Raw Material at the beginning of the year	125.33	87.94	63.18
Add : Purchases	5,018.73	1,572.83	1,450.37
Add : Freight Inward	47.15	49.46	51.53
Add : Dye and Chemicals	66.28	66.09	65.45
Add : Packing Material	230.20	182.71	203.15
Less : Loss of Stock due to Fire	21.66	-	-
Less : Raw Material at the end of the year	111.87	125.33	87.94
Total	5,354.17	1,833.70	1,745.74

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XXV

DETAILS OF STOCK IN TRADE AS RESTATED

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Purchases of Stock-in-trade	1,030.94	2,216.69	1,772.04
Total	1,030.94	2,216.69	1,772.04

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XXVI

DETAILS OF CHANGE IN INVENTORIES OF FINISHED GOODS AND STOCK IN TRADE AS RESTATED

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Inventories at the end of the year			
- Finished Goods	1,885.36	1,675.25	1,651.49
- Stock in trade	-	-	25.50
Loss of Stock due to Fire	46.11	-	-
	1,931.47	1,675.25	1,676.99
Inventories at the beginning of the year			
- Finished Goods	1,675.25	1,651.49	898.21
- Stock in trade	-	25.50	53.69
	1,675.25	1,676.99	951.90
Net (increase)/decrease	(256.22)	1.74	(725.09)

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE-XXVII

DETAILS OF EMPLOYEE BENEFIT EXPENSES AS RESTATED

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Salaries and wages	189.26	159.80	156.17
Contribution to provident and other funds	1.26	1.38	1.29
Directors' Remuneration	8.57	4.56	4.56
Gratuity Expenses	20.53	2.88	1.38
Staff welfare expenses	0.43	0.39	0.44
Total	220.04	169.01	163.84

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XXVIII

DETAILS OF FINANCE COST AS RESTATED

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Bank Charges	2.05	2.07	1.88
Interest expense on:			
- Borrowings from bank and Financial institution	178.06	161.06	161.15
- Borrowings from others	43.62	39.92	27.00
- Delayed payment to MSME trade payables	25.47	-	-
- Other Borrowing Cost	4.00	6.93	1.78
Total	253.20	209.98	191.81

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XXIX

DETAILS OF OTHER EXPENSES AS RESTATED

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Power and Fuel	244.52	196.56	232.79
Job Work Charges	16.08	11.62	6.05
Audit Fees (Refer Note(i) below)	2.00	0.20	0.20
Rent	9.84	9.24	7.44
Rates and Taxes	1.72	0.94	1.56
Insurance	8.20	6.73	8.25
Communication Expenses	0.15	0.13	0.14
Penalty on Statutory dues	1.68	-	-
Legal and Professional	8.59	0.38	-
Printing and Stationary	0.12	0.19	0.16
Interest on Statutory dues	19.97	1.44	0.12
Travelling and Conveyance	0.78	0.41	0.42
Commission	-	-	1.10
Bad Debt	1.56	-	-
Freight Outward	8.42	0.63	0.11
Repair and Maintenance:			
Machinery	52.58	24.90	58.31
Building	8.71	-	0.34
Vehicle	0.74	7.60	0.96
Computer and Software	0.53	0.05	0.04
Other	0.02	0.02	0.03
Loss on Sale of Machinery	29.63	-	-
Net Loss on Foreign Currency transaction and translation	1.39	-	-
Advertisement	3.28	-	-
Entertainment Expense	0.40	0.41	0.42
Misc. Expenses	0.39	0.53	1.32
Total	421.30	261.97	319.76

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

Note (i): Payment to Auditors

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Payments to the auditors comprise (excluding GST input credit, where applicable) :			
Statutory Audit	1.50	0.20	0.20
Tax Audit	0.50	-	-
Total	2.00	0.20	0.20

ANNEXURE- XXX
DETAILS OF EXCEPTIONAL ITEM AS RESTATED

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Loss of Stock due to Fire	67.77	-	-
Loss of Machinery due to fire (Wdv written off)	2.60	-	-
Total	70.37	-	-

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

3. During the period on 04th October 2025, the Company suffered losses due to an unforeseen incident of fire resulting in loss of stock and damage to building and machinery. The loss of stock amounting to Rs. 67.77 Lakhs and loss on machinery amounting to Rs. 2.60 Lakhs (being book value of damaged machinery written off) have been recognised in the Statement of Profit and Loss under Exceptional Items during the year.

The Company has lodged insurance claims in respect of loss of stock and damage to building and machinery with the insurance company. The insurance claims are currently under review/assessment by the insurance company and the claim amount receivable, if any, will be accounted for upon acceptance and reasonable certainty of receipt of the claim.

Pending final settlement of the insurance claims, the losses recognised in the financial statements are based on the book value of assets and management estimates. Any difference between the insurance claim received and the loss recognised will be accounted for in the year of settlement of the claim.

RESTATED STANDALONE STATEMENT OF FINANCIAL RATIO

Sr. No.	Ratios	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
1	Current Assets	4,479.25	2,080.72	1,951.29
	Current Liabilities	2,907.35	1,723.00	1,493.53
	Current Ratio	1.54	1.21	1.31
	Variation	27.58%	-7.57%	10.13%
	Reason of variance above 25%	Due to increase in trade receivables.	NA	NA
2	Total Debt	3,255.29	2,144.88	2,119.01
	Equity	1,657.12	612.78	375.38
	Debt-Equity Ratio	1.96	3.50	5.64
	Variance	-43.88%	-37.99%	10.99%
	Reason of variance above 25%	Due to increase in profit which contributes to increase in Equity of the company as compared to increase in Debts.	Due to increase in profit which contributes to increase in Equity of the company.	NA
3	Earnings Available for Debt Service	1,394.86	525.36	349.86
	Debt Service	388.20	281.79	268.96
	Debt Service Coverage Ratio	3.59	1.86	1.30
	Variance	92.73%	43.33%	-27.53%
	Reason of variance above 25%	Company is regular working on manufacturing and selling better margin products and changing its product mix to optimising the available resources, profit during the period has increased in earning available for debt service.	Company is regular working on manufacturing and selling better margin products and changing its product mix to optimising the available resources, profit during the period has increased in earning available for debt service.	NA
4	Net Profit After taxes	1,044.34	237.40	72.19
	Average Shareholders Equity	1,134.95	494.08	347.25
	Return on Equity (ROE)*	92.02%	48.05%	20.79%
	Variance	91.51%	131.13%	232.60%
	Reason of variance above 25%	Company is regular working on manufacturing and selling better margin products and changing its product mix to optimising the available resources, profit during the period has increased in earning available for debt service.	Company is regular working on manufacturing and selling better margin products and changing its product mix to optimising the available resources, profit during the period has increased in earning available for debt service.	Company is regular working on manufacturing and selling better margin products and changing its product mix to optimising the available resources, profit during the period has increased in earning available for debt service.
5	Net Purchases	6,393.31	4,087.78	3,542.54
	Average Inventory	1,898.91	1,782.75	1,390.00
	Inventory Turnover Ratio	3.37	2.29	2.55
	Variation	46.83%	-10.03%	0.59%
	Reason of variance above 25%	With Better Increase in Sales, company is able to liquidate its inventory	NA	NA
6	Net Sales	8,611.56	5,102.68	3,633.38
	Average Accounts Receivable	1,179.10	199.49	154.77
	Trade Receivables Turnover Ratio	7.30	25.58	23.48
	Variation	-71.45%	8.96%	10.09%
	Reason of variance above 25%	There is an increase in Trade receivable due to sale at end of the year.	NA	NA

7	Net Purchases	6,393.31	4,087.78	3,542.54
	Average Accounts Payables	135.79	22.82	66.43
	Trade Payables Turnover Ratio	47.08	179.17	53.33
	Variation	-73.72%	235.98%	189.33%
	Reason of variance above 25%	There is an increase in Trade Payable due to sale at end of the year.		
8	Revenue	8,611.56	5,102.68	3,633.38
	Working capital	964.81	407.74	327.23
	Net Capital Turnover Ratio	8.93	12.51	11.10
	Variation	-28.68%	12.71%	-27.47%
	Reason of variance above 25%	Due to Better Sale during the year.	NA	
9	Profit After Tax	1,044.34	237.40	72.19
	Revenue	8,611.56	5,102.68	3,633.38
	Net Profit Ratio	12.13%	4.65%	1.99%
	Variation	160.66%	134.17%	230.18%
	Reason of variance above 25%	Company is regular working on manufacturing and selling better margin products and changing its product mix to optimising the available resources, profit during the period has increased in earning available for debt service.	Company is regular working on manufacturing and selling better margin products and changing its product mix to optimising the available resources, profit during the period has increased in earning available for debt service.	Company is regular working on manufacturing and selling better margin products and changing its product mix to optimising the available resources, profit during the period has increased in earning available for debt service.
10	Profit before interest and tax	1,751.33	543.22	276.14
	Capital Employed	4,912.41	2,757.66	2,494.39
	Return on Capital employed (ROCE)	35.65%	19.70%	11.07%
	Variation	80.98%	77.94%	31.98%
	Reason of variance above 25%	Company is regularly working on manufacturing and selling better margin products and changing its product mix to optimising the available resources, profit during the period has increased in earning available for debt service.	Company is regularly working on manufacturing and selling better margin products and changing its product mix to optimising the available resources, profit during the period has increased in earning available for debt service.	Company is regularly working on manufacturing and selling better margin products and changing its product mix to optimising the available resources, profit during the period has increased in earning available for debt service.
11	Profit on Sale of Investment	-	-	3.30
	Total Cost of Investment	-	-	11.00
	Return on Investment	NA	NA	30.00%
	Variation	NA	NA	100.00%
	Reason of variance above 25%	NA	NA	No Investment were sold in previous year.

The definitions of ratio / formulas used for actual computation are as follows:

- 1 Current Ratio = Current Assets/Current Liabilities
- 2 Debt Equity Ratio = Total Debt / Shareholders Equity
- 3 Debt Service Coverage Ratio = Earning available for Debt Service / Debt Service
- 4 Return on Equity (ROE) = Net Profit after taxes / Average Shareholders Equity
- 5 Inventory Turnover Ratio = Net Purchases / Average Inventory
- 6 Trade Receivables Turnover Ratio = Revenue from Operation / Average account receivable
- 7 Trade Payables Turnover Ratio = Net Purchases/ Average Trade Payables
- 8 Net Capital Turnover Ratio = Revenue from Operations / Working capital
- 9 Net Profit Ratio = Profit After Tax / Revenue from Operation
- 10 Return on Capital employed (ROCE) = Profit before interest and tax /(Tangible Net worth+ Total Debt)
- 11 Return on Investment = Net Gain on Sale of Investment / Cost of Investment

ANNEXURE- XXXII

DETAILS OF RELATED PARTIES TRANSACTIONS AS RESTATED

A. (a) Board of Directors & Key Managerial Personnel (KMP):

Naresh Kumar	Chairman and Managing Director
Parv Gupta	Whole Time Director and Chief Financial Officer (w.e.f. 23-01-2026 and 05-02-2026 respectively)
Puja Aggarwal	Company Secretary & Compliance Officer (w.e.f. 03-03-2026)
Ritu Garg	Non Executive Director (w.e.f. 02-01-2026)
Veera Garg	Director (Resigned w.e.f. 02-01-2026)
Jeevan Chandra	Independent Director (till 03-04-2026)
Sanjay Kumar	Independent Director (w.e.f. 06-04-2026)
Pradeep Singh	Independent Director (w.e.f. 07-02-2026)

(b) Promoters & their Relatives having control:

Kiran Singhal	Relative of Director
Simmi Kansal	Relative of Director
Bhupesh Bansal	Relative of Director
Rajinder Kumar	Relative of Director
Vishesh	Relative of Director
Sunita Bansal	Relative of Director
Parv Gupta	Relative of Director

(c) Relatives of Promoters who are under the employment of the company:

Parv Gupta	Relative of Director (upto 22-01-2026)

(d) Companies over which Directors have significant influence or control:

(e) Other entities over which there is significant control:

Naresh Kumar & Sons HUF	HUF in which Director is Karta
Parv International	Proprietorship concern of Director
Goora Lal and Sons	Proprietorship concern of Director
Govind Rice Mills	Partnership Firm of Rajinder Kumar

B. Details of related party transactions during the year:

(Rs. in lakhs)

Nature of Transaction	Name of Related Party	Relationship	For Year ended on March 31,2026	For Year ended on March 31,2025	For Year ended on March 31,2024
Managerial's Remuneration	- Naresh Kumar	Chairman and Managing Director	5.55	2.40	2.40
	- Veera Garg	Director	1.62	2.16	2.16
	- Parv Gupta	Whole Time Director and CFO	1.40	-	-
	- Puja Aggarwal	Company Secretary	0.20	-	-
	- Parv Gupta	Relative of Director	5.00	-	-
Salary to Relative	- Parv Gupta	Relative of Director	5.00	-	-
Sitting Fee	-Pradeep Singh	Independent Director	0.10	-	-
Sales of goods/services	- Parv International	Entities over which KMP's have significant influence or control	-	63.99	140.09
Reimbursement of Expenses	- Parv Gupta	Whole Time Director and Chief Financial Officer	-	6.05	-
Rent Income	- Parv International	Entities over which KMP's have significant influence or control	0.60	0.45	-
Gratuity	- Naresh Kumar	Chairman and Managing Director	15.79	1.26	1.19
	- Parv Gupta	Whole Time Director and Chief Financial Officer	0.44	-	-
	-Naresh Kumar	Chairman and Managing Director	9.22	8.41	4.84
Interest Paid	- Gora Lal & Sons	Entities over which KMP's have significant influence or control	-	-	1.51
	- Naresh Kumar and Sons HUF	Entities over which KMP's have significant influence or control	12.67	12.04	6.27
	- Parv Gupta	Whole Time Director and Chief Financial Officer	5.57	1.74	0.88
	- Ritu Garg	Non Executive Director (w.e.f. 02-01-2026)	3.96	6.88	3.60
	- Veera Garg	Director	12.21	10.85	9.91
Loans	-Naresh Kumar	Chairman and Managing Director			
	Opening Balance		88.72	112.65	55.34
	Add: Loan Taken During the Year		136.40	23.75	101.65
	Add: Interest Paid (Net of TDS)		8.30	7.57	4.36
	Less: Repayment of Loan During the year		102.60	55.25	48.70
	Closing Balance		130.82	88.72	112.65
	- Gora Lal & Sons	Entities over which KMP's have significant influence or control			
	Opening Balance		-	1.36	74.70
	Add: Loan Taken During the Year		-	39.64	32.30
	Add: Interest Paid (Net of TDS)		-	-	1.36
	Less: Repayment of Loan During the year		-	41.00	107.00
	Closing Balance		-	-	1.36
	- Naresh Kumar and Sons HUF	Entities over which KMP's have significant influence or control			
	Opening Balance		142.91	217.58	63.74
	Add: Loan Taken During the Year		108.50	27.00	149.70
	Add: Interest Paid (Net of TDS)		11.40	10.83	5.64
	Less: Repayment of Loan During the year		68.00	112.50	1.50
	Closing Balance		194.81	142.91	217.58
	- Parv Gupta	Whole Time Director and Chief Financial Officer (w.e.f. 23-01-2026 and 05-02-2026 respectively) and relative to director upto 22-01-2026			
	Opening Balance		39.72	17.06	4.16
	Add: Loan Taken During the Year		35.30	21.55	27.20
	Add: Interest Paid (Net of TDS)		5.01	1.57	0.79
	Less: Repayment of Loan During the year		18.38	0.45	15.10
	Closing Balance		61.66	39.72	17.06
	- Ritu Garg	Non Executive Director (w.e.f. 02-01-2026)			
	Opening Balance		61.80	78.61	102.37
	Add: Loan Taken During the Year		97.95	15.00	73.00
	Add: Interest Paid (Net of TDS)		3.56	6.19	3.24
	Less: Repayment of Loan During the year		60.50	38.00	100.00
	Closing Balance		102.81	61.80	78.61
	- Veera Garg	Director			
	Opening Balance		133.64	121.71	99.30
	Add: Loan Taken During the Year		2.00	2.16	15.00
	Add: Interest Paid (Net of TDS)		10.99	9.77	8.91
	Less: Repayment of Loan During the year		-	-	1.50
	Closing Balance		146.63	133.64	121.71

C. Closing Balances of Related Parties as at year ended

(Rs. in lakhs)

Nature of Transaction	Name of Related Party	Relationship	As at March 31,2026	As at March 31,2025	As at March 31,2024
Loans Available	-Naresh Kumar	Chairman and Managing Director	130.82	88.72	112.65
	- Gora Lal & Sons	Entities over which KMP's have significant influence or control	-	-	1.36
	- Naresh Kumar and Sons HUF	Entities over which KMP's have significant influence or control	194.81	142.91	217.58
	- Parv Gupta	Whole Time Director and Chief Financial Officer (w.e.f. 23-01-2026 and 05-02-2026 respectively) and relative to director upto 22-01-2026	61.66	39.72	17.06
	- Ritu Garg	Non Executive Director	102.81	61.80	78.61
	- Veera Garg	Director	146.63	133.64	121.71
Rent Receivable	- Parv International	Entities over which KMP's have significant influence or control	0.10	-	-

D. Personal Guarantee given by Related Parties as at year ended

Nature of Transaction	Name of Related Party	Relationship	Remarks
Personal Guarantee	Naresh Kumar	Chairman and Managing Director	Personal Guarantee is given against the loans availed from Union Bank of India.
	Parv Gupta	Whole Time Director and Chief Financial Officer	
	Ritu Garg	Non Executive Director (w.e.f. 02-01-2026)	
	Veera Garg	Relative of Director	
	- Naresh Kumar and Sons HUF	Entities over which KMP's have significant influence or control	

ANNEXURE- XXXIII

RESTATED STATEMENT OF CAPITALIZATION AS AT 31ST MARCH, 2026

	(Rs. in lakhs)	
Particulars	Pre Issue	Post Issue
Borrowings		
Short-Term Borrowings (A)	1,982.85	(*)
Long-Term Borrowings (B)	1,272.44	(*)
Total Borrowings (C)	3255.29	(*)
Shareholder's Fund (Equity)		
Share Capital	133.73	(*)
Reserve & Surplus	1523.39	(*)
Total Shareholder's Fund (D)	1657.12	(*)
Long-Term Borrowings/ Equity (B/D)	0.77	(*)
Total Borrowings/ Equity (C/D)	1.96	(*)

*The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

Notes:

1. The above figures have been extracted from the restated financial statements of the Company as at March 31, 2026, prepared in accordance with applicable accounting standards and SEBI (ICDR) Regulations.
2. Short term Debts represent which are expected to be paid/payable within 12 months and excludes instalment of term loans repayable within 12 months.
3. Long term Debts represent debts other than Short term Debts as defined above.
4. The Company had undertaken bonus issue and issued 1,33,73,000 equity shares having face value of Rs. 10 each by way of passing resolution by shareholder of the company in EGM held on 06th April 2026 for the allotment of bonus shares in ratio of 10 shares for every 1 share held.
5. Company has sub divided its equity share having a face value of Rs. 100/- each into 10 equity share of Rs. 10/- each pursuant to resolution passed by the shareholders at the EGM held on 27th January 2026.

ANNEXURE- XXXIV

STATEMENT OF TAX SHELTER AS RESTATED

Particulars	(Rs. in lakhs)		
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Profit before tax, as restated (A)	1,427.76	333.24	84.33
Normal Corporate Tax Rate (%)	29.12%	27.82%	26.00%
Minimum Alternate Tax Rate (%)	16.69%	16.69%	16.69%
As per Section 115BAA Rate (%)	25.168%	25.17%	25.17%
As per Section 115BAB Rate (%)	17.16%	17.16%	17.16%
Adjustments:			
Permanent Differences			
<i>Expenses disallowed under Income Tax Act, 1961</i>			
Other disallowance including u/s 36 & 37	22.04	0.17	0.33
Disallowances of Interest to MSME	25.47	-	-
Total Permanent Differences (B)	47.51	0.17	0.33
Income considered separately (C)	(1.51)	(1.18)	(1.49)
Timing Differences			
Gratuity Provision	20.53	2.88	1.38
Disallowances of Loss on Sale of machinery and due to fire	32.23	-	-
Depreciation as per Books	97.32	77.98	85.86
Depreciation as per Income Tax Act	144.00	84.95	95.72
Other disallowances including under section 43B	92.52	-	-
Total Timing Differences (D)	98.59	(4.09)	(8.48)
Net adjustments (E) = (B+C+D)	144.59	(5.11)	(9.65)
Tax expenses/(saving) thereon on net adjustment	36.39	-	-
Income from Capital Gains (F)	-	-	3.30
Income from other sources (G)	1.51	1.18	(1.81)
Exempt Income/ Non-Taxable (H)	-	-	-
Income/ (Loss) (A+E+F+G-H)	1,573.86	329.31	76.17
Brought Forward Loss Set Off			
- Ordinary Business Loss & Unabsorbed Depreciation	-	-	-58.10
Taxable income/(loss)	1,573.86	329.31	18.07
Tax as per Normal Provisions	458.31	91.61	4.70
Tax as per Section 115BAA	396.11	82.88	4.47
Tax as per Section 115BAB	270.08	56.51	3.10
Income as per MAT	1,427.76	333.24	84.33
Taxable Income/(Loss) as per MAT	1,427.76	333.24	84.33
Tax as per MAT	238.29	55.62	14.08
Tax Paid as per-	115BAA	Normal Corporate Tax	MAT

ANNEXURE- XXXV

DETAILS OF CONTINGENT LIABILITIES & CAPITAL COMMITMENTS AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
I. Contingent liabilities			
(a) Claim against the company not acknowledges as debt	-	-	-
(b) Other money for which the company is contingently liable	-	-	-
-Bank Gurantee (<i>Refer below note A</i>)	6.93	6.93	6.93
II. Commitments			
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for;	-	-	-
(b) Uncalled liability on shares and other investments partly paid	-	-	-
(c) Other commitments (Capital Commitment)	196.70	641.75	-

A. Bank Gurantee

The Company has issued bank guarantees in the normal course of business to third parties on its behalf in respect of gas supply. These are disclosed as contingent liabilities, as the likelihood of outflow of economic resources is not considered probable as at the reporting date. The Company does not expect any material loss from these guarantees.

ANNEXURE- XXXVI

OTHER FINANCIAL INFORMATION AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Restated PAT as per statement of Profit & Loss (For Basic EPS Purpose) (A)	1,044.34	237.40	72.19
Add: Depreciation	97.32	77.98	85.86
Add: Finance Cost	253.20	209.98	191.81
Add: Income Tax/ Deferred Tax	383.42	95.84	12.14
Add: Exceptional Item	70.37	-	-
Less: Other Income	7.32	1.63	4.91
Restated Earnings Before Interest, Tax, Depreciation & Amortization (EBITDA)	1,841.33	619.57	357.09
EBITDA Margin (%)	36.09%	12.14%	9.83%
Number of Equity Shares at year end - Face Value of Rs. 100/- (B)	-	133,730	133,730
Number of Equity Shares at year end - Face Value of Rs. 10/- (B)	1,337,300	-	-
Weighted Average Number of Equity Shares at year end - Face Value of Rs. 10/- (C) (After considering the Bonus)	14,710,300	14,710,300	14,710,300
Net Worth, as restated (D)	1,657.12	612.78	375.38
Earnings per Share			
Restated Basic EPS (Before Bonus) (A/B)	78.09	177.52	53.98
Restated Basic EPS (After split of share and Bonus) (A/C)	7.10	1.61	0.49
Return on Net Worth (%) (A/D)	63.02%	38.74%	19.23%
Net Assets value per Equity Share (Before Bonus) (D/B)	123.92	458.22	280.70
Net Assets value per Equity Share (After Bonus) (D/C)	11.27	4.17	2.55

The definitions of ratio / formulas used for actual computation are as follows:

1. Restated EBITDA=Restated PAT+Depereciation+Finance cost+Income taxand Deferred tax+Exceptional item-other income
2. EBITDA Margin=EBITDA/Revenue from operations
3. Restated Basic EPS (Before Bonus) (A/B)=Restated PAT/No of shares at the end of period
4. Return on Net Worth (%) (A/D)=Restated PAT/Shareholder's Equity
5. Net Assets value per Equity Share (Before Bonus) (D/B)=Net worth restated/No of equity shares at the end of the Period

ANNEXURE- XXXVII

Notes to the Standalone Restated Financial Statements:

I Disclosure under AS-15

a.) Short Term Employee Benefits [AS-15]- Defined Contribution Plans:

(Rs. in lakhs)

Particulars	For the year ended on		
	March 31, 2026	March 31, 2025	March 31, 2024
Contribution for Provident Fund	1.00	1.05	0.97
Contribution for Employee State Insurance	0.26	0.33	0.32
Total	1.26	1.38	1.29

b) Long Term Employee Benefits [AS-15]- Defined Benefits Plans:

Accounting Standard (AS)- 15 issued by ICAI is mandatory. The Company has accounted for Long Term employee benefits based on Actuarial Valuation report.

