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DRAFT PROSPECTUS

Dated: September 30, 2026

(Please read section 26 and 32 of the Companies Act, 2013.)

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

Fixed Price Issue



ANIL FASHIONS LIMITED

(Formerly known as “Sanchem Fabrics Limited”)

Corporate Identification Number: U13990GJ1999PLC035368

REGISTERED/CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
Survey No. 169, Piplej Pirana Road, Opp Bharwad Vaas, Piplej, Ahmedabad, Gujarat, India, 382405	Ms. Raina Singh Company Secretary and Compliance Officer	Tel: +91 9428015692 Email: cs@anilfashions.com	https://www.anilfashions.com/

PROMOTERS OF OUR COMPANY: NAVIN RAMNIWAS AGARWAL, ASHOK RAMNIWAS AGARWAL AND ANUP RAMNIWAS AGARWAL

DETAILS OF THE ISSUE

TYPE	FRESH ISSUE SIZE (IN ₹ LAKHS)	OFFER FOR SALE SIZE	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Up to 68,02,000 Equity Shares of face value of ₹ 10/- each (“ Equity Shares ”) aggregating up to ₹ [●] Lakhs (“ Issue ”).	Nil	Up to 68,02,000 Equity Shares of face value of ₹ 10/- each (“ Equity Shares ”) aggregating up to ₹ [●] Lakhs (“ Issue ”).	This Issue is being made in terms of Regulation 229(2) and 253(3) of Chapter IX of the SEBI ICDR Regulations, as amended. For further details, see section titled “ Other Regulatory and Statutory Disclosures – Eligibility to the Issue ” on page no. 334. For details in relation to share reservation among Qualified Institutional Buyers, Non-Institutional Investors and Individual Investors who bids for minimum application size, see section titled “ Issue Structure ” on page no. 357 of this Draft Prospectus.

DETAILS OF OFFER FOR SALE BY THE SELLING SHAREHOLDERS AND THEIR RESPECTIVE WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE – Not applicable as the entire Issue constitutes fresh Equity Shares.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue 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 Issue Price as determined by our Company, in consultation with the Lead Manager, as stated under “**Basis for Issue Price**” on page no. 104 of this Draft Prospectus, 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 RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“**SEBI**”), nor does SEBI guarantee the accuracy or adequacy of the Draft Prospectus. Specific attention of the investors is invited of the section titled “**Risk Factors**” beginning on page no. 21 of this Draft Prospectus.

COMPANY’S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited (“**BSE SME**”). In terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, our Company has received an ‘in-principle’ approval letter dated [●] from BSE. For the purpose of this Issue, the Designated Stock Exchange will be BSE.

LEAD MANAGER

NAME AND LOGO	CONTACT PERSON	EMAIL AND TELEPHONE
 MARK CORPORATE ADVISORS PRIVATE LIMITED	Mr. Niraj Kothari	Telephone: +91 022 26123207 / 08 E-mail: smeipo@markcorporateadvisors.com

REGISTRAR TO THE ISSUE

NAME AND LOGO	CONTACT PERSON	EMAIL AND TELEPHONE
 BIGSHARE SERVICES PRIVATE LIMITED	Mr. Babu Rapheal	Telephone: + 91 22 6263 8200 E-mail: ipo@bigshareonline.com

ISSUE PERIOD

ISSUE OPENS ON: [●]	ISSUE CLOSES ON: [●]^
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^UPI mandate end time and date shall be at 5:00 pm on the Issue Closing Date.

DRAFT PROSPECTUS

Dated: September 30, 2026

(Please read section 26 and 32 of the Companies Act, 2013.)
(This Draft Prospectus will be updated upon filing with the RoC)

Fixed Price Issue

**ANIL FASHIONS LIMITED**

(Formerly known as “Sanchem Fabrics Limited”)