Assumption used by Actuarial for Gratuity Provision

(Rs. in lakhs)

Particulars	For the year ended on		
	March 31, 2026	March 31, 2025	March 31, 2024
Discount Rate	7.25% per annum	6.75% per annum	7.10% per annum
Salary Growth Rate	5.50% per annum	5.50% per annum	5.50% per annum
Mortality	IALM 2012-14	IALM 2012-14	IALM 2012-14
Attrition Ratio	5% at younger ages and reducing to 1% at older ages according to graduated scale	5% at younger ages and reducing to 1% at older ages according to graduated scale	5% at younger ages and reducing to 1% at older ages according to graduated scale
Normal Retirement Age	60 Years	60 Years	60 Years
Salary	Last drawn qualifying salary	Last drawn qualifying salary	Last drawn qualifying salary
Vesting Period	5 Years of service	5 Years of service	5 Years of service
Benefits on Normal Retirement	15/26*Salary*Past Service (Yr.)	15/26*Salary*Past Service (Yr.)	15/26*Salary*Past Service (Yr.)
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit (In Lakhs)	20.00	20.00	20.00

Table Showing Changes in Present Value of Obligations:

(Rs. in lakhs)

Period	March 31, 2026	March 31, 2025	March 31, 2024
Present value of the obligation at the beginning of the period	9.36	6.48	5.10
Current service cost	7.60	2.31	1.84
Past Service Cost	8.67	-	-
Interest cost	0.68	0.44	0.36
Benefits paid (if any)	-	-	-
Actuarial (gain)/loss	3.57	0.13	(0.83)
Present value of the obligation at the end of the period	29.89	9.36	6.48

Reconciliation of liability in balance sheet

(Rs. in lakhs)

Period	March 31, 2026	March 31, 2025	March 31, 2024
Opening net defined benefit liability/ (asset)	9.36	6.48	5.10
Expenses to be recognized in P&L	20.53	2.88	1.38
Benefits paid	-	-	-
Closing net defined benefit liability/(asset)	29.89	9.36	6.48

Expenses Recognized in the Statement of Profit or Loss for Current Period

(Rs. in lakhs)

Period	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Current Service Cost	7.60	2.31	1.84
Past Service Cost*	8.67	-	-
Net Interest Cost	0.68	0.44	0.36
Actuarial (Gains)/Losses	3.57	0.13	(0.83)
(Gains)/Losses on Curtailments And Settlements	-	-	-
Expenses Recognized in the Statement of Profit or Loss	20.53	2.88	1.38

Classification for the purpose of Schedule III

(Rs. in lakhs)

Period	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Current Liability	1.34	0.48	0.39
Non Current Liability	28.55	8.87	6.09

* Past Service cost is the cost of past liability due to increase in salary due to changes as per New Labour Codes.

c). Other Long term employee benefits

The Company makes provision for leave encashment on basis the leave policy of the Company. The Company recognised Nil in all period covered towards leave encashment in the statement of profit and loss as there were no outstanding leaves at period end.

ANNEXURE- XXXVII

II. Details on derivative instruments and unhedged foreign currency exposures

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
The year-end foreign currency exposures that have been hedged by a derivative instrument	NIL	NIL	NIL
The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise	NIL	NIL	NIL

III. Income and Expenditure in Foreign Currency

i Income earned in foreign currency (accrual basis)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Sale of Product & Services (on FOB Basis)	81.47	-	-
Total	81.47	-	-

ii Expenditure incurred in foreign currency (accrual basis)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Purchases of Raw Material and Traded Goods (On CIF Basis)	-	-	-
Total	-	-	-

iii Consumption of Raw Material and Store and spares (In %)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Imported	-	-	-
Indigenous	100.00%	100.00%	100.00%
Total	100.00%	100.00%	100.00%

IV. Segment Information

The Company operates in a single reportable segment which is governed by same set of risks and returns, thus the reporting requirements under Accounting Standard 17 'Operating Segments' have not been presented in the financial statements.

V. Restated Standalone Statement of Earnings per Equity Share

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
1. Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. in Lakhs)	1,044.34	237.40	72.19
2. Weighted Average number of equity shares used as denominator for calculating EPS (Face Value 100/-)	-	133,730	133,730
3. Weighted Average number of equity shares used as denominator for calculating EPS (Face Value 10/-)	1,337,300	-	-
4. Weighted Average number of equity shares used as denominator for calculating EPS (Post Bonus) (Face Value of Rs. 10/-)	14,710,300	14,710,300	14,710,300
5. Basic and Diluted Earning per Share (Pre-Bonus)	78.09	177.52	53.98
6. Basic and Diluted Earning per Share (On Face value of Rs. 10/ per share) (Post-Bonus)	7.10	1.61	0.49

VI.

Details of CSR

Particulars	For the year ended on		
	March 31, 2026	March 31, 2025	March 31, 2024
1. Amount Required to be spent during the year	NA	NA	NA
2. Amount of expenditure incurred	NA	NA	NA
3. Shortfall at the end of the year	NA	NA	NA
4. Total of previous years shortfall	NA	NA	NA
5. Reasons for shortfall	NA	NA	NA
6. Nature of CSR Activities	NA	NA	NA

CSR is applicable to the company for financial year 2026-27 onwards.

VII.

Additional regulatory information

(a)

Relationship with struck off companies

The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended on March 31, 2026, March 31, 2025, and March 31, 2024 .

(b)

Compliance with approved scheme of arrangements

The Company is not engaged in any scheme of arrangements.

(c)

Details of crypto currency or virtual currency

The Company has neither traded nor invested in Crypto currency or Virtual Currency during the year ended March 31, 2026, March 31, 2025 and March 31, 2024 . Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

(d)

Undisclosed income

During the Periods, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(e)

Compliance with numbers of layers of companies

The Company is in compliance with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the period ended on March 31, 2026, March, 2025, and March 31, 2024.

(f)

Whistleblower Complaint

The Company has not received any whistleblower complaint during the year. No frauds had been noticed by or reported to the Company.

(g)

Utilisation of borrowed funds and share premium

During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

(h)

There are no proceedings initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(i)

The Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.

(j)

The Company has no immovable property (other than properties where the company is lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company.

(k)

The Company has not revalued its Property, Plant and Equipment during the year and Companies (Registered Valuers and Valuation) Rules, 2017 is not applicable during the year.

(l)

The Company does not have any intangible assets under development as on March 31, 2026, March 31, 2025 and March 31, 2024.

(m)

The company has not granted loans or advances in the nature of loans are guaranteed to Promoters, Directors, KMPs and related parties (as defined under Companies Act , 2013) Either severally or jointly with any other person that are:

(a) repayable on demand

(b) without specifying any terms or period of repayment

Particulars	As at 31st March 2026		As at 31st March 2025		As at 31st March 2024	
Promoters	-	-	-	-	-	-
Director	-	-	-	-	-	-
KMP's	-	-	-	-	-	-
Related Party	-	-	-	-	-	-

(n)

The Company does not have any charge or satisfaction which is yet to be registered with ROC beyond the statutory period.

(p) The Company has availed cash credit facility of INR 2200.00 lakhs from Union Bank of India. As part of the debt covenant, it is required to submit monthly stock statement. There is no material difference between the records and stock statements submitted with the bank. A quarterly table for last 3 years is given below:-

Quarter	Assets	Amount as reported in monthly statement (In Lakhs)	Amount as per books of accounts (In Lakhs)	Deviation (In Lakhs)	Remarks
Q1 26	Debtors	19.83	19.83	-	
	Stock	2,559.52	2,565.80	6.28	Some Purchases were missed to enter in Records.
	Creditors	464.68	472.44	7.76	Some Purchases were missed to enter in Records.
Q2 26	Debtors	1,730.95	1,730.95	-	
	Stock	1,873.67	1,854.81	(18.86)	Some purchases which is not a part of inventory is taken as stock.
	Creditors	985.50	985.50	-	
Q3 26	Debtors	2,427.70	2,427.70	-	
	Stock	1,941.29	1,941.29	-	
	Creditors	850.30	850.30	-	
Q4 26	Debtors	2,094.14	2,094.14	-	
	Stock	2,024.89	1,997.23	(27.66)	Stock lost in fire were not considered in stock statement.
	Creditors	250.24	250.24	-	
Q1 25	Debtors	613.55	613.55	-	
	Stock	1,981.60	1,979.25	(2.35)	Some purchases which is not a part of inventory is taken as stock.
	Creditors	428.26	428.26	-	
Q2 25	Debtors	370.09	370.09	-	
	Stock	2,193.79	2,195.07	1.28	Some Purchases were missed to enter in Records.
	Creditors	315.82	318.80	2.98	Some Purchases were missed to enter in Records.
Q3 25	Debtors	666.39	666.39	-	
	Stock	1,986.39	1,982.30	(4.09)	Some purchases which is not a part of inventory is taken as stock.
	Creditors	499.75	499.75	-	
Q4 25	Debtors	264.06	264.06	-	
	Stock	1,806.58	1,800.58	(6.00)	Some purchases which is not a part of inventory is taken as stock.
	Creditors	21.34	21.34	-	
Q1 24	Debtors	321.20	321.20	-	
	Stock	1,123.33	1,118.08	(5.25)	Some purchases which is not a part of inventory is taken as stock.
	Creditors	339.51	339.51	-	
Q2 24	Debtors	477.47	477.47	-	
	Stock	1,171.93	1,171.95	0.02	Some purchases which is not a part of inventory is taken as stock.
	Creditors	344.25	344.25	-	
Q3 24	Debtors	686.56	686.56	-	
	Stock	1,072.76	1,064.93	(7.83)	Some purchases which is not a part of inventory is taken as stock.
	Creditors	384.40	384.40	-	
Q4 24	Debtors	134.92	134.92	-	
	Stock	1,767.91	1,764.93	(2.98)	Some purchases which is not a part of inventory is taken as stock.
	Creditors	24.29	24.29	-	

- VIII. Material Regroupings:**
Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.
- IX. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006**

Based on the information available with the Company in respect of MSME (as defined in the Micro, Small and Medium Enterprises Development Act, 2006).
The identification of Micro, Small and Medium Enterprises Suppliers as defined under "The Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the management. As certified by the management, the amounts overdue as on March 31, 2026, March 31, 2025, and March 31, 2024 to Micro, Small and Medium Enterprises on account of principal amount together with interest, is being reported under Annexure-IX: Details of Trade Payable as Restated.
- X. Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits**
Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.
- XI. Re-grouping/re-classification of amounts**
The figures have been grouped and classified wherever they were necessary.
- XII. Pending Litigations**
There is no Litigation pending on the company or by the company during the periods.
- XIII. Deferred Tax Asset / Liability: [AS-22]**
The company has created Deferred Tax Asset / Liability as required by Accounting Standard (AS)-22.

OTHER FINANCIAL INFORMATION

In accordance with the SEBI ICDR Regulations, the Restated Financial information of our Company for the Financial Year 2026, 2025 and 2024 (“Restated Financial information”), respectively, are available on our website www.decentspinnerslimited.com. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial information of our Company and the reports thereon do not constitute, (i) a part of the this Draft Red Herring Prospectus/ Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial information and the reports thereon should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations, as derived from the Restated Financial information, are given below:

Particulars	For the Financial Year ended 31 March 2026	For the Financial Year ended 31 March 2025	For the Financial Year ended 31 March 2024
Restated PAT as per statement of Profit & Loss (For Basic EPS Purpose) (A)	1,044.36	237.40	72.19
Add: Depreciation	97.32	77.98	85.86
Add: Finance Cost	253.20	209.98	191.81
Add: Income Tax/ Deferred Tax	383.43	95.84	12.14
Add: Exceptional Item	70.37	-	-
Less: Other Income	7.32	1.63	4.91
Restated Earnings Before Interest, Tax, Depreciation & Amortization (EBITDA)	1,841.35	619.56	357.09
EBITDA Margin (%)	36.09%	12.14%	9.83%
Weighted Average Number of Equity Shares at year end - Face Value of Rs. 100/- (B)	-	1,33,730	1,33,730
Weighted Average Number of Equity Shares at year end - Face Value of Rs. 10/- (B)	13,37,300	-	-
Weighted Average Number of Equity Shares at year end - Face Value of Rs. 10/- (C) (after considering the Bonus)	1,47,10,300	1,47,10,300	1,47,10,300
Net Worth, as restated (D)	1,657.13	612.78	375.38
Earnings per Share			
Restated Basic EPS (Before Bonus) (A/B)	78.09	177.52	53.98
Restated Basic EPS (After split of share and Bonus) (A/C)	7.10	1.61	0.49
Return on Net Worth (%) (A/D)	63.02%	38.74%	19.23%
Net Assets value per Equity Share (Before Bonus) (D/B)	123.92	458.22	280.70
Net Assets value per Equity Share (After Bonus) (D/C)	11.27	4.17	2.55

The Company does not have any diluted potential shares. Consequently, the basic and diluted Earnings Per Share of the company remain the same.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at March 31, 2026 as derived from our Restated Financial Information and as adjusted for the Issue. This table should be read in conjunction with the sections titled "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Restated Financial Statements" and "Risk Factors" on pages 282, 227 and 21, respectively.

(Amount in Rupees Lakhs)

Particulars	Pre-Offer as at March 31, 2026	Post-Offer (Refer note below)
Borrowings		
Short- term Borrowing	1982.55	[●]
Long- term Borrowing (A)	1272.44	[●]
Total Borrowings (B)	3255.29	[●]
Shareholder's fund		
Share capital	133.72	[●]
Reserve and surplus, as restated	1523.40	[●]
Total Shareholder's fund (C)	1657.13	[●]
Long- term borrowings / equity ratio (A)/(C)	0.77	[●]
Total borrowings / equity ratio (B)/(C)	1.96	[●]

Note:

1. Post Issue adjustment figures will be available after completion of the issue.
2. The above figures have been extracted from the restated financial statements of the Company as at March 31, 2026, prepared in accordance with applicable accounting standards and SEBI (ICDR) Regulations.
3. Short term Debts represent which are expected to be paid/payable within 12 months and excludes instalment of term loans repayable within 12 months.
4. The Company had undertaken bonus issue and issued 1,33,73,000 equity shares having face value of Rs. 10 each by way of passing resolution by shareholder of the company in EGM held on 06th April 2026 for the allotment of bonus shares in ratio of 10 shares for every 1 share held.
5. Company has sub-divided its equity share having a face value of Rs. 100/- each into 10 equity shares of Rs. 10/- each pursuant to resolution passed by the shareholders at the EGM held on 27th January 2026

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FINANCIAL INDEBTEDNESS

Our Company avail loans and credit facilities in the ordinary course of their business for the purposes of meeting capital expenditure, working capital requirements and business purpose.

The details of the indebtedness of our Company as on May 31, 2026 are provided below:

Particulars	Sanctioned Amount (Rs. in Lakhs)	Outstanding as at May 31, 2026 (Rs. in Lakhs)
Secured Borrowing		
Fund Based		
Term Loan	1,095.50	609.47
Cash Credit	2,200.00	1,979.22
Non-Fund Based		
Bank Guarantee	6.93	6.93
Total Secured Borrowing	3302.43	2,595.62
Unsecured Borrowing		
Fund Based	1,000.00	763.36
Non-Fund Based	Nil	Nil
Total Unsecured Borrowing	1,000.00	763.36

Principal terms of the borrowing availed by our company:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various financial documentation executed by us in relation to our indebtedness:

A. SECURED BORROWINGS

1) Fund Based

Name of Lender	Nature of Facility	Purpose	Sanctioned Amount (Rs. in Lakhs)	Rate of Interest (p.a.)	Primary Security	Re-Payment Schedule	Personal/Corporate Guarantee	Outstanding amount as on 31.05.2026 (Rs. in Lakhs)
Union Bank of India	Term Loan	Capital Expenditure	470.00	Interest rate is equivalent to applicable EBLR	Secured by way of exclusive hypothecation of plant & machinery and assets created out of bank finance.	78 monthly principal installments of Rs. 6,02,564.10/- along with interest	Sh. Naresh Kumar, Smt. Veera Garg, Smt. Ritu Garg	116.63
Union Bank of India	Term Loan	Capital Expenditure	600.00	Interest rate is equivalent to applicable EBLR	Secured by way of exclusive hypothecation of plant & machinery and assets created out of bank finance.	84 monthly principal installments of Rs.7,14,285.71/- along with interest	Naresh Kumar, Veera Garg, Ritu Garg, and Parv Gupta.	485.29
Union Bank of India	Term Loan	Working Capital	25.50	Interest rate is equivalent to applicable EBLR+1 % or 7.50%	Secured by way of exclusive hypothecation of plant & machinery and assets created out of bank finance.	36 monthly principal installments of Rs. 70,833.33/- along with interest	Sh. Naresh Kumar, Smt. Veera Garg, Smt. Ritu Garg	7.55

Name of Lender	Nature of Facility	Purpose	Sanctioned Amount (Rs. in Lakhs)	Rate of Interest (p.a.)	Primary Security	Re-Payment Schedule	Personal/Corporate Guarantee	Outstanding amount as on 31.05.2026 (Rs. in Lakhs)
				whichever is low.				
Union Bank of India	Cash Credit	Business Purpose	2200.00	Interest rate is equivalent to applicable EBLR	Repayable on Demand and renewable annually.	secured by way of hypothecation of stock and book debts and	NA	1,979.22
Total Fund Based (Secured)								2,588.69

Note:

- The sanction limits of aforesaid loans from Union Bank of India have been amended pursuant to the Amendatory Credit Arrangement Letter dated 10th December, 2025 of the Union Bank of India from ₹1,600 lakhs to ₹ 2,200 lakhs.
- The formal terms of repayment in relation to the unsecured loans mentioned above have not been defined as the loans taken from the related parties. Also, maturity profile has not been disclosed. Further, the loans are quasi-equity in nature for long-term business purposes.

2) Non-Fund Based:

Name of Lender	Nature of Facility	Sanctioned Amount (Rs. in Lakhs)	Rate of Interest (p.a.)	Primary & Collateral Security	Re-Payment Schedule	Personal/Corporate Guarantee	Outstanding amount as on 31.05.2026 (Rs. in Lakhs)
Union Bank of India	Bank Guarantee	6.93	N/A	N/A	N/A	N/A	6.93
Total Non-Fund Based (Secured)							6.93

B. UNSECURED BORROWINGS

1. Fund Based

Name of Lender	Sanctioned Amount (Rs. in Lakhs)	Rate of Interest (p.a.)	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on 31.05.2026 (Rs. in Lakhs)
Naresh Kumar	200.00	9.00%	N/A	N/A	175.95
Naresh Kumar and Sons HUF	300.00	9.00%	N/A	N/A	264.98
Parv Gupta	150.00	10.00%	N/A	N/A	111.28
Ritu Garg	150.00	9.00%	N/A	N/A	67.36
Veera Garg	200.00	9.00%	N/A	N/A	143.79
Total Fund Based (Unsecured)					763.36

2. Non-Fund Based

Name of Lender	Nature of Facility	Sanctioned Amount (Rs. in Lakhs)	Rate of Interest (p.a.)	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on 31.05.2026 (Rs. in Lakhs)
Nil						

In relation to the Offer, we have obtained the necessary consents from the lenders, required under the relevant loan documentation, for undertaking activities in relation to the Offer and in connection thereto.

Principal terms of the borrowings currently availed by us:

1. Nature and Tenor of Facilities

The Company has availed fund-based working capital and term loan facilities from banks, which are generally sanctioned for a specified tenure and are subject to periodic review and renewal at the discretion of the lender. Working capital facilities are typically repayable on demand and are reviewed annually.

2. Repayment Terms

- i. Working capital facilities (including cash credit limits) are repayable on demand and are subject to periodic review, renewal, or cancellation by the lender based on utilization and conduct of the account.
- ii. Term loans are repayable in installments as per the original sanction terms agreed with the lender.

3. Security Structure

(a) Primary Security

- i. Hypothecation of current assets, including stock and book debts (present and future).
- ii. Hypothecation of plant and machinery financed out of bank borrowings.

(b) Collateral Security

- i. Mortgage of immovable properties, including industrial land, buildings, residential and commercial properties.

4. Margin Requirements

The Company is required to maintain stipulated margins on stock and receivables, as specified in the sanction terms, and any shortfall in margin is required to be funded by the Company through infusion of additional capital or internal accruals.

5. Pre-Disbursement Conditions

Disbursement of facilities is subject to fulfilment of conditions including:

- i. Execution of loan and security documents
- ii. Creation and perfection of security and charge over assets
- iii. Registration of charge with statutory authorities (including ROC and CERSAI)
- iv. Submission of statutory approvals and compliance certificates
- v. Completion of legal and technical due diligence

6. Post-Disbursement Covenants

The Company is required to comply with ongoing covenants, including:

- i. Submission of monthly stock and book debt statements
- ii. Submission of quarterly progress reports and financial statements
- iii. Maintenance of adequate insurance on secured assets
- iv. Routing of business transactions through lender accounts
- v. Ensuring end-use of funds for sanctioned purposes
- vi. Timely payment of statutory dues

7. Monitoring and Compliance

- i. Drawing power is determined based on eligible stock and receivables, subject to stipulated margins.
- ii. The lenders monitor operations through periodic inspections, audits, and financial reporting.
- iii. The Company is required to maintain financial discipline and comply with all applicable regulatory and banking guidelines.

8. Fees and Charges

The Company is liable to pay various charges, including:

- i. Processing fees (at sanction/renewal)
- ii. Documentation charges
- iii. Inspection charges
- iv. Mortgage creation charges
- v. CERSAI registration charges
- vi. Credit information and other statutory charges
- vii. Such charges are payable upfront, periodically, or as and when applicable, in accordance with lender policies.

9. Utilization and Restrictions

- i. Borrowings are required to be utilized strictly for the purpose for which they are sanctioned.
- ii. Funds shall not be diverted for non-business purposes or to related parties except on an arm's length basis.
- iii. The Company is required to maintain adequate working capital and ensure no misuse of funds.

10. Review and Recall

- i. Facilities are subject to periodic review and may be reduced, cancelled, or recalled by the lender based on performance, compliance, or risk assessment.
- ii. Non-compliance with sanction terms may result in penal actions, including restriction on operations or recall of facilities.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of Operations together with our restated financial statements included in the Draft Red Herring Prospectus. You should also read the section entitled “*Risk Factors*” beginning on page 21 which discusses a number of factors, risks and contingencies that could affect our financial condition and results of Operations. The following discussion relates to our Company and is based on our restated financial statements, which have been prepared in accordance with the applicable Accounting Standards, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources.

Our Restated Financial Statement have been prepared in accordance with the applicable Accounting Standard, the Companies Act and the SEBI ICDR Regulations and restated as described in the report of our auditor dated June 10, 2026, which is included in this Draft Red Herring Prospectus under “**Restated Financial Statement**”. The Restated Financial Statement has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS.

Our Financial Year ends on March 31 of each year, and all references to a particular Financial Year are to the twelve-month period ended March 31 of that year.

Overview of the Company

We are engaged in the manufacturing and supply of a wide range of blankets, broadly classified into three primary categories: (i) mink blankets, (ii) cloudy blankets, and (iii) semi-cloudy blankets. These products are manufactured at our facility located in Haryana and are marketed under our brand name, “**Decent Blankets**”. We operate as a B2B enterprise, focusing on wholesale and bulk sales to distributors, traders, and other institutional buyers across our target markets. In addition to our core manufacturing operations, we are also involved in the trading of polyester yarn and sales rags enabling us to optimize resource utilization and generate additional revenue streams.

The Company has demonstrated consistent growth in its Revenue from Operations over the last three Financial Years. Revenue from Operations increased from ₹ 3,633.38 lakhs in Financial Year 2024 to ₹ 5,102.68 lakhs in Financial Year 2025 and further to ₹ 8,611.56 in Financial Year 2026. This growth reflects a CAGR of 53.95% over the period from Financial Year 2024 to Financial Year 2026.

Our Company was originally incorporated on May 23, 1990 under the Companies Act, 1956 as “Decent Spinners Private Limited”, a private limited company, with its registered office situated at 3-D Jalan Market, 2nd Floor Maliwada, Chandni Chowk, Delhi-110006, India. A Certificate of Incorporation was granted by the Registrar of Companies, Delhi and Haryana (“RoC”), under Corporate Identity Number (“CIN”) U74899DL1990PTC040239. Pursuant to a Special Resolution passed by the Shareholders of the Company at the Extra-Ordinary General Meeting held on November 03, 2025, and subsequently confirmed by an Order of the Regional Director (Northern Region), Ministry of Corporate Affairs (“RD Order”) dated February 27, 2026 (bearing Order ID: Sec 12(5)/ROC Delhi I/AB9774578/RD Delhi/2026), the registered office of the Company was shifted from the Union Territory of Delhi to the State of Haryana, outside the jurisdiction of the erstwhile Registrar of Companies, Delhi, to the jurisdiction of the Registrar of Companies, Haryana (“RoC Haryana”). Consequent upon such shifting, the Registrar of Companies, Haryana issued a Certificate of Registration of the Regional Director Order for Change of State under Section 13(5) of the Companies Act, 2013 on March 19, 2026. The registered office of the Company is presently situated at V.P.O. Kohand, Gharunda, Karnal, Haryana – 132 114. Subsequently, our Company was converted from a private limited company to a public limited company pursuant to a Special Resolution passed by the members of the Company at the Extra-Ordinary General Meeting held on March 30, 2026. Consequent upon such conversion, the name of the Company was changed from “Decent Spinners Private Limited” to “Decent Spinners Limited”. A fresh Certificate of Incorporation consequent upon conversion from a private limited company to a public limited company was issued by the Assistant Registrar of Companies / Deputy Registrar of Companies/ Registrar of Companies, Central Processing Centre on April 09, 2026. The Corporate Identity Number (CIN) of our Company, as presently standing, is U74899HR1990PLC143283. Our Company is registered with the Registrar of Companies, Haryana (RoC Haryana), situated at 3rd Floor, Corporate Bhawan, Plot No. 4-B, Sector 27-B, Chandigarh – 160 019.

For more information on our Company’s business, please refer to chapter titled “*Business Overview*” on page 168

Significant Developments Subsequent to the period ending on March 31, 2026

After the date of last audited accounts i.e. March 31, 2026, the Directors of our Company confirm that, there have not been any significant material developments which materially and adversely affect or is likely to affect within the next twelve months for the trading or profitability of the Company, the value of its assets or its ability to pay its liability.

Key Operational and Financial Performance Indicators:

The business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factors” beginning on page 168

The KPIs disclosed below have been used historically by our Company to understand and analyses the business performance, which in result, help us in analysing the growth of the Company.

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 utilisation of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Offer Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

The KPIs of our Company have been disclosed in the sections titled “Business Overview” and “Basis of Offer Price” on page 168 and 116 respectively. We have described and defined the KPIs as applicable in “Definitions and Abbreviations” on page 1.

Key Performance Indicators (KPIs)	For the Financial Year ending March 31, 2026	For the Financial Year ending March 31, 2025	For the Financial Year ending March 31, 2024
Revenue from Operations (₹ in lakhs) ⁽¹⁾	8,611.56	5,102.68	3,633.38
Total Income (₹ in lakhs) ⁽²⁾	8,618.88	5,104.31	3,638.29
EBITDA (₹ in lakhs) ⁽³⁾	1,841.33	619.57	357.09
EBITDA Margin (%) ⁽⁴⁾	21.38%	12.14%	9.83%
Profit After Tax (₹ in lakhs) ⁽⁵⁾	1,044.34	237.40	72.19
Net profit ratio (%) ⁽⁶⁾	12.12%	4.65%	1.98%
Return on Equity (RoE) (%) ⁽⁷⁾	92.02%	48.05%	20.79%
Debt To Equity Ratio ⁽⁸⁾	1.96	3.50	5.64
Return on Capital Employed (RoCE) (%) ⁽⁹⁾	34.22%	19.70%	11.07%
Current Ratio ⁽¹⁰⁾	1.54	1.21	1.31
Interest Coverage Ratio ⁽¹¹⁾	6.64	2.59	1.44
Net Fixed Asset Turnover Ratio (times) ⁽¹²⁾	10.78	8.14	5.11
Working Capital Cycle (days) ⁽¹³⁾	193	179	241

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants pursuant to their certificate dated June 15, 2026.

The Audit committee in its resolution dated June 15, 2026 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Draft Red Herring Prospectus other than as disclosed in this section.

1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial information.

2) Total Income means the Revenue from Operations plus Other Income.

3) EBITDA is calculated as restated profit prior to exceptional items and tax and excluding other income and including finance costs, depreciation and amortization expense

4) EBITDA Margin refers to EBITDA during a given period as a percentage of Revenue from Operations during that period.

5) Profit After Tax provides information regarding the overall profitability of the business/company.

6) Net Profit Ratio quantifies our efficiency in generating profits from Revenue from Operations and is calculated by dividing Net Profit after taxes by Total Income.

7) Return on equity (RoE) is equal to Net profit after taxes divided by average shareholder's equity excluding preference share capital.

8) Total Debt to equity ratio is calculated by dividing Total debt by Shareholder's Equity (excluding preference share capital) and Total Debt comprises of non-current borrowings and current borrowings.

9) RoCE (Return on Capital Employed) is calculated as EBIT as a percentage of Capital employed wherein capital employed refers to sum of total equity, non-current borrowings and current borrowings as at the year end

10) Current Ratio is a liquidity ratio that measures our ability to pay off it's short-term obligations (those which are due within one year) using it's current assets (those which are convertible to cash within one year) and is calculated by dividing the current assets by current liabilities.

11) Interest Coverage Ratio measures a company's ability to meet its interest obligations from its operating profits, typically calculated as EBIT divided by interest expense.

12) *Net Fixed Asset Turnover Ratio (times)* measures the efficiency with which a company utilizes its net fixed assets to generate revenue and is calculated by dividing Revenue from Operations by average net fixed assets.

13) *Working Capital Cycle days* is defined as trade receivable days plus inventory days less trade payable days

The KPIs disclosed above have been approved by a resolution of our Audit Committee dated June 15, 2026 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during last three-year period prior to the date of filing of this DRHP. Further, the KPI herein have been certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants, by their certificate dated June 15, 2026

Key factors affecting our Result of Operation

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page 21. Our Revenue from Operations and financial conditions are affected by numerous factors including the following:

1. Identifying Target Market
2. Continue improving financial performance through focus on operational efficiencies
3. Key Customer Relationship Building
4. Change in price of Raw material
5. Capacity utilisation and production efficiency
6. Availability and cost of power, fuel and other utilities

Our Significant Accounting Policies:

For Significant accounting policies please refer Significant Accounting Policies, in the section titled “*Restated Financial Statements*” on page 227

Principal Components of Our Restated Statement of Profit and Loss Account

Total Income - Our Total Income comprises Revenue from Operations and Other Income.

Revenue from Operations- Revenue from Operations primarily comprises revenue generated from sale of manufactured and traded goods.

Other Income – Other Income majorly comprises of Interest Income, Rent Income, Export Incentives, etc.

Expenses - Our Total Expenses primarily consist of Cost of Materials Consumed, purchase of stock in trade, change in inventories of finished goods and stock in trade, Employees Benefit Expenses, Finance Costs, Depreciation and Other Expenses.

Cost of Materials Consumed - Cost of Materials Consumed includes purchase of raw materials, related costs, loss of stock due to fire and difference between the closing and opening stock of raw materials.

Changes in Inventories of Finished Goods and stock in trade - Changes in inventory primarily consist of difference between inventories at the end of the year and beginning of the year.

Employees Benefit Expenses - Employees Benefit Expense comprises salaries and wages, remuneration to directors, contribution to provident fund and gratuity, and staff welfare expenses.

Finance Costs - Finance costs include interest cost on borrowings, bank charges and other finance costs.

Other Expenses - Other expenses primarily include rent expenses, power and fuel expenses, job work charges, professional fees and legal charges, freight outward, repairs and maintenance, loss on sale of Machinery, Insurance, advertisement and general expenses.

Results of Key Operations

(₹ in lakhs except %)

Particulars	For the Financial	% of Total Income	For the Financial	% of Total Income	For the Financial Year	% of Total Income

	Year ended March 31, 2026		Year ended March 31, 2025		ended March 31, 2024	
INCOME						
Revenue from Operations	8,611.56	99.92%	5,102.68	99.97%	3,633.38	99.87%
Other Income	7.32	0.08%	1.63	0.03%	4.91	0.13%
Total Income	8,618.88	100.00%	5,104.31	100.00%	3,638.29	100.00%
EXPENSES						
Cost of materials consumed	5,354.17	62.12%	1,833.69	35.92%	1,745.73	47.98%
Purchase of stock-in-trade	1,030.94	11.96%	2,216.69	43.43%	1,772.04	48.71%
Changes in inventories of finished goods and stock in trade	-256.22	-2.97%	1.74	0.03%	-725.09	-19.93%
Employee benefits expense	220.04	2.55%	169.01	3.31%	163.84	4.50%
Finance costs	253.20	2.94%	209.98	4.11%	191.81	5.27%
Depreciation expense	97.32	1.13%	77.98	1.53%	85.86	2.36%
Other expenses	421.30	4.89%	261.98	5.13%	319.76	8.79%
Total Expenses	7,120.73	82.62%	4,771.08	93.47%	3,553.96	97.68%
Profit / (Loss) before tax and exceptional item	1,498.15	17.38%	333.23	6.53%	84.33	2.32%
Exceptional Items	70.37	0.82%	0.00	0.00%	0.00	0.00%
Profit / (Loss) before tax	1,427.78	16.57%	333.23	6.53%	84.33	2.32%
Tax expenses	383.42	4.45%	95.84	1.88%	12.14	0.33%
Profit / (Loss) for the year	1,044.36	12.12%	237.40	4.65%	72.19	1.98%

Financial Year 2026 Compared to Financial Year 2025 (Based on Restated Financial Statements)

Revenue from Operations

During Financial Year 2025-26, Revenue from Operations increased by 68.77% from ₹ 5,102.68 lakhs in Financial Year 2024-25 to ₹ 8,611.56 lakhs. The increase was primarily driven by a significant growth in revenue from manufacturing activities, which increased by ₹ 4,789.92 lakhs from ₹ 2,752.51 lakhs in Financial Year 2024-25 to ₹ 7,542.43 lakhs in Financial Year 2025-26. The growth in manufacturing revenue was primarily attributable to the introduction of cloudy blankets during the year and the increase in sales volumes. The substantial increase in manufacturing revenue was partially offset by a decline in trading revenue, which decreased by ₹ 1,228.70 lakhs from ₹ 2,285.55 lakhs in Financial Year 2024-25 to ₹ 1,056.85 lakhs in Financial Year 2025-26. Revenue from job work services declined from ₹ 63.99 lakhs in Financial Year 2024-25 to Nil in Financial Year 2025-26. Further, other operating revenue increased from ₹ 0.63 lakhs in Financial Year 2024-25 to ₹ 12.28 lakhs in Financial Year 2025-26. Accordingly, the overall increase in Revenue from Operations was primarily attributable to the higher contribution from manufacturing activities during the year.

Other Income

During the Financial Year 2025–26, Other Income of the Company increased to ₹ 7.32 lakhs from ₹ 1.63 lakhs in the Financial Year 2024–25. The increase was primarily due to export incentives of ₹ 5.21 lakhs recorded during the Financial Year 2025–26.

Cost of materials consumed

The Cost of materials consumed increased to ₹ 5,354.17 lakhs in Financial Year 2025–26 as against ₹ 1,833.70 lakhs in Financial Year 2024–25, representing an increase of ₹ 3,520.47 lakhs. The primary reason for this increase was the corresponding significant rise in manufacturing Revenue from Operations from ₹ 2,752.51 lakhs in Financial Year 2024-25 to ₹ 7,542.43 lakhs in Financial Year 2025-26. The cost of materials consumed primarily comprises of purchase of raw material ₹ 5,018.73 lakhs in Financial Year 2025-26, up from ₹ 1,572.83 lakhs in Financial Year 2024-25; Dye Chemicals and other Consumables of ₹ 66.28 lakhs in Financial Year 2025-26 as against ₹ 66.09 lakhs in the Financial Year 2024-25; and Packaging material of ₹ 230.20 lakhs in Financial Year 2025-26, compared to ₹ 182.71 lakhs in Financial Year 2024-25. Change in inventory of raw material of ₹ 13.46 lakhs in Financial Year 2025-26, compared to ₹ (37.39) lakhs in Financial Year 2024-25.

Purchase of stock in trade

The purchase of stock-in-trade decreased to ₹ 1,030.94 lakhs in the Financial Year 2025–26 from ₹ 2,216.69 lakhs in the Financial Year 2024–25, representing a decrease of ₹ 1,185.75 lakhs. The decrease was primarily on account of decrease in Revenue from trading activity, which decreased to ₹ 1,056.85 lakhs in Financial Year 2025–26 from ₹ 2,285.55 lakhs in Financial Year 2024–25.

Changes in inventories of finished goods and stock in trade

The changes in inventories of finished goods and stock in trade increased to ₹ (256.22) lakhs in the Financial Year 2025–26 from ₹ 1.74 lakhs in the Financial Year 2024–25. Closing inventory of finished goods increased to ₹ 1,885.36 lakhs in Financial Year 2025-26 from ₹ 1,675.25 lakhs in Financial Year 2024-25.

Employee benefits Expenses

During the Financial Year 2025–26, our Company incurred ₹ 220.04 lakhs towards employee benefits expense, compared to ₹ 169.01 lakhs in the Financial Year 2024–25. This represents an increase of 30.19%, which was primarily driven by a rise in Salaries and wages to ₹ 189.26 lakhs in FY 2025–26 from ₹ 159.80 lakhs in FY 2024–25, along with increase in Directors' Remuneration to ₹ 8.57 lakhs in FY 2025–26 from ₹ 4.56 lakhs in FY 2024-25, and Gratuity expenses of ₹ 20.53 lakhs in FY 2025–26 as against ₹ 2.88 lakhs in FY 2024-25. Contribution to provident and other funds stood at ₹ 1.26 lakhs in FY 2025–26 as against ₹ 1.38 lakhs in FY 2024-25.

Finance Cost

For the Financial Year 2025-26, finance costs increased by 20.58% from ₹ 209.98 lakhs in Financial Year 2024-25 to ₹ 253.20 lakhs in Financial Year 2025-26, primarily due to higher average borrowings during the year to support the Company's business operations and growth. Total borrowings increased from ₹ 2,144.88 lakhs as at March 31, 2025 to ₹ 3,255.29 lakhs as at March 31, 2026

Depreciation Expenses

Depreciation for the Financial Year 2025–26 stood at ₹ 97.32 lakhs as compared to ₹ 77.98 lakhs in the Financial Year 2024–25. The gross fixed asset base stood at ₹ 1,465.35 lakhs in FY 2025–26 as against ₹ 1,069.01 lakhs in FY 2024–25, reflecting additions of ₹ 565.63 lakhs during the year, primarily in Plant and Machinery.

Other Expenses

Our Company incurred ₹ 421.29 lakhs towards Other Expenses in the Financial Year 2025–26 as compared to ₹ 261.98 lakhs in the Financial Year 2024–25. Other expenses primarily include power and fuel of ₹ 244.52 lakhs in FY 2025–26 as against ₹

196.56 lakhs in FY 2024–25; Rent of ₹ 9.84 lakhs in FY 2025–26 as compared to ₹ 9.24 lakhs in FY 2024–25; Job work charges of ₹ 16.08 lakhs in FY 2025–26 as compared to ₹ 11.62 lakhs in FY 2024–25, Loss on sale of Machinery of ₹ 29.63 lakhs in FY 2025–26 as compared to Nil in FY 2024–25 and Repairs and Maintenance of machinery of ₹ 52.58 lakhs in FY 2025–26 as against ₹ 24.90 lakhs in FY 2024–25.

Profit before Tax

The Company reported Restated Profit Before Tax of ₹ 1,427.76 lakhs for the Financial Year ended March 31, 2026, as compared to ₹ 333.24 lakhs for the Financial Year ended March 31, 2025, resulting in an increase of ₹ 1,094.55 lakhs.

Tax Expenses

The Company's tax expense stood at ₹ 383.42 lakhs in the Financial Year 2025–26 as compared to ₹ 95.84 lakhs in the Financial Year 2024–25, resulting in an increase of ₹ 287.59 lakhs, in line with the increase in Profit before tax during FY 2025–26.

Profit after Tax (PAT)

Due to the above factors, Profit After Tax ("PAT") increased to ₹1,044.36 lakhs in Financial Year 2025-26 from ₹237.40 lakhs in Financial Year 2024-25, representing an increase of ₹806.96 lakhs. The increase in PAT was primarily attributable to significant growth in Revenue from Operations, which increased by 68.77% from ₹5,102.68 lakhs in Financial Year 2024-25 to ₹8,611.56 lakhs in Financial Year 2025-26. The growth in Revenue from Operations was largely driven by higher sales of manufactured goods, the contribution of which increased relative to trading goods during the year. Consequently, Total Income increased by ₹3,514.57 lakhs, from ₹5,104.31 lakhs in Financial Year 2024-25 to ₹8,618.88 lakhs in Financial Year 2025-26. While Total Expenses also increased by ₹2,349.65 lakhs, from ₹4,771.08 lakhs in Financial Year 2024-25 to ₹7,120.73 lakhs in Financial Year 2025-26, the rate of increase in expenses was lower than the growth in income, resulting in improved profitability and higher PAT during the year.

Financial Year 2025 Compared to Financial Year 2024 (Based on Restated Financial Statements)

Revenue from Operations

During Financial Year 2024-25, Revenue from Operations increased by 40.44% from ₹ 3,633.38 lakhs in Financial Year 2023-24 to ₹ 5,102.68 lakhs in Financial Year 2024-25. The increase was primarily driven by growth in both manufacturing and trading revenues. Revenue from manufacturing activities increased by 70.25% from ₹ 1,616.79 lakhs in Financial Year 2023-24 to ₹ 2,752.51 lakhs in Financial Year 2024-25, was primarily attributable to the introduction of semi cloudy blankets during the year and the increase in sales volumes. Trading revenue increased by 22.03% from ₹ 1,872.89 lakhs to ₹ 2,285.55 lakhs during the same period. Revenue from job work services decreased by ₹ 76.10 lakhs from ₹ 140.09 lakhs in Financial Year 2023-24 to ₹ 63.99 lakhs in Financial Year 2024-25. Further, other operating revenue decreased from ₹ 3.61 lakhs to ₹ 0.63 lakhs during the year. Accordingly, the overall increase in Revenue from Operations was primarily attributable to the higher contribution from manufacturing and trading activities during Financial Year 2024-25.

Other Income

During the Financial Year 2024–25, Other Income of the Company decreased to ₹ 1.63 lakhs from ₹ 4.91 lakhs in the Financial Year 2023–24. The decrease was primarily due to the absence of one-time income from the sale of mutual funds amounting to ₹3.30 lakhs recorded in FY 2023–24.

Cost of materials consumed

The Cost of materials consumed increased to ₹ 1,833.69 lakhs in Financial Year 2024–25 as against ₹ 1,745.73 lakhs in Financial Year 2023–24, representing an increase of approximately 5.04%. The primary reason for this increase was the corresponding rise in Revenue from Operations. The cost of materials consumed primarily comprises of purchase of raw material ₹ 1,572.83 lakhs in Financial Year 2024-25, up from ₹ 1,450.37 lakhs in Financial Year 2023-24; Dye Chemicals and

other Consumables of ₹ 66.09 lakhs in Financial Year 2024-25 as against ₹ 65.45 lakhs in the Financial Year 2023-24; and Packaging material of ₹ 182.71 lakhs in Financial Year 2024-25, compared to ₹ 203.15 lakhs in Financial Year 2023-24. Change in inventory of raw material of ₹ (37.39) lakhs in Financial Year 2024-25, compared to ₹ (24.76) lakhs in Financial Year 2023-24.

Purchase of stock in trade

The purchase of stock-in-trade increased to ₹2,216.69 lakhs in the Financial Year 2024-25 from ₹1,772.04 lakhs in the Financial Year 2023-24, representing an increase of 25.09%. The increase was primarily on account of increase in Revenue from trading, which increased to ₹ 2,285.55 lakhs in Financial Year 2024-25 from ₹ 1,872.89 lakhs in Financial Year 2023-24.

Changes in inventories of finished goods and stock in trade

The changes in inventories of finished goods and stock in trade decreased to ₹1.74 lakhs in the Financial Year 2024-25 from ₹ (725.09) lakhs in the Financial Year 2023-24. Closing inventory of finished goods increased to Rs. 1,675.25 lakhs in Financial Year 2024-25 from Rs. 1,651.49 lakhs in Financial Year 2023-24. Stock-in-trade inventory reduced from Rs. 25.50 lakhs to Nil during the year.

Employee benefits expenses

During the Financial Year 2024-25, our Company incurred ₹ 169.01 lakhs towards employee benefits expense, compared to ₹ 163.84 lakhs in the Financial Year 2023-24. This represents an increase of 3.16%, which was primarily driven by a rise in Salaries and wages to ₹ 159.80 lakhs in FY 2024-25 from ₹ 156.17 lakhs in FY 2023-24, along with contribution to provident and other funds of ₹ 1.38 lakhs in FY 2024-25 as against ₹ 1.29 lakhs in the FY 2023-24 and Managerial remuneration remained unchanged at Rs. 4.56 lakhs in Financial Year 2024-25 as compared to Rs. 4.56 lakhs in Financial Year 2023-24. Contribution to provident and other funds increased marginally from ₹ 1.29 lakhs in Financial Year 2023-24 to ₹ 1.38 lakhs in Financial Year 2024-25.

Finance cost

For the Financial Year 2024-25, finance costs increased by 9.47% from ₹191.81 lakhs in Financial Year 2023-24 to ₹209.98 lakhs in Financial Year 2024-25, primarily due to increased borrowing requirements during the year to support the Company's business operations and growth. Total borrowings increased from ₹2,119.01 lakhs as at March 31, 2024 to ₹2,144.88 lakhs as at March 31, 2025.

Depreciation expenses

Depreciation for the Financial Year 2024-25 stood at ₹77.98 lakhs as compared to ₹85.86 lakhs in the Financial Year 2023-24. The gross fixed asset base stood at ₹1,069.00 lakhs in FY 2024-25 as against ₹1,033.03 lakhs in FY 2023-24.

Other expenses

Our Company incurred ₹261.98 lakhs towards Other Expenses in the Financial Year 2024-25 as compared to ₹319.76 lakhs in the Financial Year 2023-24. Other expenses primarily include power and fuel of ₹196.56 lakhs in FY 2024-25 as against ₹232.79 lakhs in FY 2023-24; Rent of ₹9.24 lakhs in FY 2024-25 as compared to ₹7.44 lakhs in FY 2023-24; Job work charges of ₹ 11.62 lakhs in FY 2024-25 as compared to ₹ 6.05 lakhs in FY 2023-24, and Repairs and Maintenance of machinery of ₹24.90 lakhs in FY 2024-25 as against ₹58.31 lakhs in FY 2023-24.

Profit before tax

The Company reported Restated Profit before tax of ₹333.23 lakhs for the Financial Year ended March 31, 2025, as compared to ₹84.33 lakhs for the Financial Year ended March 31, 2024, resulting in an increase of ₹248.90 lakhs.

Tax Expenses:

The Company's tax expense stood at ₹ 95.84 lakhs in the Financial Year 2024–25 as compared to ₹ 12.14 lakhs in the Financial Year 2023–24, resulting in an increase of ₹ 83.70 lakhs, in line with the increase in Profit before tax during FY 2024–25.

Profit after Tax (PAT).

Due to the above factors, Profit after tax (PAT) increased to Rs. 237.40 lakhs in Financial Year 2024-25 from Rs. 72.19 lakhs in Financial Year 2023-24, representing an increase of Rs. 165.21 lakhs. The increase in PAT was primarily attributable to growth in Revenue from Operations, which increased by 40.45% from Rs. 3,633.38 lakhs in Financial Year 2023-24 to Rs. 5,102.68 lakhs in Financial Year 2024-25.

Cashflow Statement

The table below summaries our cash flows from our Restated Financial statements for the Financial Years ended in 2026, 2025 and 2024:

(₹ in lakhs)

Particulars	For the Financial Year March 31, 2026	For the Financial Year March 31, 2025	For the Financial Year March 31, 2024
Net cash (used in)/ Generated from Operating activities	(231.27)	416.19	(333.91)
Net cash (used in)/ Generated from Investing activities	(499.87)	(225.54)	31.91
Net cash (used in)/ Generated from Finance activities	877.18	(182.67)	304.21
Net increase/ (decrease) in cash and cash equivalents	146.05	7.98	2.21
Cash and Cash Equivalents at the beginning of the year	11.19	3.21	1.00
Cash and Cash Equivalents at the end of year	157.24	11.19	3.21

Cash Flow from/ (used in) Operating Activities

Operating cash flow before working capital changes was ₹ 1,830.92 lakhs for the Financial Year ended March 31, 2026 and our profit before tax for that period was ₹ 1,427.76 lakhs. The difference was primarily attributable to depreciation of ₹ 97.32 lakhs, finance cost of ₹ 233.22 lakhs, provision for gratuity of ₹ 20.53 lakhs, interest on income tax and statutory dues of ₹ 19.97 lakhs, and foreign currency exchange fluctuation of ₹ 1.39 lakhs, partially offset by interest income of ₹ 1.51 lakhs. Changes in working capital for the period ended March 2026 primarily consisted of working capital adjustments to increase in trade receivables of ₹ 1,831.47 lakhs, increase in inventories of ₹ 196.65 lakhs, increase in short-term loans and advances of ₹ 214.43 lakhs, and increase in other current assets of ₹ 11.32 lakhs, partially offset by increase in trade payables of ₹ 228.90 lakhs and increase in other current liabilities of ₹ 115.95 lakhs.

During the Financial Year ended March 31, 2026, cash used in operating activities before income tax payments amounted to ₹ 78.09 lakhs. After accounting for income tax paid of ₹ 153.18 lakhs, the Net Cash used in Operating activities stood at ₹ 231.27 lakhs.

Operating cash flow before working capital changes was ₹ 622.90 lakhs for the Financial Year ended March 31, 2025 and our profit before tax for that period was ₹ 333.24 lakhs. The difference was primarily attributable to depreciation of ₹ 77.98 lakhs, finance cost of ₹ 208.54 lakhs, provision for gratuity of ₹ 2.88 lakhs, and interest on income tax and statutory dues of ₹ 1.44 lakhs, partially offset by interest income of ₹ 1.18 lakhs. Changes in working capital for the period ended March 2025 primarily consisted of working capital adjustments to increase in trade receivables of ₹ 129.14 lakhs, increase in inventories of ₹ 35.65 lakhs, decrease in other current liabilities of ₹ 52.68 lakhs, and increase in other current assets of ₹ 0.48 lakhs, partially offset by decrease in short-term loans and advances of ₹ 43.82 lakhs and decrease in trade payables of ₹ 2.95 lakhs.

During the Financial Year ended March 31, 2025, cash generated from operating activities before income tax payments amounted to ₹ 445.82 lakhs. After accounting for income tax paid of ₹ 29.62 lakhs, the Net Cash generated from Operating activities stood at ₹ 416.19 lakhs.

Operating cash flow before working capital changes was ₹ 358.23 lakhs for the Financial Year ended March 31, 2024 and our profit before tax for that period was ₹ 84.33 lakhs. The difference was primarily attributable to depreciation of ₹ 85.86 lakhs, finance cost of ₹ 191.69 lakhs, and provision for gratuity of ₹ 1.38 lakhs, partially offset by profit on sale of mutual fund of ₹ 3.30 lakhs and interest income of ₹ 1.61 lakhs. Changes in working capital for the period ended March 2024 primarily consisted of working capital adjustments to increase in inventories of ₹ 749.85 lakhs and increase in other current assets of ₹ 0.40 lakhs, partially offset by decrease in trade receivables of ₹ 39.70 lakhs, decrease in short-term loans and advances of ₹ 12.36 lakhs, increase in trade payables of ₹ 8.68 lakhs, and increase in other current liabilities of ₹ 3.95 lakhs.

During the Financial Year ended March 31, 2024, cash used in operating activities before income tax payments amounted to ₹ 327.34 lakhs. After accounting for income tax paid of ₹ 6.57 lakhs, the Net Cash used in Operating activities stood at ₹ 333.91 lakhs.

Net cash generated from/ (used in) investing activities

For the Financial Year ended March 31, 2026, net cash used in investing activities was ₹ (499.87) lakhs, which was primarily due to purchase of fixed assets of ₹ 548.86 lakhs and investment made of ₹ 9.00 lakhs. This was partially offset by proceeds from sale of fixed assets amounting to ₹ 49.86 lakhs, repayment of long-term loans and advances of ₹ 6.63 lakhs, and interest received of ₹ 1.51 lakhs.

For the Financial Year ended March 31, 2025, net cash used in investing activities was ₹ (225.54) lakhs, which was primarily due to long-term loans and advances of ₹ 165.07 lakhs, purchase of fixed assets of ₹ 52.74 lakhs, and investment made of ₹ 9.00 lakhs, partially offset by interest received of ₹ 1.18 lakhs and security deposits received of ₹ 0.09 lakhs.

For the Financial Year ended March 31, 2024, net cash generated from investing activities was ₹ 31.91 lakhs, primarily driven by proceeds from sale of fixed assets amounting to ₹ 36.43 lakhs, proceeds from sale of investments of ₹ 12.23 lakhs, and interest received of ₹ 1.61 lakhs, partially offset by purchase of fixed assets of ₹ 7.26 lakhs, term deposit of ₹ 6.93 lakhs, and security deposits paid of ₹ 4.17 lakhs.

Net Cash Generated From/ (Used In) Financing Activities

For the Financial Year ended March 31, 2026, net cash generated from financing activities was ₹ 877.18 lakhs, which was primarily due to proceeds from borrowings of ₹ 1,439.72 lakhs. This was partially offset by repayment of borrowings of ₹ 329.31 lakhs and interest paid of ₹ 233.22 lakhs.

For the Financial Year ended March 31, 2025, net cash used in financing activities was ₹ (182.67) lakhs, which was primarily due to repayment of borrowings of ₹ 330.03 lakhs and interest paid of ₹ 208.54 lakhs. This was partially offset by proceeds from borrowings of ₹ 355.90 lakhs.

For the Financial Year ended March 31, 2024, net cash generated from financing activities was ₹ 304.21 lakhs, which was primarily due to proceeds from borrowings of ₹ 842.00 lakhs. This was partially offset by repayment of borrowings of ₹ 346.10 lakhs and interest paid of ₹ 191.69 lakhs.

Effect of Inflation

We are affected by inflation as it has an impact on material costs, wages, etc. in line with changing inflation rates; we rework our margins to absorb the inflationary impact.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled “*Restated Financial Statements*” on page 227 there have been no reservations, qualifications and adverse remarks.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Financial Years.

Information required as per Item (II)(C)(iv) of Part A of Schedule VI to the SEBI Regulations:

Unusual or infrequent events or transactions

To the best of our knowledge, the unusual or infrequent event or transaction during the last three years has been the loss of stock and machinery due to fire. This transaction was exceptional in nature and does not form part of the Company's regular course of business

(₹ in lakhs)

Particulars	For the Financial Year ended March 31, 2026	For the Financial Year ended March 31, 2025	For the Financial Year ended March 31, 2024
Loss of stock due to fire	67.77	-	-
Loss of machinery due to fire	2.60	-	-

Significant economic changes that materially affected or are likely to affect income from continuing operations.

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section "Risk Factors" beginning on page 21, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

Future changes in relationship between costs and revenues

Other than as described in "Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 21, 168 and 282 to our knowledge there are no known factors that may adversely affect our business prospects, results of Operations and financial condition.

Segment Reporting

Our business activity primarily falls within a single business segment, other than as disclosed in "Restated Financial Statements" on page 227. We do not follow any other segment reporting.

Status of any publicly announced New Products or Business Segment

Except as disclosed in the Chapter "Our Business" on page 168, our Company has not announced any new product or service.

Seasonality of business

(₹ in lakhs)

Particulars	For the Financial Year ended March 31, 2026		For the Financial Year ended March 31, 2025		For the Financial Year ended March 31, 2024	
	Revenue from Operations	% of Total Revenue from Operations	Revenue from Operations	% of Total Revenue from Operations	Revenue from Operations	% of Total Revenue from Operations
Q1 (April to June)	481.23	5.59%	834.23	16.35%	465.03	12.80%
Q2 (July to September)	2,510.39	29.15%	1,375.58	26.96%	781.36	21.51%
Q3 (October to December)	2,966.55	34.45%	1,830.35	35.87%	1,516.84	41.74%
Q4 (January to March)	2,653.39	30.81%	1,062.52	20.82%	870.15	23.95%
Total	8,611.56	100.00%	5,102.68	100.00%	3,633.38	100.00%

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants pursuant to their certificate dated June 15, 2026

The Company's business demonstrates seasonality, with revenue contribution from Q3 and Q4 aggregating to 65.70%, 56.69%, and 65.26% of total Revenue from Operations during Financial Years 2023–24, 2024–25, and 2025–26, respectively. This concentration is primarily attributable to higher demand during the winter season, resulting in a greater proportion of revenue being generated during the second half of the financial year.

Any significant dependence on a single or few suppliers or customers.

The percentage of Revenue from Operations derived from our top customers is given below:

Contribution of our Company's customer vis-vis the Revenue from Operations respectively for Financial Year ended March 31, 2026, March 31, 2025 & March 31, 2024 are as follows:

(₹ in lakhs)

Particulars	For the Financial Year ended March 31, 2026		For the Financial Year ended March 31, 2025		For the Financial Year ended March 31, 2024	
	Revenue from Operations	% of Revenue from Operations	Revenue from Operations	% of Revenue from Operations	Revenue from Operations	% of Revenue from Operations
Top 1 Customer	1,371.67	15.94%	1,260.79	24.71%	714.25	19.66%
Top 3 Customer	2,607.75	30.30%	2,191.39	42.95%	1,430.73	39.38%
Top 5 Customer	3,376.69	39.24%	2,652.69	51.99%	1,723.26	47.43%
Top 10 Customer	4,647.41	54.00%	3,390.89	66.46%	2,181.85	60.05%

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants pursuant to their certificate dated June 15, 2026.

The percentage of purchases derived from our top suppliers is given below:

Contribution of our Company's supplier vis-vis the purchase respectively for Financial Year ended March 31, 2026, March 31, 2025 & March 31, 2024 are as follows:

Particulars	For the Financial Year ended March 31, 2026		For the Financial Year ended March 31, 2025		For the Financial Year ended March 31, 2024	
	Purchase	% of Purchase	Purchase	% of Purchase	Purchase	% of Purchase
Top 1 Supplier	927.03	15.32%	1,263.91	33.35%	736.31	22.85%
Top 3 Supplier	2,386.71	39.45%	2,743.80	72.40%	1,610.43	49.98%
Top 5 Supplier	3,402.84	56.25%	3,377.74	89.13%	2,186.20	67.84%
Top 10 Supplier	4,500.29	74.39%	3,716.99	98.09%	2,887.11	89.59%

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants pursuant to their certificate dated June 15, 2026

Competitive conditions

We operate in a competitive environment. Please refer to “Risk Factors”, “Industry Overview” and “Our Business” on pages 21, 127 and 168 respectively, for further information on our industry and competition

Details of material developments after the date of last balance sheet i.e., March 31, 2026.

No material developments have come to our attention since the date of the Restated Financial Information as disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to materially and adversely affect our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, as on the date of this Draft Red Herring Prospectus, there are no outstanding: (a) criminal proceedings (including matters at FIR stage where no/ some cognizance has been taken by any court or any judicial authority); (b) actions by statutory or regulatory authorities; (c) claims relating to direct and indirect tax liabilities; or (d) proceedings (other than proceedings covered under (a) to (c) above) which have been determined to be material pursuant to the Materiality Policy (as disclosed herein below; involving our Company, its Directors and its Promoters. ("**Relevant Parties**").*

Further, except as disclosed in this section, there are no (a) disciplinary actions including penalty imposed by the SEBI or any stock exchange against any of our Promoters in the last five Financial Years preceding the date of this Draft Red Herring Prospectus; (b) outstanding criminal proceedings (including matters at FIR stage where no / some cognizance has been taken by any court or any judicial authority), involving our Key Managerial Personnel and members of Senior Management; (c) outstanding actions by statutory or regulatory authorities against our Key Managerial Personnel and Senior Managerial Personnel; or (d) pending litigation involving our Group Companies which may have a material impact on our Company.

*For the purpose of identification and disclosure of material litigation in relation to (iv) above, our Board in its meeting held on April 09, 2026 has considered and adopted the following policy on materiality with regard to material outstanding litigation involving the Relevant Parties, to be disclosed by our Company in this Draft Red Herring Prospectus ("**Materiality Policy**").*

- (i) the monetary amount of the claim/dispute made by or against the Relevant Parties in any such pending litigation/ arbitration proceeding, to the extent quantifiable, exceeds the lower of the following:*
 - a) two percent of turnover, as per the last annual restated financial statements of the Company i.e. 172.23 lakhs; or*
 - b) two percent of net worth, except in case of the arithmetic value of the net worth is negative, as per the last annual restated financial statements of the Company i.e. 33.14 lakhs; or*
 - c) five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated financial statements of the Company i.e. 22.57 lakhs.*

Accordingly, the threshold for materiality for disclosure in this section is five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated financial statements of our Company, being ₹ 22.57 lakhs.

- (ii) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in individual litigation does not exceed the amount determined as per clause (i) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (i) above; and*
- (iii) where monetary liability is not quantifiable or does not exceed the threshold mentioned in point (i) above, the outcome of any such pending proceedings may have a material bearing on the business, operations, performance, prospects, financial position or reputation of the Company.*

It is clarified that for the above purposes, pre-litigation notices received by Relevant Parties, unless otherwise decided by our Board, are not evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in litigation proceedings before any judicial forum.

*Our Board of Directors, in its meeting held on April 09, 2026, determined that outstanding dues to such creditor exceeds 10% of the total consolidated trade payable of the Company as on the date of the latest Restated Consolidated Financial Statements of the Company disclosed in the Issue Documents, shall be considered material for the purpose of disclosure in this Draft Red Herring Prospectus ("**Material Dues**"). Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI (ICDR) Regulations have been disclosed on our website at www.decentspinnerslimited.com.*

All terms defined in a particular litigation disclosure pertain to that litigation only. Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

I. Litigation involving our Company.

A. Litigation filed against our Company.

1. Criminal proceedings

a. State of Haryana Versus M/S Decent Spinners Private Limited (COMA/504/2024)

The Haryana State Pollution Control Board (“**Complainant**”) has filed a complaint under section 43 and 44 read with section 47 for violation of section 24 and 25 of Water (Prevention and Control of Pollution) Act, 1974 (“**Water Act**”) and under section 37 read with section 40 for violation of section 21 of Air (Prevention and Control of Pollution) Act, 1981 (“**Air Act**”) before the Special Environment Court, Kurukshetra against M/s Decent Spinners Private Limited (“**Accused No. 1/Our Company**”), Naresh Kumar (“**Accused No. 2/ Our Director and Promoter**”), and Veera Garg (“**Accused No. 3**” together with Accused No. 1 and Accused No. 2 be referred to as “**Accused**”). The Complainant claims that Accused No. 1 was granted consent to operate, solely for manufacturing of shoddy yarns (“**Consent to Operate**”). The Complainant alleges that during an inspection conducted at the factory premises of Accused No. 1, it was observed that while the Consent to Operate granted to Accused No. 1 covered the manufacture of shoddy yarn, certain activities relating to the manufacture of mink blankets were also being carried out, allegedly without separate consent and beyond the scope of the existing Consent to Operate. The Complainant has prayed to initiate proceedings against the Accused and punished under the provisions of section 43 and 44 read with section 47 for violation of section 24 and 25 of the Water Act and under section 37 read with section 40 for violation of section 21 of the Air Act. The matter is currently at the pre-charge evidence stage, has undergone transfer during the proceedings from Special Environment Court, Kurukshetra to Chief Judicial Magistrate, Karnal, and is now listed for hearing on September 21, 2026.

2. Outstanding actions by regulatory and statutory authorities

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions or show cause notices initiated by Statutory or Regulatory Authorities against our Company.

3. Material civil proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated against our Company.

B. Litigation filed by our Company.

1. Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Company.

2. Material civil proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated by our Company.

C. Tax proceedings

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in ₹ lakhs)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	Nil	Nil

II. Litigation involving our Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Company does not have a Subsidiary.

III. Litigation involving our directors (other than Promoters)

A. Litigation filed against our directors (other than Promoters)

1. Criminal proceedings

Except as disclosed in “*Litigation filed against our Company – Criminal Proceedings*” above on page 293, there are no outstanding criminal proceedings initiated against our directors.

2. Outstanding actions by regulatory and statutory authorities

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions or show cause notices initiated by Statutory or Regulatory Authorities against our Directors.

3. Material civil proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated against our directors.

B. *Litigation filed by our directors (other than Promoters)*

1. Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our directors.

2. Material civil proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated by our directors.

C. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (<i>in ₹ lakhs</i>)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	Nil	Nil

IV. Litigation involving our Promoters

A. *Litigation filed against our Promoters*

1. Criminal proceedings

Except as disclosed in “*Litigation filed against our Company – Criminal Proceedings*” above on page 293, there are no outstanding criminal proceedings initiated against our Promoters.

2. Outstanding actions by regulatory and statutory authorities

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions or show cause notices initiated by Statutory or Regulatory Authorities against our Promoters.

3. Material civil proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated against our Promoters.

B. *Litigation filed by our Promoters*

1. Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Promoters.

2. Material civil proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated by our Promoters.

C. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (<i>in ₹ lakhs</i>)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	Nil	Nil

V. Litigation involving our Key Managerial Personnel and Senior Management (Other than Directors and Promoters)

A. *Litigation filed against our Key Managerial Personnel and Senior Management (Other than Directors and Promoters)*

1. Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Key Managerial Personnel and Senior Management.

2. Material civil proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated against our Key Managerial Personnel and Senior Management.

3. Outstanding actions by regulatory and statutory authorities

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions or show cause notices initiated by Statutory or Regulatory Authorities against our Key Managerial Personnel and Senior Management.

B. *Litigation filed by our Key Managerial Personnel and Senior Managerial Personnel (Other than Directors and Promoters)*

1. Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Key Managerial Personnel and Senior Management.

2. Material civil proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated by our Key Managerial Personnel and Senior Management.

C. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in ₹ lakhs)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	Nil	Nil

Outstanding dues to creditors

Our Board, in its meeting held on April 9, 2026 has considered and adopted the Materiality Policy. In terms of the Materiality Policy, creditors of our Company, to whom an amount exceeding 5% of our total outstanding dues (trade payables) as on the date of the latest period in the Restated Financial Statements was outstanding, were considered material creditors.

As per the latest Restated Financial Statements, our total trade payables as on March 31, 2026 was Rs 250.24 lakhs and accordingly, creditors to whom outstanding dues exceed Rs. 12.51 lakhs have been considered as 'material' creditors for the purposes of disclosure in this Draft Red Herring Prospectus.

Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at March 31, 2026 by our Company, are set out below:

Type of creditors	Number of creditors	Amount involved (in ₹ lakhs)
A. Outstanding dues to Material creditors	2	225.90
outstanding dues to Micro, Small and Medium Enterprises	1	200.60
B. Outstanding dues to other than material creditors	18	24.34

As certified by M/s. Vinay I Aggarwal & Associates, Chartered Accountants pursuant to their certificate dated June 15, 2026

The details pertaining to net outstanding dues towards our material creditors as on March 31, 2026 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at www.decentspinnerslimited.com. It is clarified that such details available on our website do not form a part of Draft Red Herring Prospectus.

Material Developments

Other than as stated in the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after March 31, 2026*" on beginning on page 282 there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

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GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking this Issue and carrying on our present business activities. In view of these key approvals, our Company can undertake this Issue and its business activities. In addition, certain of our key approvals may expire in the ordinary course of business and our Company will make applications to the appropriate authorities for renewal of such key approvals, as necessary. Unless otherwise stated herein and in the section “Risk Factors” beginning on page 21, these material approvals are valid as of the date of this Draft Red Herring Prospectus. For details in connection with the regulatory and legal framework within which we operate, see “Key Regulations and Policies” on page 191.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its present business activities.

Following statement sets out the details of licenses, permissions and approvals obtained by the Company under various central and state legislations for carrying out its business activities.

Our Company is in the process to submit necessary application(s) with all regulatory authorities for change of its name in the approvals, licenses, registrations and permits issued to our Company.

1. MATERIAL APPROVAL REQUIRED FOR OUR COMPANY

I. APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the Issue

Corporate Approvals:

- a. The Board of Directors has, pursuant to a resolution passed at its meeting held on April 20, 2026, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1) of the Companies Act, 2013 and approvals by such other authorities, as may be necessary;
- b. The shareholders of the Company have, pursuant to a special resolution passed in the shareholders meeting held on April 20, 2026, authorized the Issue under Section 62(1) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
- c. Our Board has approved this Draft Red Herring Prospectus pursuant to its resolution dated June 16, 2026.
- d. Our Board has approved the Red Herring Prospectus pursuant to its resolution dated [●].
- e. Our Board has approved the Prospectus pursuant to its resolution dated [●].

Approval from the Stock Exchange:

- f. The Company has obtained the in-principle listing approval from BSE Limited, dated [●].

Agreements with NSDL and CDSL:

- g. The company has entered into an agreement dated April 01, 2026, with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Maashitla Securities Private Limited for the dematerialization of its shares.
- h. Similarly, the Company has also entered into an agreement dated June 27, 2025, with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Maashitla Securities Private Limited for the dematerialization of its shares.
- i. The Company’s International Securities Identification Number is: INE260401026

The ISIN Activation letter dated March 12, 2026 has been received from CDSL.

The ISIN Activation letter dated March 17, 2026 has been received from NSDL.

j. **Lenders No Objection Certificate (“NOC”):**

As on the date of this Draft Red Herring Prospectus, our Company has one lender of the Issuer. NOC received from Union Bank of India dated May 2, 2026.

II. INCORPORATION RELATED APPROVALS

Sr. No.	Nature of Registration/ License	CIN/LLP Identification Number	Issuing Authority	Date of Issue	Date of Expiry
1.	Certificate of Incorporation	U74899DL1990PTC040239	Registrar of Companies, Delhi and Haryana	May 23, 1990	Valid till cancelled
2.	Certificate of Incorporation (Pursuant to change in registered office of our Company)	U74899HR1990PTC143283	Registrar of Companies, Haryana	March 19, 2026	Valid till cancelled
3.	Fresh Certificate of Incorporation (Pursuant to conversion from Private to Public)	U74899HR1990PLC143283	Government of India Ministry of Corporate Affairs	April 9, 2026	Valid till cancelled

III. TAX RELATED APPROVALS

Sr. No.	Nature of Registration/ License	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Department	AAACD7057R	May 23, 1990	Valid till cancelled
2.	Tax Deduction Account Number (TAN)*	Income Tax Department	RTKD04613A	April 30, 2011	Valid till cancelled
3.	GST Registration Certificate - Haryana	Goods and Service Tax Department	06AAACD7057R1Z5	April 29, 2026	Valid till cancelled

**Application made for change in name from “Decent Spinners Private Limited” to “Decent Spinners Limited”*

IV. BUSINESS OPERATION RELATED APPROVALS

Sr. No.	Description	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
	Consent to Operate*	Haryana State Pollution Control Board	313101723KARCTO32085643	January 16, 2023	September 30, 2027
	Authorisation under Hazardous and Other Wastes (Management and Transboundary Movement) Rules*	Haryana State Pollution Control Board	HWM/KAR/2024/29718003	June 12, 2024	September 30, 2027
	UDYAM Registration Certificate	Ministry of Micro, Small and Medium Enterprises	UDYAM-HR-10-0002654	November 2, 2020	Valid till cancelled

	License to work a factory	Chief Inspector of Factories, Government of Haryana	KNL-ONLINE-CHD-D-655	May 24, 2026	December 31, 2026
	Stability Certificate	ER. Sanjeev Kumar Jain	25052026012SKJ	April 23, 2026	March 31, 2029
	Boiler Certificate	Joint Director-cum - Chief Inspector of Boilers, Haryana	2025-07-00334 Registered Number: HA-7655	July 25, 2025	July 24, 2026
	Fire NOC	Assistant Divisional Fire Officer/ Fire Station Officer - Fire Station Office Karnal	Reference No.: 100632623000028 Memo No.: FS/2026/53	April 17, 2026	April 16, 2029
	Permanent Registration Certificate as Small-Scale Industrial Unit	Government of Haryana – Directorate of Industries	050526459	February 11, 1993	Valid till cancelled
	Importer Exporter Code*	Ministry of Commerce and Industry	3392002763	March 4, 1993	Valid till cancelled
	Shops and Establishment Certificate [Registered Office/ Factory]	Government of Haryana	PSA/REG/KNL//0373614	April 29, 2026	Valid till cancelled.

**Application made for change in name from “Decent Spinners Private Limited” to “Decent Spinners Limited”*

V. LABOUR RELATED APPROVALS BY OUR COMPANY:

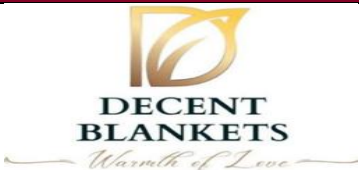
Sr. No.	Description	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
1.	Certificate of registration – Employee’s Provident Fund Code*	Employees Provident Fund Organisation	HRKNL0008468000	March 22, 2015	Valid till cancelled
2.	Certificate of registration – ESIC*	Sub-Regional Office, Employees State Insurance Corporation	24000267520000199	October 28, 2010	Valid till cancelled

**Application made for change in name from “Decent Spinners Private Limited” to “Decent Spinners Limited”*

VI. QUALITY CERTIFICATIONS

Sr. No.	Description	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
1.	ISO 9001:2015	Ranalysis Certification Private Limited	8A42E931	April 21, 2026	April 20, 2029

VII. INTELLECTUAL PROPERTY RELATED APPROVALS

Sr. No.	Particulars of Mark	Class	Applicant	Trademark Application No.	Date of Application	Status
1.		24	Decent Spinners Private Limited	6867161	February 19, 2025	Formalities Check pass
2.		24	Decent Spinners Limited	7694104	April 29, 2026	Formalities Check pass
3.		24	Decent Spinners Private Limited	5145110	September 23, 2021	Registered

VIII. THE DETAILS OF DOMAIN REGISTERED BY OUR COMPANY ARE:

Sr. No.	Domain Name and ID	Sponsoring Registrar	Creation Date	Registry Expiry Date
1.	Decent Blankets – www.decentblankets.com	EPIQUE CREATIVES	May 5, 2026	May 4, 2027
2.	Decent Spinners Limited www.decentspinnerslimited.com	EPIQUE CREATIVES	May 5, 2026	May 4, 2027

IX. APPLICATIONS MADE BY OUR COMPANY, PENDING APPROVAL

As on the date of this Draft Red Herring Prospectus, no applications made by the Company are pending for approval.

X. MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY

As on the date of this Draft Red Herring Prospectus, our Company has applied for material licenses, approvals, registrations, permits and permissions required for the conduct of its business operations.

XI. MATERIAL APPROVAL REQUIRED FOR OUR SUBSIDIARY

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

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

The Offer has been authorized by our Board of Directors pursuant to the resolution passed at its meeting dated April 20, 2026 and the Offer has been Authorised by our Shareholders pursuant to a special resolution passed at their EGM dated April 20, 2026 Authorised the Offer under Section 62(1)(c) of the Companies Act, 2013. Further, our Board has taken on record consents and authorization of the Promoter Selling Shareholders to participate in the Offer for Sale pursuant to a resolution dated April 20, 2026.

This DRHP and the Draft Abridged Prospectus has been approved by our Board for filing with the Stock Exchange pursuant to the resolution passed at its meeting held on June 16, 2026.

The Promoter Selling Shareholders have confirmed and approved their participation in the Offer for Sale in relation to the Offered Shares. For further details, see “*The Offer*” on page 63.

Offer for Sale

Each of the Promoter Selling Shareholders have, severally and not jointly, confirmed and authorised the transfer of its respective proportion of the Offered Shares pursuant to the Offer for Sale, as set out below:

Sr. No.	Name of Promoter Selling Shareholder	Type	Date of Promoter Selling Shareholder's Consent Letter	Equity Shares of face value of ₹ 10 each offered by way of Offer for Sale ⁽¹⁾⁽²⁾
1.	Naresh Kumar	Promoter Selling Shareholder	April 20, 2026	Up to 5,84,000
2.	Ritu Garg	Promoter Selling Shareholder	April 20, 2026	Upton 2,91,000

Each of the Promoter Selling Shareholders, severally and not jointly, confirm that it is in compliance with the SEBI (ICDR) Regulations, 2018 and it has held its respective portion of the Offered Shares for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus.

In-principle Listing Approvals

We have received in principle approval from BSE Limited vide their letter dated [●] to use the name of BSE Limited in the Draft Red Herring Prospectus for listing of our Equity Shares on SME Platform of BSE Limited. BSE Limited is the Designated Stock Exchange for the purpose of this Offer.

Prohibition by SEBI or Governmental Authorities

Our Company, Promoters, members of the Promoter Group, Directors or persons in control of the Promoters or the Company are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court on the date of this Draft Red Herring Prospectus.

Prohibition By RBI

Neither our Company nor our Promoters, or Directors have been identified as a wilful defaulter or Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.

None of our Company, Promoter Selling Shareholders, Promoters or Directors have been declared as a fraudulent borrower by any bank, financial institution or lending consortium, in accordance with the ‘Master Directions on Fraud- Classification and Reporting by commercial banks and select FIs’ dated July 01, 2016, as updated, issued by the RBI.

Compliance under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoters, or members of the Promoter Group severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable, as on the date of this Draft Red Herring Prospectus. Further, in view of the General Circular No. 07/2018 dated *September 06, 2018* and General Circular No. 08/2018 dated *September 10, 2018* issued by the Ministry of Corporate Affairs, Government of India (“MCA”),

our Company, our Promoters and our Promoter Group will ensure compliance with the SBO Rules, upon notification of the relevant forms, as may be applicable to them.

Confirmations

- Our Company, our Promoters and Promoter's Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
- None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI in the past five years.
- There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoters or directors.
- That 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.

Directors associated with the Securities Market

None of our Directors are, in any manner, associated with securities market. Further there has been no outstanding actions initiated by the SEBI against our Directors in the five years preceding the date of this Draft Red Herring Prospectus except as stated under the chapters titled "Risk factors", "Our Promoter and Promoter Group" and "Outstanding Litigations and Material Developments" beginning on page 21, 221 and 293 respectively.

Eligibility for the Offer

In terms of Regulation 229(3) of the SEBI ICDR Regulations, we confirm that the Company have fulfilled the eligibility criteria of SME Platform of BSE Limited, which are as follows:

- The Company was incorporated on May 23, 1990, under the Companies Act, 1956 with the Registrar of Companies, Delhi and Haryana.
- As on the date of this certificate, the Company has a total paid up share capital of ₹ 14,71,10,300 comprising 1,47,10,300 equity shares of face value of ₹10 each and the Post Offer Capital will be up to ₹ [●] comprising of up to [●] equity shares of face value of ₹ 10 each which is below ₹ 25 crore.
- The Company confirms that it has operating profits (earnings before interest, depreciation and tax) of at least Rs. 1 crore from operations for at least 2 financial years out of preceding three financial years.

(₹ in lakhs)

Particulars	As at		
	March 31, 2026	March 31, 2025	March 31, 2024
Profit Before Tax	1,427.76	333.24	84.33
Less: Other Income	7.32	1.63	4.91
Add: Depreciation & Amortization	97.32	77.98	85.86
Add: Finance Costs	253.20	209.98	191.81
: Exceptional Item	70.37	0.00	0.00
Operating Profit / EBITD	1,841.33	619.56	357.09

- As per the Restated Financial Statements, the Company has net worth of at least ₹1 Cr for 2 preceding full financial years depicted as follows:

(₹ in lakhs)

Particulars	As at		
	March 31, 2026	March 31, 2025	March 31, 2024
Equity Share Capital	133.73	133.73	133.73
Other Equity	1,523.39	479.05	241.65
Net Worth	1,657.12	612.78	375.38

- Based on the Restated Financial Statements, Company's Net Tangible Assets for the last preceding full financial year i.e. March 31, 2026, was more than Rs. 3 Crores and the working is given below:

(₹ in lakhs)

Particulars	As at		
	March 31, 2026	March 31, 2025	March 31, 2024
Net Worth	1,657.12	612.77	375.38
Less Intangible asset	-	-	-
Net Tangible Assets	1,657.12	612.77	375.38

- f. The Company's leverage ratio (Total Debt to Equity) was 1.96 as of March 31, 2026, which is well within the permissible limit of 3:1. The working is given below:

(₹ in lakhs)

Particulars	As at		
	March 31, 2026	March 31, 2025	March 31, 2024
Long term Borrowing	1,105.92	571.25	766.96
Short term Borrowing	2,149.37	1,573.63	1,352.05
Shareholders' Equity	1,657.12	612.77	375.38
Debt / Equity	1.96	3.50	5.64

- g. The Company has operational track record of over three years as on the date of this certificate.
- h. The Company confirms that no regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past in respect of Promoter, Companies promoted by the Promoter/Promoting company(ies) of the Company by any stock exchange having national wide trading terminal.
- i. None of the Promoters/Directors (other than Independent Directors) are/were Promoters/Directors of any company which was compulsorily delisted by any stock exchange nor were their trading suspended on account of non-compliance.
- j. None of the Directors were ever disqualified/ debarred by any of the regulatory authorities.
- k. The Company has no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by the Company and its Promoters.
- l. The Company confirms that there has been no change in its name last 1 year immediately preceding the date of this certificate except name change pursuant to conversion of the Company from a private company to a public company, consequently word "Private" was deleted from the name of the Company.
- m. The Company confirms that Offer for Sale (OFS) by selling shareholders in the Offer shall not exceed 20% of the total offer size and selling shareholders cannot sell more than 50% of their holding.
- n. The Company are not proposing any Repayment of Loan from Promoter, Promoter Group or any related party, from the Offer proceeds, whether directly or indirectly.
- o. The Company has not been referred to Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against the Company and promoting companies.
- p. There is no winding up petition against the Company, which has been admitted by NCLT / Court of competent jurisdiction or a liquidator has not been appointed.
- q. The Company has facilitated trading in demat securities and has entered into an agreement with both the depositories. The Company has entered into an agreement with Central Depository Services Limited (CDSL) dated April 01, 2026, and National Securities Depository Limited (NSDL) dated June 27, 2025, for dematerialization of its Equity Shares proposed to be issued.
- r. The Equity Shares of our Company held by the Promoters are in dematerialized form.
- s. The Company has ensured that the merchant banker has not involved in the IPO and have not instances of any of their IPO draft offer document filed with the BSE being returned in the past 6 months from the date of application.
- t. The Company have disclosed the details of Company, Promoter/Promoting Company(ies), Group Companies, companies promoted by the Promoter/Promoting Company(ies) litigation record, the nature of litigation, and status of litigation.

- u. The Company has a website: www.decentblankets.com
- v. The application for listing of the equity shares of the Company has not been rejected by the BSE in last 6 complete months.
- w. There has been no change in the promoters of the Company in preceding one year from date of filing the application to BSE for listing under SME segment.
- x. The composition of the board should be in compliance with the requirements of Companies Act, 2013 at the time of in-principal approval.
- y. The Net worth computation will be as per the definition given in SEBI (ICDR) Regulations.
- z. 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 red herring prospectus.

Disclosures

We confirm that:

- a) We have Disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting Company(ies), group Company(ies), subsidiaries companies promoted by the promoters/promoting Company(ies) of the applicant Company in the Draft Red Herring Prospectus.
- b) There are no Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting Company(ies), Company(ies), companies promoted by the promoters/promoting Company(ies) during the past three years. An auditor's certificate will be provided by the issuer to the exchange, in this regard.
- c) We have Disclosed the details of the applicant, Promoters/Promoting Company(ies), Group Company(ies), subsidiaries, companies promoted by the promoters/promoting Company(ies) litigation record, the nature of litigation, and status of litigation, For details, please refer the chapter “*Outstanding Litigation and Material Developments*” on page 293.
- d) We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of our company have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For Details, refer the chapter “*Outstanding Litigation & Material Developments*” on page 293.
- e) 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 Book Running Lead Managers Inter-se Allocation of Responsibilities shall be considered.
- f) There is no winding up petition against the Company, which has been admitted by the National Company Law Tribunal (NCLT) / any court or a liquidator has not been appointed.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

The Draft Red Herring Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the SME platform of BSE Limited (“**BSE SME**”). BSE is the Designated Stock Exchange.

To facilitate trading in demat securities; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Tripartite agreement dated June 27, 2025 with NSDL, our Company and Registrar to the Offer;
- b. Tripartite agreement dated April 01, 2026 with CDSL, our Company and Registrar to the Offer;
- c. The Company’s shares bear an ISIN: INE260401026.

The entire pre-offer capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be offered pursuant to this IPO will be fully paid-up.

The entire Equity Shares held by the Promoters will be in dematerialised form before opening of the offer for subscription.

The entire fund requirement is to be funded from the proceeds of the offer, there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed offer. The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. For details, please refer the chapter “*Objects of the Offer*” on page 104.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:

1. In accordance with regulation 260 of the SEBI ICDR Regulations, this Offer is 100% underwritten in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting, please refer to Section titled “*General Information*” beginning on page 75.
2. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Offer. For details of the market making arrangement, see Section titled “*General Information*” beginning on page 75.
3. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of the Red Herring Prospectus through the BRLM immediately upon registration of the Red Herring Prospectus with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on the Red Herring Prospectus.
4. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee’s in the issue shall be greater than or equal to two hundred, failing which, the entire application money will be refunded forthwith in accordance with the SEBI ICDR Regulations and other applicable laws. We further confirm that we shall be complying with all the other requirements as laid down for such an Offer 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.
5. No portion of the Net Proceeds that will be utilised for repayment / prepayment, in full or part, of certain borrowings availed by our Company, will be directly or indirectly routed to our Promoters, members of the Promoter Group, Directors, Key Managerial Personnel or Senior Management.
6. In terms of Regulation 230(1) of the SEBI (ICDR) Regulations, 2018, our Company has ensured:
 - i. The size of offer for sale by selling shareholders shall not exceed twenty per cent of the total offer size.
 - ii. the shares being offered for sale by selling shareholders shall not exceed fifty per cent of such selling shareholders’ pre-offer shareholding on a fully diluted basis.
 - iii. its objects of the offer should not consist of repayment of loan taken from promoter, promoter group or any related party, from the issue proceeds, directly or indirectly.

We further confirm that we shall be complying with all the other requirements as laid down for such an Offer 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.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTICTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY THE 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 RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER CUMULATIVE CAPITAL PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS AND EACH OF THE SELLING SHAREHOLDERS WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF OR ITS RESPECTIVE PORTION OF THE OFFERED SHARES, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JUNE 16, 2026.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

Note:

All legal requirements pertaining to the offer will be complied with at the time of registration of the Draft Red Herring Prospectus with the Registrar of Companies, Gwalior in terms of Section 26 and 32 of the Companies Act, 2013.

Disclaimer from our Company, Directors, Promoter Selling Shareholders, and the Book Running Lead Manager

Our Company, the Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, www.decentspinnerslimited.com or the websites of the members of our Promoter Group or the Promoter Selling Shareholders would be doing so at his or her own risk.

Previous issues of equity shares otherwise than for cash

Except as stated in the chapter titled "*Capital Structure*" beginning on page 86, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Each of the Promoter Selling Shareholders, severally and not jointly, is providing information in this Draft Red Herring Prospectus only in relation to itself as a Selling Shareholder and its respective portion of the Offered Shares, and each of the Selling Shareholders, including its directors, partners, affiliates, associates and officers, accepts and/or undertakes no responsibility for any statements made or undertakings provided, including without limitation, any statement made by or in relation to our Company or its business, other than those specifically undertaken or confirmed by it as Promoter Selling Shareholders and its respective portion of the Offered Shares in this Draft Red Herring Prospectus.

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Offer Agreement entered between the BRLM (Cumulative Capital Private Limited) and our Company and Promoter Selling Shareholders of the Company on April 27, 2026 and as will be provided in the Underwriting Agreement dated [●], entered into among the Underwriters, the Promoter Selling Shareholders and our Company and the Market Making Agreement dated [●] entered into among the Market Maker, BRLM and our Company.

All information shall be made available by our Company, each of the Promoter Selling Shareholders (to the extent that the information pertains to itself and its respective portion of the Offered Shares) and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholders, Underwriters and their respective directors, partners, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, allot, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, partners, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

Disclaimer clause of the Promoter Selling Shareholders

The Promoter Selling Shareholders will be severally responsible for the respective statements confirmed or undertaken by it in this Draft Red Herring Prospectus in relation to itself and its respective portion of the offered shares.

Note:

Investors who apply in the Offer will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholders, the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Offer. The Book Running Lead Manager and its respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Promoter Selling Shareholders, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, the Promoter Selling Shareholders, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under 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, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 2,500 Lakhs, pension funds with minimum corpus of ₹ 2,500 Lakhs 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 Red Herring 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 Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offer in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with BSE Limited for its observations and BSE Limited shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any 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 Securities Act and in compliance with applicable laws, legislations and Draft Red Herring Prospectus in each jurisdiction, including India.

Previous issues of equity shares otherwise than for cash

Except as stated in the chapter titled “*Capital Structure*” beginning on page 86, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Disclaimer Clause of the SME Platform of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE SME. BSE has given vide its letter dated [●] permission to the Company to use the exchange's name in this Draft Red Herring Prospectus as one of the stock exchanges for the proposed listing of Company's Equity Shares on SME Platform of BSE. BSE has scrutinized Draft Red Herring Prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. It is to be distinctly understood that the aforesaid permission given by BSE should not in any way be deemed or construed that the Draft Red Herring Prospectus has been cleared or approved by BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus; nor does it warrant that this Company's Equity Shares will be listed or will continue to be listed on BSE SME; nor does it take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company. Every person who desires to apply for or otherwise acquires any Equity Shares of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchange 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 any other reason whatsoever.

Disclaimer Clause under Rule 144A of the U.S. Securities Act, 1993

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “**Securities Act**”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in 205 Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing of Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus with the Board and the Registrar of Companies

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

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

Listing

Application will be made to the “BSE Limited” for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The BSE Limited has given its in-principle approval for using its name in the Offer Document vide its letter no. [●] dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Draft Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Offer Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE Limited mentioned above are taken within six Working Days from the Offer Closing Date.

Mechanism for redressal of investor grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchange, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

In terms of SEBI Master Circular, SEBI circular no. *SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M* dated *March 16, 2021*, as amended pursuant to SEBI circular no. *SEBI/HO/CFD/DIL2/P/CIR/2021/570* dated *June 02, 2021*, *SEBI/HO/CFD/DIL2/CIR/P/2022/51* dated *April 20, 2021* and *SEBI/HO/CFD/DIL2/P/CIR/2022/75* dated *May 30, 2022* subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Manager shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

SEBI pursuant to its circular bearing reference number *SEBI/HO/CFD/TPD1/CIR/P/2023/140* dated *August 09, 2023* has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). 'T' being Offer closing date. In partial modification to circulars dated March 16, 2021 and April 20, 2022, the compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 01, 2023. Our Company shall follow the timeline prescribed under the SEBI circular bearing number *SEBI/HO/CFD/TPD1/CIR/P/2023/140* dated *August 09, 2023*. The timelines prescribed for public issues as mentioned in SEBI circulars dated November 01, 2018, June 28, 2019, November 08, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular.

All grievances relating to the Offer may be addressed to the Registrar to the Offer, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection centre of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. *CIR/OIAE/1/2013* dated *April 17, 2013* and complied with the SEBI circular *CIR/OIAE/1/2014/CIR/OIAE/1/2013* dated *December 18, 2014* in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Draft Red Herring Prospectus.

Disposal of Investor Grievances by our Company

Our Company has constituted a Stakeholders' Relationship to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and Offer of duplicate shares. For details, please refer to the chapter titled "*Our Management*" beginning on page 208.

Our Company estimates that the average time required by our Company or the Registrar to the Offer for the redressal of routine investor grievances shall be Ten (10) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Puja Aggarwal, as the Company Secretary & Compliance Officer to redress complaints, if any, of the investors participating in the Offer. Contact details for our Company Secretary and Compliance Officer are as follows:

Puja Aggarwal
Decent Spinners Limited
V.P.O KOHAND, Gharunda, Karnal, Gharunda, Haryana-132114, India
Telephone: +91 99922 26959
Website: www.decentspinnerslimited.com
Email id: cs@decentspinnerslimited.com

Investors can contact the Compliance Officer or the Registrar to the offer in case of any pre-offer or post-offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode. Pursuant to the press release no. PR. No. 85/2011 dated June 08, 2011, SEBI has launched a centralized web-based complaints redress system "SCORES".

This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

The Company must obtain authentication on the SCORES and comply with the SEBI circular no. CIR/OIAE/1/2013 dated December 18, 2014 in relation to redressal of investor grievances through SCORES. As on the date of this Draft Red Herring Prospectus there are no pending investor complaints. Our Company has not received any investor complaint in the three years prior to the filing of this Draft Red Herring Prospectus.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

"Any person who –

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name*

shall be liable for action under section 447."

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

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: Directors, the Promoters, Promoter Selling Shareholders, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Banker to the Company and (b) Book Running Lead Manager, Registrar to the Offer, the Syndicate Members*, Bankers to the Offer/Escrow Bank*, Public Offer Account Bank(s)*, Sponsor Bank(s)* and Refund Bank(s)*, Monitoring Agency*, Underwriter*, Market Maker*, Banker to the Offer*, and Legal Advisor to the Offer, to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Draft Red Herring 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 Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Draft Red Herring Prospectus and Draft Red Herring Prospectus for filing with the RoC.

**To be obtained at the RHP stage.*

Above consents will be filed along with a copy of the Red Herring Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, M/s. Vinay I Aggarwal & Associates, Chartered Accountants, have provided their written consent to the inclusion of their (1) Examination Report on Restated Financial Statements and Restated Financial Statements dated June 10, 2026 and (3) Report on Statement of Possible Special Tax Benefits dated June 15, 2026, which may be available to the Company and its shareholders, included in this Draft Red Herring Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Draft Red Herring Prospectus.

Our Company has received written consent dated June 02, 2026 from SRJ Certification Services Private Limited, Independent Chartered Engineer, to include their name as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013, in relation to and for the inclusion of (i) the certificate dated June 02, 2026 issued to certify the proposed capacity expansion in our current manufacturing unit; and (ii) certificate dated June 02, 2026 issued to certify the installed capacity and capacity utilization at our current manufacturing unit situated in Haryana. We confirm that such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus, however, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Expert Opinion

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

Our Company has received written consent dated June 15, 2026 from the Statutory Auditors, to include their name as required to the inclusion under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor (1) Examination Report on Restated Financial Statements and Restated Financial Statements, (2) Report on Statement of Possible Special Tax Benefits, in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

In addition, our Company has received written consent dated June 02, 2026 from SRJ Certification Services Private Limited (Membership no. 77571), as Chartered Engineer to include its name as an “expert” as defined under Section 2 (38) and other applicable provisions of the Companies Act, 2013 in respect of the report dated June 02, 2026, on installed capacity, actual production and capacity utilization at our manufacturing facility owned and/or controlled by the Company and estimated cost for the Proposed Project, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated June 15, 2026 from M/s For Mahima Khandelwal & Associates, practicing Company Secretary in whole time practice, to include its name as a practicing company secretary under Section 26(5) of the Companies Act and as an “expert” as defined under Section 2(38) of the Companies Act and in respect of their certificate dated June 15, 2026 issued by them in connection with the past compliances of the Company as per applicable laws.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S Securities Act. However, the term expert shall not be construed to mean an expert as defined under the U.S. Securities Act, as amended (the “**U.S. Securities Act**”).

Stock Market data for our Equity Shares of our Company

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. Thus, there is no stock market data available for the Equity Shares of our Company.

Price information and the track record of the past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by the BRLM

Sr. No.	Issuer Company Name	Issue Size (₹ in Lakhs)	Issue price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
SME- IPOs								
1.	Pelatro Limited	5,598.00	200.00	September 24, 2024	275.00	49.60 [-5.80]	98.78 [-9.07]	70.45 [-9.98]
2.	Agarwal Toughened Glass India Limited	6,263.57	108.00	December 5, 2024	135.00	18.56 [-2.85]	-21.02 [-10.63]	26.62 [0.03]
3.	Patel Chem Specialities Limited	5,880.00	84.00	August 01, 2025	110.00	11.26 [-0.98]	9.15 [5.46]	-13.82 [1.56]
4.	Prodocs Solutions Limited	2,760.00	138.00	December 15, 2025	144.00	47.83 [-1.86]	39.28 [-12.50]	--
5.	HRS Aluglaze Limited	5,091.84	96.00	December 18, 2025	126.00	70.89 [-1.08]	171.82 [-9.96]	--
6.	Mehul Telecom Limited	2,773.01	98.00	April 24, 2026	108.00	0.05% [-1.63%]	-	-
7.	Goldline Pharmaceutical Limited	1,161.00	43.00	May 19, 2026	60.00	-	-	-
Main Board IPOs								
8.	Hexagon Nutrition Limited	13,886.87	45.00	June 12, 2026	48.25	-	-	-

Source: www.nseindia.com & www.bseindia.com

Notes:

- Issue size derived from Prospectus/final post issue reports, as available.
- The NIFTY 50 and BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.

- Price on NSE and BSE is considered for all of the above calculations as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.
- In case 30th/90th/180th day is not a trading day, closing price of the previous trading day has been considered.
- Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available

Summary statement of price information of past public issues handled by Cumulative Capital Private Limited

Financial Year	Total no. of IPOs	Total Funds Raised (₹ In lakhs)	Nos. of IPOs trading at discount- 30th calendar days from listing			Nos. of IPOs trading at premium- 30th calendar days from listing			Nos. of IPOs trading at discount- 180th calendar days from listing			Nos. 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%
SME IPOs														
FY 2026-27	2	3,934.01	-	-	-	-	-	1	-	-	-	-	-	-
FY 2025-2026	3	13,731.84	-	-	-	1	1	1	-	-	1	-	-	-
FY 2024-25	2	11,861.57	-	-	-	-	1	1	-	-	-	1	1	-
Main Board IPOs														
FY2024-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY2025-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY2026-27	1	13,886.87	-	-	-	-	-	-	-	-	-	-	-	-

**The information is as on the date of the document. The information for each of the financial years is based on issues listed during such financial year.*

Track record of past issues handled by the Book Running Lead Manager

For details regarding the track record of the BRLM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website www.cumulativecapital.com.

Previous issues of equity shares otherwise than for cash

Except as stated in the chapter titled “*Capital Structure*” beginning on page 86, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Previous Rights and Public Issues

Except as stated in the section titled “*Capital Structure*” beginning on page 86, we have not made any previous rights and/or public issues during last 5 years and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Offer is first “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

Listed ventures of Promoters

There are no listed ventures of our Company or of our Promoters as on date of filing of this Draft Red Herring Prospectus.

Commission and Brokerage on Previous Issues

Since this is the initial public offer 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 last 5 years.

Capital Offer during the Previous Three Years by Issuer Company and Listed Group Companies/ Subsidiaries / Associates

Neither our Company nor our Group Company/Associates have undertaken any capital offer or any public or rights Issue in the last three years preceding the date of this Draft Red Herring Prospectus. Further, as of the date of this Draft Red Herring Prospectus our Company has no listed subsidiary.

Performance Vis-à-vis Objects for our Company and/or Listed Subsidiary Company and/or Listed Promoters Company

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. Therefore, data regarding performance vis-à-vis objects is not applicable to us. Further, as on the date of this Draft Red Herring Prospectus our Company has no listed corporate promoters and no listed subsidiary company.

Outstanding Debentures, Bonds, Redeemable Preference Shares and Other Instruments issued by the Company

The Company has no outstanding debentures or bonds. The Company has any redeemable preference shares or other instruments in the past.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

Other Confirmation

We confirm that there are no findings/observations of any regulators that are material, and which need to be disclosed or nondisclosure of which may have bearing on the investment decision. It is further confirmed that our Company has not received any findings/observations from SEBI, as on date.

SECTION VII: OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being allotted pursuant to this Offer shall be subject to the provisions of the Companies Act, 2013, SEBI (ICDR) Regulations, 2018, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of the Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Application Form, any Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the offer and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchange, the RoC and any other authorities while granting their approval for the Offer.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (Except Anchor investors) applying in a public offer shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (together, the “UPI Circular”) Individual Investors applying in public offer 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.

Further vide the said circular Registrar to the offer and Depository Participants have also been 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 the Registrar to the Offer and Depository Participants as and when the same is made available.

Ranking of Equity Shares

The Equity Shares being offered shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA and shall rank pari-passu in all respects including dividend with the existing Equity Shares including rights in respect of dividends and other corporate benefits, if any, declared by after the date of Allotment Companies Act, 2013 and the Articles. For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning from page 363

Authority for the Offer

This Offer has been authorized by a resolution of the Board passed at their meeting held on April 20, 2026 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 Offer by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the EGM of the Company held on April 20, 2026.

Mode of Payment of Dividend

The declaration and payment of dividend, if declared, will be as per the provisions of Companies Act, 2013, SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard, the Memorandum and Articles of Association, and recommended by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. For further details, refer to the section “*Dividend Policy*” and “*Main Provisions of Articles of Association*” beginning on page 226 and 363 respectively.

Face Value, Offer Price, Floor Price, and Price Band

The face value of each Equity Share is ₹ 10 and the Offer Price at the lower end of the Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the Bid Lot will be decided by our Company in consultation with the BRLM, and published by our Company in all edition of [●] (a widely circulated English national daily newspaper) and [●] edition of [●] (a widely circulated Marathi national daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located) at least two Working Days prior to the Bid/Offer Opening Date, and shall be made available to the Stock Exchange for the purpose of uploading the same on their website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid-cum-Application Forms available at the website of the Stock Exchange. The Offer Price shall be determined by our Company in consultation with the BRLM, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of the Book Building Process.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

The Offer

The Offer comprises a Fresh issue by our Company and an Offer for Sale by the Promoter Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and each of the Selling Shareholders in the manner specified in “*Objects of the Offer*” on page 104.

Compliance with SEBI (ICDR) Regulations, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

1. Right to receive dividend, if declared;
2. Right to receive Annual Reports and notices to members;
3. Right to attend general meetings and exercise voting rights, unless prohibited by law;
4. Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
5. Right to receive issue for rights shares and be allotted bonus shares, if announced;
6. Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
7. Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
8. Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our Memorandum of Association and Articles of Association.

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 or splitting, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page 363.

Allotment only in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialized form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed amongst our Company, the respective Depositories, and the Registrar to the Offer:

Tripartite agreement dated June 27, 2025, with NSDL, our Company and Registrar to the Offer;

Tripartite agreement dated April 01, 2026, with CDSL, our Company and Registrar to the Offer;

The Company’s shares bear an ISIN: INE260401026.

Market Lot and Trading Lot

Trading of the Equity Shares will happen in dematerialized form, the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer 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 Rupees One Lakh per application.

Minimum Number of Allottees

In accordance with Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Offer shall be 200 shareholders. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Offer and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of Offer.

Jurisdiction

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/authorities in Mumbai.

The Equity Shares have not been and will not be, registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be Offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be Offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Joint Holders

Where two or more persons are registered as the holders of the Equity Shares, they shall be deemed to hold the same as joint with benefits of survivorship.

Nomination facility to Bidders

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 with 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 the provisions of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such a transfer of Equity Shares, as the deceased holder could have made.

Further, the Board of Directors 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 days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized mode 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 Applicant wants to change the nomination, they are requested to inform their respective Depository Participant.

Withdrawal of the Offer

Our Company in consultation with the Book Running Lead Manager, reserve the right not to proceed with the Fresh Issue and the Selling Shareholders reserves the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of their portion of the Offered Shares at any time before the Offer Opening Date without assigning any reason thereof.

If our Company and the Selling Shareholders withdraw the Offer any time after the Offer Opening Date but before the allotment of Equity Shares, a public notice within two (2) Working Days of the Offer Closing Date, providing reasons for not proceeding with the Offer shall be offered by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-offer advertisements have appeared, and the Stock Exchange will also be informed promptly.

The BRLM, through the Registrar to the Offer, will instruct the SCSBs to unblock the ASBA Accounts within one (1) Working Day from the day of receipt of such instruction. If our Company and Selling Shareholders withdraw the Offer after the Offer Closing Date and subsequently decide to proceed with an Offer of the Equity Shares, our Company will file a fresh Draft Offer Document with the stock exchanges where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Offer is subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges with respect to the Equity Shares offered through the Draft Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the final ROC approval of the Prospectus.

Bid/Offer Program

Bid/ Offer opens on	[●] day, [●] *
Bid /Offer closes on	[●] day, [●] **

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

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

The Anchor Investor Bid/ Offer Period will be one Working Day prior to the Bid/ Offer Opening Date i.e., [●], in accordance with the SEBI ICDR Regulations.

In terms of regulation 265 of SEBI (ICDR) Regulation, 2018, the Offer shall be open after at least three working days from the date of filing the Red Herring Prospectus with the Registrar of Companies.

In terms of regulation 266(1) of SEBI (ICDR) Regulation, 2018, except as otherwise provided in these regulations, the public offer shall be kept open for at least three working days and not more than ten working days.

In terms of regulation 266(2) of SEBI (ICDR) Regulation, 2018, in case of a revision in the price band, the issuer shall extend the bidding (Offer) period disclosed in the Draft Red Herring Prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation (1) is not applicable to our company as this is fixed price issue.

In terms of regulation 266(3) of SEBI (ICDR) Regulation, 2018, In case of force majeure, banking strike or similar circumstances, our company may, for reasons to be recorded in writing, extend the Offer period disclosed in the Draft Red Herring Prospectus, for a minimum period of one working day, subject to the provisions of sub- regulation 266(1).

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Offer Closing Date	[●] day, [●]
Finalization of Basis of Allotment with NSE	On or about, [●] day, [●]
Initiation of Refunds / unblocking of funds from ASBA Account*	On or about, [●] day, [●]
Credit of Equity Shares to demat account of the Allottees	On or about, [●] day, [●]
Commencement of trading of the Equity Shares on NSE	On or about, [●] day, [●]

* In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date for cancelled/withdrawn/deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/withdrawal/deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/partially allotted Bids, exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in their sole

discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.

The processing fees for applications made by the UPI Bidders using the UPI Mechanism may be released to the remitter bank0073 (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on BSE is taken within three Working Days from the Offer Closing Date, the time table may change due to various factors, such as extension of the Offer Period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

SEBI is in the process of streamlining and reducing the post offer timeline for initial public offerings and has through its circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, reduced the time period for listing of shares in public offer from existing 6 days to 3 days. The revised timeline of T+3 days shall be made applicable in two phases i.e., voluntary for all public offers opening on or after September 01, 2023, and mandatory on or after December 01, 2023. Please note that we may need to make appropriate changes in the Red Herring Prospectus and Prospectus depending upon the prevailing date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.

In terms of the UPI Circulars, in relation to the Offer, the BRLM will be required to submit reports of compliance with listing timelines and activities prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Applications and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Offer Period. On the Offer Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 4.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchange. 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 Offer Closing Date, the Applicants are advised to submit their Applications one day prior to the Offer Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Offer Closing Date. All times mentioned in this Draft Red Herring Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Offer Closing Date, as is typically experienced in public offers, 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 Offer. Applications will be accepted only on Working Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchange. The SCSB's shall unblock such applications by the closing hours of the Working Day.

In terms of the UPI Circulars, in relation to the Offer, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/ Offer Closing Date, 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 force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the bidding (Offer) period disclosed in the Draft Red Herring Prospectus (in case of a book built offer) or the Offer period disclosed in the prospectus (in case of a fixed price issue), for a minimum period of one working day, subject to the Bid/ Offer Period not exceeding 10 working days.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding four Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Separately, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensated on period
Delayed unblock for cancelled / withdrawn/ deleted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	Instantly revoke the blocked funds other than the original application amount and ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and ₹ 100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non-Allotted/ partially Allotted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalization of the Basis of Allotment till the date of actual Unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the BRLM shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Bids and any revision in Bids shall be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”)) during the Bid / Offer Period (except on the Bid / Offer Closing Date) at the Bidding Centers as mentioned on the Application Form except that:

On the Bid / Offer Closing Date:

(i) on the QIB Bid/Offer Closing Date, in case of Bids by QIBs under the QIB Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 4.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. (IST).

(ii) on the Bid/Offer Closing Date

(a) in case of Bids by Non-Institutional Investors, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 4.00 p.m. (IST) and

(b) in case of Bids by Individual Investors Bidding under the Employee Reservation Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 4.00 p.m. (IST) which may be extended up to such time as deemed fit by the Stock Exchange after taking into account the total number of applications received up to the closure of timings and reported by the BRLM to the Stock Exchange.

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 Offer Closing Date. Except Allocation to Individual Investors, Allocation in the Offer will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical 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 Offer shall ask the relevant SCSB or the member of the Syndicate for rectified data.

Minimum Subscription

In terms of Regulation 260(1) of the SEBI (ICDR) Regulations, 2018, the Offer is 100% underwritten, so this Offer is not restricted to any minimum subscription level. For details of underwriting arrangement, kindly refer the chapter titled “*General Information-Underwriting Agreement*” beginning on page 75.

This Offer is not restricted to any minimum subscription level. This Offer is 100% underwritten. If the Issuer does not receive the subscription of 90% of the Offer through this Offer Document including devolvement of Underwriter within sixty days from the date of closure of the Offer, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Offer is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “*General Information-Underwriting Agreement*” beginning on page 75.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 200 (Two Hundred).

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

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.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE Limited.

MIGRATION TO MAIN BOARD

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

As per Regulation 280(2) of the SEBI (ICDR) Regulation, 2018 read, where the post-issue paid up capital of the Company listed on a BSE SME is likely to increase beyond twenty-five crore rupees by virtue of any further issue of capital by the Company by way of rights issue, preferential issue, bonus issue, etc. the Company shall migrate its equity shares listed on a BSE to the Main Board and seek listing of the equity shares proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of equity shares laid down by the Main Board: Provided that no further issue of capital shall be made unless –

- the shareholders have approved the migration by passing a special resolution through postal ballot wherein 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;
- the Company has obtained an in-principle approval from the Main Board for listing of its entire specified securities on it.

Provided further that where the post-issue paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is likely to increase beyond Rs.25 crores, the Company may undertake further issuance of capital without migration from SME exchange to the main board, subject to the undertaking to comply with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to companies listed on the main board of the stock exchange(s)."

If the Paid-up Capital of the company is atleast Rs.10 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the 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.

Any company voluntarily desiring to migrate to the Main board from the SME Platform, amongst others, has to fulfill following conditions:

Parameter	Migration policy from BSE SME Platform to BSE Main Board
Paid up Capital	Atleast ₹10 Cr.
Market Capitalisation	Average of 6 months markets cap Migration: ₹100 Cr. Direct listing: ₹1000 Cr. Note: For the purpose of calculating the average market cap., the aggregate of daily market cap on the days the scrip has traded, shall be divided by the total no. of trading days during the said 6 months period.
Market Liquidity	- At least 5% of the weighted average number of equity shares listed should have been traded during such six months period; - Trading on atleast 80% of days during such 6 months period; - Minimum average daily turnover of ₹ 10 lacs and minimum daily turnover of ₹ 5 lacs during the 6 months period; - Minimum Average no. of daily trades of 50 and minimum daily trades of 25 during the said 6 months period. Note: for the purpose of calculating the average daily turnover and average no. of daily trades, the aggregate of daily turnover and no. of daily trades on the days the scrip has traded, shall be divided by the total no. of trading days, respectively, during the said 6 months period.
Operating Profit (EBIDTA)	Average of ₹ 15 Cr. on a restated consolidated basis, in preceding 3 years (of 12 months each), with operating profit in each of these 3 years, with a minimum of ₹ 10 crores in each of the said 3 years.

	In case of name change within the last one year, at least 50% per cent. of the revenue, calculated on a restated and consolidated basis, for the preceding one full year has been earned by it from the activity indicated by its new name
Net Worth	₹ 1 Cr. - in each of the preceding three full years (of twelve months each), calculated on a restated and consolidated basis;
Net Tangible Assets	At least ₹ 3 Cr. on a restated and consolidated basis, in each of the preceding three full years (of twelve months each), of which not more than fifty per cent. are held in monetary assets: Provided that if more than fifty per cent. of the net tangible assets are held in monetary assets, the company has utilised or made firm commitments to utilise such excess monetary assets in its business or project.
Promoter holding	At least 20% at the time of making application. For this purpose, shareholding of promoter group may also be considered for any shortfall in meeting the said requirement Not applicable to companies that have sought listing through IPO, without identifiable promoters.
Lock In of promoter/ promoter group shares	6 months from the date of listing on the BSE. Not applicable to SME companies migrating to main board.
Regulatory Action	1. No SEBI debarment orders is continuing against the Company, any of its promoters, promoter group or directors or the any other company in which they are promoter/ promoter group or directors. 2. The company or any of its promoters or directors is not a wilful defaulter or a fraudulent borrower. 3. Promoters or directors are not fugitive economic offender. 4. The company is not admitted by NCLT for winding up or under IBC pursuant to CIRP. 5. Not suspended from trading for non-compliance with SEBI (LODR) Regs or reasons other than for procedural reasons during the last 12 months.
Promoter Shareholding	100% in demat form
Compliance with LODR regulations	3 years track record with no pending non-compliance at the time of making the application.
Track Record in terms of Listing	Listed for atleast 3 years
Public Shareholder	Minimum 1000 as per latest shareholding pattern
Other Parameters	1. No pending Defaults w.r.t bonds/ debt instrument/ FD by company, promoters/ promoter group /promoting company(ies), Subsidiary Companies. 2. Certificate from CRA for utilization of IPO proceeds and further issues post listing on SME. 3. Not under any surveillance measures/actions i.e “ESM”, “ASM”, “GSM category” or T-to-T for surveillance reasons at the time of filing of application 2 months cooling off from the date the security has come out of T-to-T category or date of graded surveillance action/measure
Score ID	No pending investor complaints on SCORES
Business Consistency	Same line of business for 3 years. At least 50% of the revenue from operations from such continued business activity
Audit Qualification	No audit qualification w.r.t. going concern or any material financial implication and such audit qualification is continuing at the time of application.

Notes :-

- A. Net worth definition to be considered as per definition in SEBI (ICDR) Regulations 2018 as amended from time to time.
- B. Company is required to submit Information Memorandum to the Exchange as prescribed in SEBI (ICDR) Regulations.
- C. The application submitted to the Exchange for listing and mere fulfilling the eligibility criteria does not amount to grant of approval for listing.
- D. If the documents and clarification received from the applicant company are not to the satisfaction of BSE, BSE has the right to close the application at any point of time without giving any reason thereof. Thereafter, the company can make fresh application as per the extant norms.
- E. The Exchange may reject the application at any stage if the information submitted to the Exchange is found to be incomplete/incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Guidelines / Regulations issued by statutory authorities or for any reason in the interest of Investors and market integrity. The Exchange may also reject the application if the company is found not fulfilling internal BSE standards.
- F. Companies that have approached for listing on any stock exchange and has been denied listing for any reason whatsoever or has chosen to withdraw its application from the Exchange, they may reapply for listing after a minimum period of 6 months (6 months after date of rejection/ withdrawal). If rejected for a second time, the company would not be eligible to apply again.
- G. BSE decision w.r.t admission of securities for listing and trading is final.
- H. BSE has the right to change / modify / delete any or all the above norms without giving any prior intimation to the company.
- I. The companies are required to submit documents and comply with the extant norms.
- J. The company shall use BSE's reference regarding listing only after the Exchange grants its in-principle listing approval to the company.

New Financial Instruments

As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Offer.

Market Making

The shares offered through this offer are proposed to be listed on the SME platform of BSE Limited (“**BSE SME**”) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on SME platform of BSE Limited (“**BSE SME**”). For further details of the market making arrangement please refer the chapter titled “*General Information*” beginning on page 75.

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.

Restrictions, if any on transfer and transmission of Equity Shares

Except for lock-in of the pre-offer Equity Shares and Promoter’s minimum contribution in the Offer as detailed in the chapter “*Capital Structure*” beginning on page 86 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. For details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page 363.

Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus.

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OFFER STRUCTURE

This Offer is being made in terms of Regulation 229(2) of the Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our post Offer face value capital more than ten crores' rupees and up to twenty-five crore rupees. The Company shall Offer 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 SME Platform of BSE). For further details regarding the salient features and terms of such this Offer, please see the chapters titled "*Terms of the Offer*" and "*Offer Procedure*" beginning on page 316 and 328 respectively.

Offer Structure

Initial public offer up to 92,25,000 equity shares of face value of ₹ 10 each of the company for cash at a price of ₹ [●] per equity share (including a share premium of ₹ [●] per equity share) ("offer price") aggregating up to ₹ [●] lakhs comprising a fresh issue of up to 83,50,000 Equity shares aggregating up to ₹ [●] lakhs by our company ("fresh issue") and an offer for sale of up to 8,75,000 Equity shares aggregating up to ₹ [●] lakhs by [●] (Promoter selling shareholders, the "offered shares"). (The offer for sale together with the fresh issue, the "offer"). The offer and net offer shall constitute [●] % and [●] % respectively of the fully- diluted post- offer paid-up equity share capital of our company

Particulars ⁽²⁾	QIB's ⁽¹⁾	Non-Institutional Bidders	Individual Bidders	Market Maker
Number of Equity Shares*	Not more than [●] Equity Shares	Not less than [●] Equity Shares	Not less than [●] Equity Shares	Up to [●] Equity Shares
Percentage of Offer Size Available for allocation	Not more than 50% of the Net Offer being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion. Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only.	Not less than 15% of the Net Offer (a) one third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs; (b) two third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than ₹10 lakhs: Provided that the unsubscribed portion in either of the subcategories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of non-institutional investors.	Not less than 35% of the Net Offer	[●] % of the Offer size
Basis of Allotment / Allocation if	Proportionate as follows:	Proportionate basis subject to	Proportionate basis subject to	Firm Allotment

Particulars ⁽²⁾	QIB's ⁽¹⁾	Non-Institutional Bidders	Individual Bidders	Market Maker
respective category is oversubscribed ⁽³⁾	a) Up to [●] Equity Shares of face value of ₹ 10 each shall be available for allocation on a proportionate basis to Mutual Funds only; and b) Up to [●] Equity Shares of face value of ₹ 10 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above Up to 60% of the QIB Portion (of up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares.	minimum allotment of [●] Equity Shares.	
Mode of Bid	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Individual Investors using Syndicate ASBA)			
Minimum Bid Size	[●] Equity Shares of Face Value of ₹10 each in multiples of [●] Equity Shares of face value ₹10 each such that shall be more than 2 lots and the Bid Amount exceeds ₹2,00,000.	Such number of Equity shares in multiple of [●] Equity shares face value ₹10 each such that shall be more than 2 lots and the Bid Amount exceeds ₹2,00,000.	Such number of Equity Shares in multiple of [●] Equity Shares of face value of ₹10 each that the Application size exceeds ₹ 2,00,000. (Minimum Application size i.e. [●] X 2 lots)	[●] Equity Shares of Face Value of ₹10 each in the multiple of [●] Equity Shares
Maximum Bid Size	Not exceeding the size of the Offer, subject to limits as applicable to the Bidder. (Minimum Application size i.e. [●] X 2 lots)	Not exceeding the size of the Offer, subject to limits as applicable to the Bidder. (Minimum Application size i.e. [●] X 2 lots)	Such number of Equity Shares in multiple of [●] Equity Shares of face value of ₹10 each that the Application size exceeds ₹2,00,000. (Minimum Application size i.e. [●] X 2 lots)	[●] Equity Shares in multiple of [●] Equity Shares
Trading Lot	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares, however, the Market Maker may accept odd lots if any in the

Particulars ⁽²⁾	QIB's ⁽¹⁾	Non-Institutional Bidders	Individual Bidders	Market Maker
				market as required under the SEBI ICDR Regulations
Terms of Payment	In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids ⁽⁴⁾ In case of all other Bidders: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank(s) through the UPI Mechanism (for IBs or individual investors bidding under the Non – Institutional Portion for an amount of more than ₹ 2 lakhs and up to ₹ 5 lakhs, using the UPI Mechanism), that is specified in the ASBA Form at the time of submission of the ASBA Form.			

**Assuming full subscription in the Offer*

This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

1. In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018, this is an Offer for at least 25% of the post Offer paid-up Equity share capital of the Company. This Offer is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.
2. Subject to valid Bids being received at or above the Offer price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.
3. Our Company may, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the QIB Portion. For further details, see “Offer Procedure” on page 328.
4. Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. For further details please refer to the section titled “Offer Procedure” beginning on page 328.
5. 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.

In case of ASBA Applicants, the SCSB shall be Authorised to block such funds in the bank account of the ASBA Applicant (including individual investor applicants applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the offer must apply through an ASBA Account maintained with any other SCSB.

Withdrawal of the Offer

In accordance with SEBI (ICDR) Regulations, the Company and the Selling Shareholders, in consultation with the Book Running Lead Manager, reserves the right to not to proceed with the Offer at any time before the Bid/Offer Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Offer after Bid/ Offer Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Offer. The public notice will appear in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi being the regional language of Haryana where our Registered Office is located) each with wide circulation.

The Book Running Lead Manager, through the Registrar to the Offer, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Offer after the Bid/ Offer Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

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

JURISDICTION

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/authorities at Mumbai.

Offer Programme

Offer opening date	[●] day, [●]
Offer closing date	[●] day, [●]

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 Offer Period at the Application Centres mentioned in the Application Form. Cut-off option will be removed for all bidders, bid once placed cannot be cancelled for any category.

Due to limitation of time available for uploading the application on the Offer Closing Date, Applicants are advised to submit their applications one day prior to the Offer Closing Date and, in any case, not later than 1.00 p.m. IST on the Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Offer Closing Date, as is typically experienced in public offers, 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 Offer. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

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 Offer Closing Date, the Bidder shall be compensated in accordance with the applicable law by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in our Company with the SCSBs, to the extent applicable.

Lot Size

SEBI vide circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 ("Circular") standardized the lot size for Initial Public Offer proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Offer Price (in ₹)	Lot Size (No. of shares)
Up to 14	10,000
More than 14 up to 18	8,000
More than 18 up to 25	6,000
More than 25 up to 35	4,000
More than 35 up to 50	3,000
More than 50 up to 70	2,000
More than 70 up to 90	1,600
More than 90 up to 120	1,200
More than 120 up to 150	1,000
More than 150 up to 180	800
More than 180 up to 250	600
More than 250 up to 350	400
More than 350 up to 500	300
More than 500 up to 600	240
More than 600 up to 750	200
More than 750 up to 1,000	160
Above 1,000	100

Further to the circular, at the Initial Public Offer stage the Registrar to Offer in consultation with Book Running Lead Manager, our Company and BSE 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 IPO Lot Size at the application/allotment stage, facilitating secondary market trading.

OFFER PROCEDURE

All Applicants should review the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and the UPI Circulars, notified by SEBI (the "General Information Document"), which highlights the key rules, processes and procedures applicable to public offers in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI (ICDR) Regulations. The General Information Document shall be made available on the websites of the Stock Exchanges, the Company and the Book Running Lead Manager before opening of the Offer. Please refer to the relevant provisions of the General Information Document which are applicable to this Offer.

Additionally, all Applicants may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Applicants eligible to participate in the Offer; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Applicants and Individual Investors applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note ("CAN") and Allotment in the Offer; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Application Form); (viii) Designated Date; (ix) disposal of Applications; (x) submission of Application Form; (xi) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines for listing in a phased manner. From January 01, 2019, the UPI Mechanism for Individual Investors applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public offers, whichever is later ("**UPI Phase II**"). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will 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 09, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders has been made voluntary for public offers opening on or after September 01, 2023, and mandatory for public offers opening on or after December 01, 2023 ("**T+3 Circular**"). This Draft Red Herring Prospectus has been drafted in accordance with UPI Phase II framework and also reflects additional measures for streamlining the process of initial public offers. Please note that we may need to make appropriate changes in the Red Herring Prospectus and Prospectus depending upon the prevailing conditions at the time of the opening of the Offer.

Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, 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 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 05, 2022, all individual bidders in initial public offerings (opening on or after May 01, 2022) whose application sizes are up to ₹ 5,00,000 shall use the UPI Mechanism. This circular has come into force for initial public offers opening on or after May 01, 2022 and the provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 01, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Stock Exchanges shall, for all categories of investors and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular. No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. Additionally, SEBI vide its circular no. SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023 has reduced the time period for refund of application monies from 15 days to four days.

Our Company, Selling Shareholders and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

Further, our Company, Selling Shareholders and BRLM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Offer.

PART A

Book Built Process

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15.00% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Offer shall be available for allocation to Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spillover from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, for UPI Bidders using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares dematerialised subsequent to Allotment of the Equity Shares in the Offer, subject to applicable law.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020, and press release dated June 25, 2021, and September 17, 2021.

Phased implementation of UPI for Bids by Individual Investors as per the UPI Circulars

SEBI has issued the UPI Circulars in relation to streamlining the process of public offer of, inter alia, equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by Individual Investors through Designated Intermediaries with the objective to reduce the time duration from public offer closure to listing from six Working Days to up to three Working Days.

Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced and implemented the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 01, 2019, until March 31, 2019, or floating of five main board public offers, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an Individual Investors had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public offer closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 01, 2019, and was to initially continue for a period of three months or floating of five main board public offers, whichever is later. SEBI, vide its circular no. *SEBI/HO/CFD/DCR2/CIR/P/2019/133* dated *November 08, 2019*, has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020.

Subsequently, SEBI, vide its circular no. *SEBI/HO/CFD/DIL2/CIR/P/2020/50* dated *March 30, 2020*, extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by Individual Investors through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public offer closure to listing continues to be six Working Days during this phase.

Phase III: Pursuant to SEBI circular no. *SEBI/HO/CFD/TPD1/CIR/P/2023/140* dated *August 09, 2023*, Phase III has been notified, and accordingly the revised timeline of T+3 days has been made applicable in two phases i.e., (i) voluntary for all public offers opening on or after September 01, 2023; and (ii) mandatory on or after December 01, 2023. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Circular, once Phase III becomes 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.

Pursuant to the SEBI circular no. *SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M* dated *March 16, 2021* issued by SEBI, as amended by the SEBI circular no. *SEBI/HO/CFD/DIL2/P/CIR/2021/570* dated *June 02, 2021* and the SEBI circular no. *SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M* dated *April 20, 2022* (the “**UPI Streamlining 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 Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors’ complaints, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No. *SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M* dated *March 16, 2021* read with SEBI Circular No: *SEBI/HO/CFD/DIL2/CIR/P/2021/570* dated *June 02, 2021* read with SEBI Circular No: *SEBI/HO/CFD/DIL2/CIR/P/2022/51* dated *April 20, 2022* NPCI vide circular reference no. *NPCI/UPI/OC No. 127/ 2021-22* dated *December 09, 2021*, inter alia, has enhanced the per transaction limit in UPI from more than ₹ 0.20 million to ₹ 0.50 million for UPI based ASBA in initial public offerings.

All SCSBs offering facility of making application in public offers shall also provide facility to make application using UPI. Our Company will appoint two 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 Bidders using the UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchange, and the BRLM.

Bid and Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, our Registered Office an electronic copy of the Bid cum Application Form will also be available for download on the website of BSE (www.bseindia.com) at least one day prior to the Bid/ Offer

Opening Date. UPI Bidders may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process, which shall include the UPI Mechanism in the case of UPI Bidders.

UPI Bidders must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders must provide either (i) the bank account details and authorization to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection.

Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. For all initial public offerings opening on or after September 01, 2022, as specified in SEBI vide its circular no. *SEBI/HO/CFD/DIL2/P/CIR/2022/75* dated *May 30, 2022*, the ASBA applications in public offers shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. This circular shall be applicable for all categories of investors, i.e. Individual Investor, QIB, NIB and other reserved categories and also for all modes through which the applications are processed. Since the Offer is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- (a) Individual Investors and NIBs (other than NIBs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (b) UPI Bidders may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (c) QIBs and NIBs (not using the UPI Mechanism) may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.
- (d) ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked including details as prescribed in Annexure II of SEBI circular no. *SEBI/HO/CFD/DIL2/P/CIR/2022/51* dated *April 20, 2022*.

For all IPOs opening on or after September 01, 2022, as specified in SEBI circular no. *SEBI/HO/CFD/DIL2/P/CIR/2022/75* dated *May 30, 2022*, all the ASBA applications in public offers shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of investors viz. Individual Investors, QIB and NIB and also for all modes through which the applications are processed.

UPI Bidders must provide the UPI ID in the relevant space provided in the Bid cum Application Form. UPI Bidders may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLM.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Categories	Color*
Resident Indians, including resident QIBs, NIBs, Individual Investors and Eligible NRIs applying on a non-repatriation basis	[●]
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	[●]
Anchor Investors	[●]

**Excluding Electronic Application Form*

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. For ASBA Forms (other than UPI Bidders) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchange shall validate the electronic bids with the records of the CDP for DP ID / Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchange. Stock Exchange shall allow modification of either DP ID / Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For UPI Bidders, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate UPI Mandate Request to the UPI Bidders, for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to the UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank(s), NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer shall provide the audit trail to the BRLM for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. *SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M* dated *March 16, 2021* as amended pursuant to SEBI circular no. *SEBI/HO/CFD/DIL2/P/CIR/2021/570* dated *June 02, 2021* and SEBI circular no. *SEBI/HO/CFD/DIL2/CIR/P/2022/51* dated *April 20, 2022*. In accordance with BSE Circular No. 20220803-40 and NSE Circular No. 25/2022, each dated August 03, 2022, for all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on after the Bid/Offer Closing Date (“**Cut-Off Time**”). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

Pursuant to BSE circular dated August 03, 2022, the following is applicable to all initial public offers opening on or after September 01, 2022:

- (a) Cut-off time for acceptance of UPI Mandate shall be up to 5:00 pm on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the offer and depository participants shall continue till further notice.
- (b) There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued.
- (c) Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 5:00 pm on the initial public offer closure day.
- (d) Exchanges shall display bid details of only successful ASBA blocked applications i.e. Application with latest status as RC 100 – Block Request Accepted by Investor/ Client.

An Investor, intending to subscribe to this Offer, shall submit a completed application form to any of the following intermediaries (Collectively called – “**Designated Intermediaries**”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stockbroker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“ broker ”)
4.	A depository participant (“ DP ”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an offer and share transfer agent (“ RTA ”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Individual investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “**Intermediaries**”), and intending to use UPI, shall also enter their UPI ID in the Application Form. It is clarified that Individual Bidders may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

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 SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For application 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 the stock exchange. 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 of funds within one day of closure of Offer.
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 Red Herring 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.

Availability of Draft Red Herring Prospectus and Application Forms

The Application Forms and copies of the Draft Red Herring Prospectus may be obtained from the Registered Office of our Company and Book Running Lead Manager to the Offer as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE www.bseindia.com.

Who can apply?

In addition to the category of Applicants as set forth under “General Information Document for Investing in Public Offers-Category of Investors Eligible to participate in an Offer”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations, and guidelines, including:

- Indian national 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).

- b. 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.
- c. Companies, corporate bodies, and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents.
- d. Mutual Funds registered with SEBI.
- e. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer.
- f. Indian Financial Institutions scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable).
- g. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion.
- h. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares.
- i. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional applicant's category;
- j. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI, State Industrial Development Corporations.
- k. Foreign Venture Capital Investors registered with the SEBI.
- l. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares.
- m. Scientific and/or Industrial Research Organizations authorized to invest in equity shares.
- n. Insurance Companies registered with Insurance Regulatory and Development Authority, India.
- o. Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares.
- p. Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares.
- q. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005, of Government of India published in the Gazette of India.
- r. Insurance funds set up and managed by army, navy, or air force of the Union of India.
- s. Multilateral and bilateral development financial institution.
- t. Eligible QFIs.
- u. Insurance funds set up and managed by army, navy or air force of the Union of India.
- v. Insurance funds set up and managed by the Department of Posts, India.
- w. Any other persons eligible to apply in this Offer, under the laws, rules, regulations, guidelines, and policies applicable to them.

Applications not to be made by:

- 1. Minors (except through their Guardians)

2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing RBI regulations, OCBs cannot participate in this Offer.

Maximum And Minimum Application Size

For Individual Applicants

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Individual Applicants have to ensure that the Application Price does not exceed ₹ 2,00,000.

For Other than Individual Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Offer Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Offer Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, 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 Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. 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

The Allotment of Equity Shares to Bidders other than Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. 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 Offer. However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable

Flow of Events from the closure of bidding period (T DAY) Till Allotment:

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file/ Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSBs to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+ 1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).

- DSE post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below:

Process for generating list of allottees: -

- Instruction is given by RTA in their Software System to reverse category wise all the 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 over subscription 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 allottees, partial allottees and non-allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

Allotment will be made in consultation with the Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on 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).
- b) 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).

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 [●] Equity shares; and
 - ii. the successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- c) 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 [●] Equity shares.
 - d) 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 issued, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Offer specified under the Capital Structure mentioned in this Draft Red Herring Prospectus.
 - e) The above proportionate allotment of shares in an Offer that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
 - As the individual investor category is entitled to more than fifty percent on proportionate basis, the individual investors shall be allocated that higher percentage.
 - The balance net offer of shares to the public shall be made available for allotment to Individual applicants other than individual investors and other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.

- The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

Individual Investor means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with Stock Exchange. The Executive Director / Managing Director of Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

Participation by Associates/ Affiliates of BRLM and the Market Maker

The BRLM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this offer in any manner except towers fulfilling their underwriting and market making obligations. However, associates/affiliates of the BRLM/ Underwriters and Market Maker, if any may subscribe to Equity Shares in the offer, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Promoters and Promoter Group and any persons related to our Promoters and Promoter Group cannot participate in the Offer.

Bids by eligible NRIs

Eligible NRIs may obtain copies of Application Form from the members of the Syndicate, the sub- Syndicate, if applicable, the SCSBs, the Registered Brokers, RTAs and CDPs. Eligible NRI Bidders bidding 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”) Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Application Form.

Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than ₹ 2,00,000 would be considered under the Individual Investor Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 2,00,000 would be considered under the Non-Institutional Category for allocation in the offer.

In case of Eligible NRIs bidding under the Individual Investor Category through the UPI mechanism, depending on the nature of the investment whether repatriable or non-repatriable, the Eligible NRI may mention the appropriate UPI ID in respect of the NRE account or the NRO account, in the Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Application Form for residents (white in color). Eligible NRIs bidding on a repatriation basis are advised to use the Application Form meant for non-residents (blue in color). For details of restrictions on investment by NRIs, please refer to the chapter titled “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 362.

Bids by HUFs

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Application Form as follows: “Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta.” Bids by HUFs may be considered at par with Bids from individuals.

Bids by FPIs Including FIIs

On January 07, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely ‘foreign institutional investors’ and ‘qualified foreign investors’ are subsumed under a new category namely ‘foreign portfolio investors’ or ‘FPIs’. RBI on March 13, 2014, amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

Option to Subscribe in the Offer

As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.

The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Applicants:

Our Company and the Book Running Lead Manager shall declare the Offer Opening Date and Offer Closing Date in the Draft Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in the prescribed format.

Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Offer Opening Date.

Copies of the Application Form along with Abridged Prospectus and copies of the Draft Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Offer, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.

Any applicant who would like to obtain the Draft Red Herring Prospectus and/ or the Application Form can obtain the same from our Registered Office.

Applicants who are interested in subscribing for Equity Shares should approach Designated Intermediaries to register their applications.

Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. Individual Applicants have to apply only through UPI Channel; they have to provide the UPI ID and validate the blocking of the funds and such application forms that do not contain such details are liable to be rejected.

Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.

Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating in transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Offer will be made into the accounts of such Applicants.

The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

Application by Indian Public including eligible NRIs applying on Non-Repatriation Basis

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 Indian (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 HUFs, 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 offered to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

Applications by eligible NRIs on Repatriation Basis

Application Forms have been made available for eligible NRIs at our registered office.

Eligible NRIs applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under reserved category. The Eligible NRIs who intend to get the amount blocked in the Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and shall not use the forms meant for reserved category.

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-Resident 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 the income thereon subject to the permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

Application by FIIs (including FIIIs)

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 Offer 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 Offer 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-offer 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.

Further, pursuant to the Master Directions on Foreign Investment in India issued by the RBI dated January 04, 2018 (updated as on March 08, 2019) the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid-up value of each series of debentures or preference shares or warrants.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

- a. 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 recognized 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 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 derivative 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 offer 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; and

- b. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Application by SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors: Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investors can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer. The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIFs. 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 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 reregistered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF 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, Selling Shareholders and BRLM will not be responsible for loss, if any, incurred by the Applicant.

Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid-up share capital carrying voting rights.

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.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

Applications by the 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 LLP Act, 2008 must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited liability partnerships can participate in the Offer only through the ASBA process.

Applications by Insurance Companies

In the case of applications made by insurance companies registered with IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (the “**IRDAI Investment Regulations**”), as amended (the “**IRDA Investment Regulations**”), are broadly set forth below:

- i. Equity shares of a company: the lower of 10% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer.
- ii. 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
- iii. 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.
- iv. 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 points (i), (ii) and (iii) above, as the case may be.

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 ₹ 25,00,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,00,000.00 million or more but less than ₹ 25,00,000.00 million.

Insurance companies participating in this Offer, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

Applications under Power of Attorney

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 Lakhs, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged 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.

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with 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 reason, therefore.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason, therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason, therefore.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of ₹ 2,500 Lakhs and pension funds with minimum corpus of ₹ 2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The 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 the Company and the Book Running Lead Manager may deem fit.

Application by Provident Funds/Pension Funds

In case of Applications made by provident funds with minimum corpus of ₹ 2,500 Lakhs (subject to applicable law) and pension funds with minimum corpus of ₹ 2,500 Lakhs, a certified copy of 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 any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of this Draft Red Herring Prospectus. Applicants are advised to make independent investigations and ensure that the maximum number of Equity Shares applied for, or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Draft Red Herring Prospectus.

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 companies 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 with the prior approval of the RBI provided that the investee Company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Applications by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012, and January 02, 2013. 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 with the IRDA, a certified copy of certificate of registration issued by IRDA must SCSBs. Further, such an account shall be used solely for the purpose of making application in public offers and clear demarcated funds should be available in such account for such applications.

Applications by Systemically Important Non-Banking Financial Companies In case of Applications made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its

statutory auditor, and (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. Systematically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time. Offer 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 Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA 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 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.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, the key terms for participation by Anchor Investors are provided below.

- 1) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 200 lakhs. A Bid cannot be submitted for over 60.00% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 200 lakhs.
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date.
- 5) Our Company, in consultation with the BRLM will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:
 - a. maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 200 lakhs.
 - b. minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹200 lakhs but up to ₹ 2,500 lakhs, subject to a minimum Allotment of ₹ 100 lakhs per Anchor Investor; and
 - c. in case of allocation above ₹ 2,500 lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 lakhs, and an additional 10 Anchor Investors for every additional ₹ 2,500 lakhs, subject to minimum allotment of ₹ 100 lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation will be made available in the public domain by the BRLM before the Bid/ Offer Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, the Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.

- 9) One half of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.
- 10) Neither the BRLM or any associate of the BRLM (other than mutual funds sponsored by entities which are associate of the BRLM or insurance companies promoted by entities which are associate of the BRLM or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the BRLM or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the BRLM shall apply under the Anchor Investors category. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, please read the General Information Document.

Method and Process of Applications

- 1) The Designated Intermediaries shall accept applications from the Applicants during the Offer Period.
- 2) The Offer Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Offer Period may be extended, if required, by an additional three Working Days, subject to the total Offer Period not exceeding 10 Working Days.
- 3) During the Offer Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
- 4) 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 Offer.
- 5) 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.

For Applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries there than SCSBs:	After accepting the application form, respective Designated Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Offer.

- 6) 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.
- 7) 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.
- 8) 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.

- 9) 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.
- 10) 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 Offer Account, or until withdrawal/ failure of the Offer or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offer shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Offer Account. In case of withdrawal/ failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

Terms of payment

The entire Offer price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer to facilitate collections from the 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 Applicants 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 Offer 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 Offer and consequent transfer of the Application Amount to the Public Offer Account, or until withdrawal/ failure of the Offer 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 SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. *SEBI/HO/CFD/DIL2/CIR/P/2018/138* dated *November 01, 2018*, Individual Investors applying in public Offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Offer, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Offer Account as per section 40 (3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Offer by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Offer, in the event of withdrawal/failure of the Offer or rejection of the ASBA Application, as the case maybe.

Maximum and Minimum Application Size

The applications in this Offer, being a Book Built Offer, will be categorized into two, For Individual Applicants. The Application must be for a minimum of [●] Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed ₹ 2,00,000

For Other Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter.

A person shall not make an application in the net offer category for a number of specified securities that exceeds the total number of securities offered to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities offered in the offer less total number of specified securities offered in the offer to qualified institutional buyers.

Further, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws.

In case of revision in Applications, the Non-Institutional Applicants, 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 form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

Option to Receive Equity Shares in Dematerialized Form

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

Pre-Offer Advertisement

Please note that, in terms of SEBI Circular No. *CIR/CFD/POLICYCELL/11/2015* dated *November 10, 2015* and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. *SEBI/HO/CFD/DIL2/CIR/P/2018/138* dated *November 01, 2018*, Individual Investors applying in public offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Draft Red Herring Prospectus with the RoC, publish a pre-offer advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation.

The information set out above is given for the benefit of the Bidders/applicants. Our Company and BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for does not exceed the prescribed limits under applicable laws or regulations.

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 1.00 p.m. of next Working Day from the Offer 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 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 Book Running Lead Manager nor our Company nor the Registrar to the Offer, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
 - i. The 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 Offer. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Offer 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 Offer Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

**Stock Exchange shall uniformly prescribe character length for each of the above-mentioned fields*

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:
 - Name of the Applicant.
 - IPO Name:
 - Application Form Number.
 - Investor Category.
 - PAN (of First Applicant, if more than one Applicant).
 - DP ID of the demat account of the Applicant.
 - Client Identification Number of the demat account of the Applicant.
 - Number of Equity Shares Applied for.
 - Bank Account details.

- Locations of the Banker to the Offer or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained, and Bank account number.
- 8. In case of submission of the 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.

Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

- 10. In case of Non- Individual Applicants and Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
- 11. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
- 12. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Offer Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer 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.
- 13. The SCSBs shall be given one day after the Offer Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Offer.

The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Allocation of Equity shares

- 1. The Offer is being made through the Book Built Process wherein [●] Equity Shares shall be reserved for Market Maker and [●] Equity shares will be allocated on a proportionate basis to Individual Applicants, subject to valid applications being received from Individual Applicants at the Offer Price. The balance of the Net Offer will be available for allocation on proportionate basis to Non- Individual Applicants.
- 2. 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 Book Running Lead Manager and the Stock Exchange.
- 3. 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.
- 4. In terms of SEBI Regulations, Non- Individual Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
- 5. Allotment status details shall be available on the website of the Registrar to the Offer.

Signing of Underwriting Agreement and Filing of Prospectus with ROC

Our Company intend to enter into an Underwriting Agreement after the finalisation of the Offer Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC. The Prospectus will contain details of the Offer

Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and will be complete in all material respects.

Issuance of Allotment Advice

Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload on its website.

On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer.

The Book Running Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to the Applicants who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed a valid, binding, and irrevocable contract for the Allotment to such Applicant.

The issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Offer Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Offer Account to Public Offer account of the issuer.

Designated Date

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer.

The Company will Offer and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Offer Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

Advertisement regarding Offer price and Draft Red Herring Prospectus

Our Company will issue a statutory advertisement after the filing of the Draft Red Herring Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the floor Price and cap price.

Minimum Subscription

This Offer is not restricted to any minimum subscription level. This Offer 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 thirty days from the date of Offer of the Draft Red Herring Prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (1) shall be returned within such time and manner as maybe prescribed under that section. If the Issuer does not receive the subscription of 100% of the Offer through this Offer document including devolvment of underwriters within Sixty Days from the date of closure of the Offer, the Issuer shall Forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 39 of the Companies act, 2013.

General Instructions

Do's:

1. Check if you are eligible to apply.
2. Read all the instructions carefully and complete the applicable Application Form.
3. Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only.
4. All Bidders should submit their Bids through the ASBA process only.
5. Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;

6. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Application Form;
7. Bidders (other than RIIs bidding through the non-UPI Mechanism) should submit the Application Form only at the Bidding Centers, i.e., to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations. RIIs bidding through the non-UPI Mechanism should either submit the physical Application Form with the SCSBs or Designated Branches of SCSBs under Channel I (described in the UPI Circulars) or submit the Application Form online using the facility of 3-in 1 type accounts under Channel II (described in the UPI Circulars);
8. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Individual Investors using the UPI Mechanism) in the Application Form;
9. 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;
10. Individual Investors 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. Individual Investors 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;
11. Individual Investors bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the Offer;
12. 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 Bid is listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
13. Individual Investors submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field Number 7: Payment Details in the Application Form;
14. Individual Investors using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;
15. If the first applicant is not the 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;
16. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Application Forms;
17. QIBs and Non-Institutional Bidders should submit their Bids through the ASBA process only. Pursuant to SEBI circular dated November 01, 2018 and July 26, 2019, RII shall submit their bid by using UPI mechanism for payment;
18. 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 Bids, the Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
19. Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your Bid options;
20. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
21. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment.
22. Bidders, other than Individual Investors using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries
23. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from

specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the I.T. 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;

24. Ensure that the Demographic Details are updated, true and correct in all respects;
25. 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;
26. Ensure that the category and the investor status is indicated;
27. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
28. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
29. Bidders 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 Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the 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;
30. Ensure that the Application Forms are delivered by the Bidders within the time prescribed as per the Application Form and the Draft Red Herring Prospectus;
31. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
32. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Offer;
33. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
34. Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Application Form at the time of submission of the Bid;
35. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
36. Individual Investors shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an Individual Investors may be deemed to have verified the attachment containing the application details of the Individual Investors in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Application Form;
37. 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 Bid / Offer Closing Date.
38. Individual Investors who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which Individual Investors should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the Individual Investors' ASBA Account;
39. Individual Investors using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and

40. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹ 2,00,000 would be considered under the Individual Investor Portion, and Bids for a Bid Amount exceeding ₹ 2,00,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Offer.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. *SEBI/HO/CFD/DIL2/CIR/P/2019/85* dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not apply for lower than the minimum Application size.
2. Do not apply for a price different from the price mentioned herein or in the Application Form;
3. Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
4. Individual Investors should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
5. Individual Investors should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
6. Do not send Application Forms by post, instead submit the Designated Intermediary only;
7. Do not submit the Application Forms to any non-SCSB bank or our Company.
8. Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
9. Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
10. Do not apply for an Application Amount exceeding ₹ 2,00,000 (for applications by Individual Applicants);
11. Do not fill up the Application Form such that the Equity Shares applied for exceeds the Offer Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
12. Do not submit the General Index Register number instead of the PAN as the application is liable to be rejected on this ground;
13. Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
14. Do not submit applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant;
15. All Investors submit their applications through the ASBA process only except as mentioned in SEBI Circular No. *SEBI/HO/CFD/DCR2/CIR/P/2019/133* dated November 08, 2019 & *SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M* dated March 16, 2021;
16. Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
17. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by Individual Investor Bidders using the UPI Mechanism;

The Applications should be submitted on the prescribed Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Other instructions for the Bidders

Joint Bids

In the case of Joint Bids, the Bids should be made in the name of the Bidder whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such First Bidder would be required in the Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.

All communications may be addressed to such Bidders and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Multiple Bids

A Bidder should submit only one Application Form. Submission of a second Application Form to either the same or to another member of the Syndicate, the sub-Syndicate, SCSB, Registered Broker, RTA and CDP and duplicate copies of Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

Investor Grievance

In case of any pre- Offer or post- Offer related problems regarding demat credit/refund orders/unblocking etc., the Investors can contact the Compliance Officer of our Company.

Nomination Facility to Bidders

The nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In the case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

Submission of Bids (Other than Anchor Investors)

<i>Bid/ Offer Period (except the Bid/ Offer Closing Date)</i>	
Submission and Revision in Bids	Only between 10.00 a.m. and 4.00 p.m. IST
<i>Bid/ Offer Closing Date*</i>	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For IBs other than QIBs and NIIs	Only between 10.00 a.m. and 4.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and 3:00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and 1:00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications Where Bid Amount is more than ₹0.50 million)	Only between 10.00 a.m. and 12:00 p.m. IST
<i>Modification/ Revision/cancellation of Bid</i>	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories [#]	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by IBs	Only between 10.00 a.m. and up to 4.00 p.m. IST

**UPI mandate end time and date shall be at 4.00 pm on Bid/Offer Closing Date.*

QIBs, Individual Investor and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

On the Bid/ Offer Closing Date, the Bids shall be uploaded until:

i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

On Bid / Offer Closing Date, extension of time will be granted by the Stock Exchanges only for uploading Bids received by Individual Bidders, after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled / deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid / Offer Opening Date till the Bid / Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Offer Closing Date, and in any case no later than 1:00 p.m. IST on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids and any revision to the Bids, will be accepted only during Working Days, during the Bid/ Offer Period. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the Bid/Offer period. None among our Company or the Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBS on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchange may be taken. Our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one working day, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminal of the Syndicate Member, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

Grounds of Technical Rejections

Bidders are advised to note that 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 offers using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Offer with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. *CIR/CFD/POLICY CELL/11/2015* dated November 10, 2015 has permitted Registrar to the Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Offer with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Please note that furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and 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 as entered into the Stock

Exchange online system, the Registrar to the Offer will obtain from the Depository the demographic details including address, Applicant's 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 Book Running Lead Manager nor the Registrar to the Offer 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 Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Offer.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

Submission of Application Form

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Disposal of Application and Application Moneys and Interest in Case of Delay

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 3 (three) working days from Offer Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- i. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Offer Closing date;
- ii. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Offer Closing Date, would be ensured; and
- iii. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

Right to Reject Applications

In case of QIB Applicants, the Company in consultation with the BRLM 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.

Grounds for Rejection

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 highest value of 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 Offer;
- Applications for number of Equity Shares which are not in multiples of [●];
- The amounts mentioned in the Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Applications as defined in the Draft Red Herring Prospectus;
- Applications made using a third-party bank account or using third party UPI ID linked bank account
- 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, Offer Opening Date advertisement and the Draft Red Herring Prospectus and as per the instructions in the Draft Red Herring 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 Regulations or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person 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 by Applicants, other Individual Applicants, not submitted through ASBA process and Applications by Individual Applicants not submitted through ASBA process or the UPI process;
- Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Offer Closing Date;
- Applications not containing the details of Bank Account and/or Depositories Account.
- In case of Individual Applicants applying through the UPI mechanism, details of UPI ID, not provided in the Application form

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID and UPI Circular.

Equity Shares in Dematerialized Form with NSDL or CDSL

- An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Application Form or Revision Form.
- Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
- It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The trading of the Equity Shares of our Company would be only in dematerialized form.

Communications

Registrar to the Offer quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Offer where the Application was submitted and a copy of the acknowledgement slip.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

Basis of Allocation

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Offer, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

Allotment Procedure and Basis of Allotment

The Allotment of Equity Shares to Bidders other than Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. 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 Offer. However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

Flow of Events from the closure of bidding period (T DAY) Till Allotment:

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file/ Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSBs to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+ 1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).

The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.

- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below:

Process for generating list of allottees: -

- Instruction is given by RTA in their Software System to reverse category wise all the 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 over subscription 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 allottees, partial allottees and non-allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

Equity Shares in Dematerialized Form with NSDL Or CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Agreement dated June 27, 2025, among NDSL, the Company and the Registrar to the Offer; and
- Agreement dated April 01, 2026, among CDSL, the Company and the Registrar to the Offer.
- The Company's shares bear ISIN: INE1CW901027

To, Puja Aggarwal Decent Spinners Limited V.P.O KOHAND, Gharunda, Karnal, Gharunda, Haryana-132114, India Telephone No.: +91 -99922 26959 Email id: cs@decentspinnerslimited.com Website: www.decentspinnerslimited.com	To, Mukul Agrawal Maashitla Securities Private Limited 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi - 110034, India Telephone: 011-45121795 Email: ipo@maashitla.com Website: www.maashitla.com SEBI Registration Number: INR000004370 CIN: U67100DL2010PTC208725

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLM, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favor of:

- In case of resident Anchor Investors: "[●]-IPO-Anchor Investor-R"; and
- In case of Non-Resident Anchor Investors: "[●]-IPO-Anchor Investor-NR".

Anchor Investors should note that the escrow mechanism is not prescribed by the SEBI and has been established as an arrangement between our Company and the Syndicate, if any the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a Pre- Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (all editions of [●], an English national daily newspaper, all editions of [●], Hindi being the regional language of Maharashtra, where our Registered Office is located) In the Pre- Offer advertisement, we shall state the Bid/ Offer Opening Date and the Bid/ Offer Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations

Disposal of Applications and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 3 (three) working days of closure of the Offer.

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.”*

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

Procedure and time for allotment and demat credit

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares.

Bidders are advised to instruct their Depository.

Participant to accept the Equity Shares that may be allotted to them pursuant to the Offer.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Offer.

- a) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- b) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account which will be completed within 4 Working Days of the Offer Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Offer Account on the Designated Date.

Basis of Allotment

Allotment will be made in consultation with BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

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).

For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:

Each successful applicant shall be allotted [●] equity shares; and

The successful applicants out of the total applicants for that category shall be determined by the draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.

If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

Since present Offer is a Book Built Offer, the allocation in the net Offer to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- a) *not less than thirty-five per cent. to individual investors;*
- b) *not less than fifteen per cent. to non-institutional investors;*

- c) *not more than fifty per cent. to qualified institutional buyers, five per cent. of which shall be allocated to mutual funds:*

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

Provided further that in addition to five per cent. allocation available in terms of clause (c), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

Names of entities responsible for finalizing the Basis of Allotment in the event of Under Subscription.

In the event of under subscription in the Offer, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Offer size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the SME Platform of NSE-the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

As per the RBI regulations, OCBs are not permitted to participate in the Offer.

There is no reservation for non-residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

Undertakings by Our Company

We undertake as follows:

- That the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 3 (three) Working days of closure of the Offer;
- That if the Company do not proceed with the Offer, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-offer advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- That our Promoter's contribution in full has already been brought in;
- That no further Issue of Equity Shares shall be made till the Equity Shares issued through the Draft Red Herring Prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc. and That if the Company withdraws the Offer after the Offer Closing Date, our Company shall be required to file a fresh Offer document with the ROC/SEBI, in the event our Company subsequently decides to proceed with the Issuer;
- That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by us;
- That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the Offer giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- That Company shall not have recourse to the Offer proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received;
- Adequate arrangements shall be made to collect all Application Forms from the Applicants;

- That the certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time; and that none of the promoters or directors of the company is wilful defaulter or Fraudulent Borrower under Section 5(c) of SEBI (ICDR) Regulations, 2018.

Utilization of Offer Proceeds

The Board of Directors of our Company certifies that:

- a) All monies received out of the Offer shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- b) Details of all monies utilized out of the Offer referred above shall be disclosed and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in the balance sheet of our company indicating the purpose for which such monies have been utilized;
- c) Details of all unutilized monies out of the Offer, if any shall be disclosed under an appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- d) Our Company shall comply with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Offer.
- e) Our Company shall not have recourse to utilize the Offer Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- f) Our Company undertakes that the complaints or comments received in respect of the Offer shall be attended by our Company expeditiously and satisfactorily.

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RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 has prescribed the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government of India has from time to time made policy pronouncements on foreign direct investment ("FDI") through press notes and press releases.

The Government of India makes policy announcements on FDI through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The DPIIT (formerly Department of Industrial Policy & Promotion) issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (the "FDI Circular"), which consolidates and supersedes all previous press note, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see *"Offer Procedure - Bids by Eligible NRIs"* and *"Offer Procedure- Bids by FPIs Including FIIs"* beginning from page 328. As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions 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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for the Offer do not exceed the applicable limits under applicable laws or regulations.

For further details, see *"Offer Procedure"* beginning on page 328.

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

(THE COMPANIES ACT, 2013) (Incorporated under the Companies Act, 1956) (COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION OF DECENT SPINNERS LIMITED¹

PRELIMINARY

1. Subject as hereinafter provided the Regulations contained in **Table 'F'** in the Schedule I to the Companies Act, 2013 shall apply to the Company.

INTERPRETATION

- 2.
- (2.1) In these regulations: -
- a) "Company" means **DECENT SPINNERS 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 Common Seal of the Company.
 - e) "Directors" means the Directors of the Company and include persons occupying the position of the Directors by whatever names called.

(2.2) 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 articles become binding on the company.

PUBLIC COMPANY

3. The Company is a Public Company within the meaning of section 2(71) of the Companies Act, 2013.

SHARE CAPITAL AND VARIATION OF RIGHTS

4.

The Authorised Share Capital of the Company shall be such amounts and be divided into such shares as may, from time to time, be provided in **Clause V** of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law.

** The Articles of Association of the Company have been adopted in conformity with Table F under the Companies Act, 2013, as approved by the Members at the Extra-Ordinary General Meeting held on March 16, 2026.*

¹ *Pursuant to the conversion of the Company from a Private Limited Company to a Public Limited Company, the name of the Company was changed from "Decent Spinners Private Limited" to "Decent Spinners Limited" at the Extra-Ordinary General Meeting held on Monday, March 30, 2026*

5. 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.

6. The Company in general meeting may decide to issue fully paid-up bonus share to the member if so, recommended by the Board of Directors.

7. Shares may be registered in the name of any minor through a guardian only as fully paid shares.

8. The certificate to share registered in the name of two or more person shall be delivered to first named person in the register and this shall be a sufficient delivery to all such holders.
9. (i) Every person whose name is entered as a Member in the Register of Members shall be entitled to receive share certificate(s) within a period of two months from the date of allotment of shares, or within one month from the date of receipt by the Company of the application for registration of transfer or transmission of shares, or within such other period as may be prescribed under the terms of issue or applicable law.
- (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, if any 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.
10. (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 (9) and (10) shall mutatis mutandis apply to debentures of the company.
11. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
12. (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.
13. (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.
14. 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.
15. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.
16. Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.

17. 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.

LIEN

18. (i) The company shall have a first and paramount lien-

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this 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.

19. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: Provided that no sale shall be made-

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) 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.

20. (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

21. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES AND TRANSFER OF SHARES

22. (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.

23. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

24. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

25. (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.

26. (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.

27. 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

28. (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.

29. 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.

30. 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.

31. The Directors may refuse to register any transfer of shares

- (1) where the Company has a lien on the shares or
- (2) where the shares are not fully paid-up shares, subject to Section 58 and 59 of the Companies Act, 2013.

32. The Directors may in their discretion, without assigning any reason, refuse to register the transfer of any shares to any person, whom it shall, in their opinion, be undesirable in the interest of the Company to admit to membership.

33. At the death of any members his or her shares be recognized as the property of his or her heirs upon production of reasonable evidence as may require by the Board of Directors.

34. The instrument of transfer must be accompanied by the certificates of shares.

TRANSMISSION OF SHARES

35. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.
- (ii) Nothing in 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.
36. (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.
37. (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.

38. 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

39. If a member fails to pay any call, or installment 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 installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

40. 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.

41. 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.

42. (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.

43. (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.

44. (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 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.

45. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

46. 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.

47. 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.

48. 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;
- b) 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.
- c) 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.
- d) 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.

49. 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

50. (i) The company in general meeting may, upon the recommendation of the Board, resolve-

- a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
- b) that such sum be accordingly set free for distribution in the manner specified in clause (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.

51. (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

52. 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

53. All general meetings other than annual general meeting shall be called extra ordinary general meeting.

54. (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 extra ordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

- 55.** (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.
- 56.** The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- 57.** 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.
- 58.** 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

- 59.** (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 AND PROXY

- 60.** 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.
- 61.** A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 62.** (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.
- 63.** 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.
- 64.** Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- 65.** 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.
- 66.** (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.
- 67.** 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.

68. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

69. 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

70. Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (Three) and shall not be more than 15 (Fifteen).

71. The following shall be the First Directors of the Company:

- Ramesh Mehra
- Rajesh Mehra
- Ashish Mehra

72. Not less than two-thirds of the total number of Directors of the Company shall:

- a) be persons whose period of office is liable to determination by retirement of Directors by rotation and,
- b) save as otherwise expressly provided in the Act, shall be appointed by the Company in General Meeting.

73. The remaining Directors of the Company shall also be appointed by the Company in General Meeting, except to the extent that the Articles otherwise provide or permit.

74. The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot, and a retiring Director shall be eligible for re-election.

75. At the Annual General Meeting at which a director retires as aforesaid, the Company may fill the vacancy by appointing the retiring Director or some other person in his place.

76. The Directors may from time to time, appoint one or more of their body to the office of the Managing Director for one or more of the divisions of the business carried on by the Company and to enter into agreement with him in such terms and conditions as they may deem fit.

77. Subject to the provisions of section 161, the Board of Directors, at any time and from time to time, to appoint any person as additional Director in addition to the existing Director so that the total number of Directors shall not at any time exceed the number fixed for Directors in these articles, Any Directors so appointed shall hold office only until the next following Annual General Meeting but shall be eligible thereof for election as Director.

78. The Managing Director may be paid such remuneration as may, from time to time, be determined by the Board, whether by way of salary, commission, or participation in profits, either wholly or partly in one way or partly in another, subject to the provisions of the Companies Act, 2013.

79.

(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.

(iii) The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

(iv) 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.

(v) 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.

80. The quorum necessary for the transaction, of the business of the Board meeting subject to Section 174 of the Act, shall be one third of the total strength or at least two whichever is higher. The participation of the directors by video conferencing or by other audio visual means shall also be count for the purpose of quorum.

81. Subject to section 175 of the Act, a resolution in writing signed by the Director except a resolution which the Act specifically required it to be passed at a Board meeting shall be effective for all purposes as a resolution passed at a meeting of Directors duly called, held and constituted.

PROCEEDINGS OF THE BOARD

82. (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.

83. (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.

84. 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.

85. (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.

86. (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.

87. (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.

88. (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.

89. 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.

90. 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

91. 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.

92. 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.

COMMON SEAL

93. (i) The Common Seal of the Company, if any may be made either of metal or of rubber as the directors may decide.

(ii) The Board shall provide for the safe custody of the seal, if any.

(iii) The seal of the company, if any 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, if any is so affixed in their presence.

BORROWING POWERS

94. The Board may, from time to time, and at its discretion, subject to the provisions of the Act and these Articles, accept deposits from Shareholders either in advance of calls or otherwise and generally raise or borrow moneys, either from the Directors, their friends and relatives or from others for the purposes of the Company and/or secure the payment of any such sum or sums of money, provided however, where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in ordinary course of business) and remaining outstanding and undischarged at that time exceed the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company in a General Meeting by an ordinary resolution. The Board may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions as it thinks fit, and in particular by receiving deposits, issue of bonds, debentures perpetual, redeemable, debenture stock, or any security of the Company or by mortgage or charge or other security upon all or any part of the property or undertaking of the Company (both present and future), including its uncalled capital for the time being; provided that the Board shall not give any option or right to any person for making calls on the Shareholders in respect of the amount unpaid for the time being on the Shares held by them, without the previous sanction of the Company in a General Meeting.

95. Subject to section 73 and 179 of the Companies Act, 2013, and Regulations made there under and Directions issued by the RBI the directors may, from time to time, raise or borrow any sums of money for and on behalf of the Company from the member or other persons, companies or banks or they may themselves advance money to the company on such interest as may be approved by the Directors.

96. The Directors may, from time to time, secure the payment of such money in such manner and upon such terms and conditions in all respects as they deem fit and in particular by the issue of bonds or debentures or by pledge, mortgage, charge or any other security on all or any properties of the Company (both present and future) including its uncalled capital for the time being.

OPERATION OF BANK ACCOUNTS

97. The Directors shall have the power to open bank accounts to sign cheques on behalf of the Company and to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorize any other person or persons to exercise such powers.

DIVIDENDS AND RESERVE

98. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

99. 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.

100. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, 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.

101. (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.

102. 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.

103. (i) Any dividend, interest or other monies payable in cash in respect of shares maybe 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.

104. 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.

105. 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.

106. No dividend shall bear interest against the company.

ACCOUNTS

107. (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.

108. The Directors shall in all respect comply with the provisions of Section 128,134, 137, 206, 207 and 208, of the Act, and profits and Loss Account, Balance Sheet and Auditors Report and every of the document required by law to annexed or attached as the case may be, to the Balance Sheet, to be sent to every member and debenture holder of the Company and every trustee for the holders of the debentures issued by the Company at least twenty one days before the date of Annual general meeting of the Company at which they are to be laid, subject to the provisions of section 136 of the Act.

WINDING UP

109. 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.

SECRECY

110. Subject to the provisions of law of land and the act, every manager, auditor trustee, member of a committee, officer servant, agent accountant or other persons employed in the business of the company shall, if so required by the Board of Directors before entering upon his duties, sign, declaration, pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself, not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the directors or by any court of law and except so far as may be necessary in order to comply with any of the provisions in these presents.

AUDIT

111. (i) Statutory Auditors and Cost Auditors, if any, shall be appointed and their rights and duties regulated in accordance with Sections 139 to 148 of the Act and Applicable Laws. Where applicable, a Secretarial Auditor shall be appointed by the Board and their rights and duties regulated in accordance with Sections 204 of the Act and Applicable Laws.

(ii) Subject to the provisions of Section 139 of the Act and rules made thereunder, the Statutory Auditors of the Company shall be appointed for a period of five consecutive years.

(iii) Provided that the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons as may be recommended by the Board, in accordance with Section 140 of the Act or Applicable Laws.

(iv) The remuneration of the Auditors shall be fixed by the Company in Annual general meeting or in such manner as the Company in general meeting may determine.

INDEMNITY AND INSURANCE

112. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

113. Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

114. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

GENERAL POWER

115. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus and the Prospectus, as applicable, which will be delivered to the RoC for filing. Copies of the above-mentioned documents and contracts and also the documents for inspection referred to hereunder, except for such contracts and documents that will be executed subsequent to the completion of the Bid/Offer Closing Date may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days and shall also be available on the website of our Company at www.decentspinnerslimited.com from date of this Draft Red Herring Prospectus until the Bid/ Offer Closing Date (except for such documents or agreements executed after the Bid/Offer Closing Date).

A. Material Contracts for the Offer

1. Offer Agreement dated April 27, 2026, between our Company, Selling Shareholders and Book Running Lead Manager.
2. Registrar Agreement dated April 28, 2026, between our Company, Selling Shareholders and the Registrar to the Offer.
3. Public Offer Account and Sponsor Bank agreement dated [●] amongst our Company, Selling Shareholders, the Registrar to the Offer, the BRLM, Banker to the Offer, Escrow collection bank, Sponsor Bank, Refund Bank and Syndicate Member.
4. Share escrow agreement dated [●] entered into amongst our Company, Selling Shareholders, BRLM, and a share escrow agent.
5. Syndicate agreement dated [●] entered into amongst our Company, Selling Shareholders, the BRLM, the Syndicate Member, and Registrar to the Offer.
6. Underwriting Agreement dated [●] between our Company, Selling Shareholders, the BRLM or Underwriter.
7. Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated June 27, 2025.
8. Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated April 01, 2026.
9. Market Making Agreement dated [●] between our Company, Selling Shareholders, Book Running Lead Manager and Market Maker to the Offer.

B. Material Documents

1. Certified true copy of Certificate of Incorporation, Memorandum and Articles of Association of our Company as amended from time to time;
2. Board resolution and special resolution passed pursuant to Section 62 (1)(c) of the Companies Act, 2013 by the Board and shareholders of our Company approving the Offer, at their meetings.
3. Resolution of our Board dated April 20, 2026 taking on record the participation of each of the Promoter Selling Shareholders in the Offer for Sale.
4. Resolution of the Board of Directors of our Company dated June 16, 2026, approving the Draft Red Herring Prospectus and Draft Abridged Prospectus.
5. Consent letters, each dated April 20, 2026 from each of the Promoter Selling Shareholders, consenting to participate in the Offer for Sale.
6. Copies of the audited financial statements along with the auditor report and directors' report of our Company for Fiscal 2026, 2025 and 2024.
7. Resolution dated June 15, 2026, passed by the Audit Committee approving the KPIs.
8. Resolution dated June 15, 2026, passed by the Board of Directors of our Company approving the Objects of the Offer.

9. Industry report titled “Textile and Home Furnishing Industry with Special Emphasis on Blanket Manufacturing Sector” dated June 05, 2026. (the “Infomerics Report”), prepared and issued by Infomerics Analytics & Research, commissioned and paid for by our Company.
10. Consent letter dated June 05, 2026 issued by Infomerics Analytics & Research, with respect to the Infomerics Analytics & Research Report.
11. Consent letter dated June 15, 2026 issued by Mahima Khandelwal & Associates, with respect to the Due Diligence Report.
12. The examination report dated June 10, 2026 of the Statutory Auditors on the Restated Financial Statements included in this Draft Red Herring Prospectus.
13. Report on the statement of special possible tax benefits available to our Company and Shareholders, dated June 15, 2026 issued by the M/s. Vinay I Aggarwal & Associates, Chartered Accountant.
14. Certificates dated June 15, 2026 from M/s. Vinay I Aggarwal & Associates, Chartered Accountants, respectively, with respect to our key performance indicators.
15. Written consent dated June 15, 2026 from our Statutory Auditor, namely, Vinay I Aggarwal & Associates, Chartered Accountants, holding a valid peer review certificate from the ICAI, to include their names as required under section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 (and not as defined under the U.S. Securities Act) to the extent and in their capacity as our Statutory Auditor, and in respect of their (a) examination report on the Restated Financial Statements included in this Draft Red Herring Prospectus; (b) report on the statement of special tax benefits available to our Company and Shareholders, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.
16. Consent dated June 02, 2026 from SRJ Certification Services Pvt. Ltd, Independent Chartered Engineer, to include their name as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013, in relation to and for the inclusion of (i) the certificate dated June 02, 2026 issued to certify the proposed capacity expansion in our proposed manufacturing unit; and (ii) certificate dated June 02, 2026 issued to certify the installed capacity and capacity utilization at our current manufacturing unit.
17. Consents of our Promoters, Directors, Promoter Selling Shareholders, our Company Secretary and Compliance Officer, Chief Financial Officer, Legal Counsel to our Company, Bankers to our Company, Banker(s) to the Offer, the Book Running Lead Manager, the Registrar to the Offer, Chartered Engineer, Syndicate Members and the Escrow Collection Bank(s), Market Maker, Underwriter and Bankers to the Offer/Public Offer Bank/Refund Banker and Sponsor Banker in their respective capacities.
18. Due diligence certificate dated June 16, 2026, addressed to SEBI from the Book Running Lead Manager.
19. Copy of In- principle Approval from BSE by way of letter dated [●], to use the name of BSE in this offer document for listing of Equity Shares on SME platform of BSE Limited (**“BSE SME”**)
20. Site Visit Report dated April 27, 2026.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 (SCRA), the Securities Contracts (Regulation) Rules, 1957 (SCRR) and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE MANAGING DIRECTOR OF OUR COMPANY

Naresh Kumar

Chairman and Managing Director

Place: Karnal, Haryana

Date: June 16, 2026

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 (SCRA), the Securities Contracts (Regulation) Rules, 1957 (SCRR) and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE WHOLE TIME DIRECTOR AND CHIEF FINANCIAL OFFICER OF OUR COMPANY

Parv Gupta

Whole Time Director & CFO

Place: Karnal, Haryana

Date: June 16, 2026

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 (SCRA), the Securities Contracts (Regulation) Rules, 1957 (SCRR) and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE WHOLE TIME DIRECTOR OF OUR COMPANY

Ritu Garg

Non-Executive Director

Place: Karnal, Haryana

Date: June 16, 2026

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 (SCRA), the Securities Contracts (Regulation) Rules, 1957 (SCRR) and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Sanjay Kumar
Independent Director

Place: Bijnor, Uttar Pradesh
Date: June 16, 2026

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 (SCRA), the Securities Contracts (Regulation) Rules, 1957 (SCRR) and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Pradeep Singh
Independent Director

Place: Fatehpur, Uttar Pradesh
Date: June 16, 2026

DECLARATION BY NARESH KUMAR AS A PROMOTER SELLING SHAREHOLDER

I, Naresh Kumar, in my capacity as a Promoter Selling Shareholder, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus in relation to myself, as the Promoter Selling Shareholder and the respective portion of Equity Shares being offered by me in the Offer, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including, those made or confirmed by or relating to the Company or any other Promoter Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Naresh Kumar
Promoter Selling Shareholder

Place: Karnal, Haryana

Date: June 16, 2026

DECLARATION BY RITU GARG AS A PROMOTER SELLING SHAREHOLDER

I, Ritu Garg, in my capacity as a Promoter Selling Shareholder, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus in relation to myself, as the Promoter Selling Shareholder and the respective portion of Equity Shares being offered by me in the Offer, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including, those made or confirmed by or relating to the Company or any other Promoter Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Ritu Garg

Promoter Selling Shareholder

Place: Karnal, Haryana

Date: June 16, 2026