Our Company was incorporated on February 01, 1999, under the name of “Sanchem Colour Limited”, a public limited company under the Companies Act, 1956, pursuant to a Certificate of Incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Thereafter, the name of our Company was changed to “Sanchem Fabrics Limited” in the extra-ordinary general meeting held on January 06, 2011 and a certificate of incorporation dated February 10, 2011, consequent to such name change was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, pursuant to a Scheme of Amalgamation sanctioned by the National Company Law Tribunal, Ahmedabad vide its order dated November 20, 2025, Anil Fashions Private Limited and Gray Solutions Private Limited were amalgamated with and merged into Sanchem Fabrics Limited with effect from April 01, 2024, and all the assets, liabilities, rights, obligations and undertakings of the said entities vested in Sanchem Fabrics Limited in accordance with the terms of the Scheme. Thereafter, the name of our Company was changed to “Anil Fashions Limited” in the extra-ordinary general meeting held on February 05, 2026 and a fresh certificate of incorporation dated February 20, 2026, consequent to such name change was issued by the Registrar of Companies, Central Processing Centre. The CIN of our Company is U13990GJ1999PLC035368. For further information, including details of the changes to the address of our registered office, please refer to the chapter titled “*History and Certain Corporate Matters*” beginning on page no.200 of this Draft Prospectus.

Corporate Identification Number: U13990GJ1999PLC035368**Registered & Corporate Office:** Survey No. 169, Piplej Pirana Road, Opp Bharwad Vaas, Piplej, Ahmedabad, Gujarat, India, 382405**Telephone:** +91 9428015692; **Contact Person:** Ms. Raina Singh, Company Secretary and Compliance Officer; **Website:** <https://www.anilfashions.com/>; **Email:** cs@anilfashions.com**PROMOTERS OF OUR COMPANY: NAVIN RAMNIWAS AGARWAL, ASHOK RAMNIWAS AGARWAL AND ANUP RAMNIWAS AGARWAL**

INITIAL PUBLIC OFFER OF UP TO 68,02,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (“EQUITY SHARES”) OF ANIL FASHIONS LIMITED (THE “COMPANY” OR “ANIL FASHIONS” OR “AFL” OR “ISSUER”) AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS (“PUBLIC ISSUE”) OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

The Issue is being made through the Fixed Price Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein a minimum 50% of the Net Issue is allocated for Individual Applicants who apply for minimum application size and the balance shall be offered to Individual Applicants other than Individual Applicants who apply for minimum application size and other investors including corporate bodies, institutions and Non-Institutional Applicants. However, if the aggregate demand from the Individual Investors who apply for minimum application size is less than 50%, then the balance Equity Shares in that portion will be allocated to the Individual Investors who apply for more than minimum application and vice-versa, subject to valid applications being received from them at or above the Issue Price. Additionally, if the Individual Investors who apply for minimum application size category is entitled to more than 50% on proportionate basis, the Individual Investors who apply for minimum application size shall be allocated that higher percentage. For details, see “*Issue Procedure*” on page no. 361 of this Draft Prospectus.

All potential Investors shall participate in the Issue through ASBA process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the SCSBs for the same. For details in this regard, specific attention is invited to “*Issue Procedure*” on page no. 361 of this Prospectus. A copy of the Draft Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.

ELIGIBLE INVESTORSFor details in relation to Eligible Investors, please refer to section titled “*Issue Procedure*” beginning on page no. 361 of this Draft Prospectus.**RISKS IN RELATION TO THE FIRST ISSUE**

This being the first public issue 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 Issue Price as determined by our Company, in consultation with the Lead Manager, as stated under “*Basis for Issue Price*” on page no. 104 of this Draft Prospectus, 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 RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the Draft Prospectus. Specific attention of the investors is invited of the section titled “*Risk Factors*” beginning on page no. 21 of this Draft Prospectus.

COMPANY’S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE SME”). In terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, our Company has received an ‘in-principle’ approval letter dated [●] from BSE. For the purpose of this Issue, the Designated Stock Exchange will be BSE.

LEAD MANAGER**MARK CORPORATE ADVISORS PRIVATE LIMITED****Address:** 404/1, The Summit, Sant Janabai Road (Service Lane), Off W. E. Highway, Vile Parle (East), Mumbai-400 057, Maharashtra, India.**Telephone:** + 91 022 26123207 / 08**E-mail ID:** smeipo@markcorporateadvisors.com**Website:** www.markcorporateadvisors.com**Contact Person:** Mr. Niraj Kothari**Investor Grievance e-mail ID:** investorgrievance@markcorporateadvisors.com**SEBI Registration Number:** INM000012128**CIN:** U67190MH2008PTC181996**REGISTRAR TO THE ISSUE****BIGSHARE SERVICES PRIVATE LIMITED****Address:** Office no. S6-2, 6th Floor, Pinnacle Business Park, Mahakali Caves Road, Next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India.**Tel:** + 91 22 6263 8200**Email:** ipo@bigshareonline.com**Website:** www.bigshareonline.com**Contact Person:** Mr. Babu Rapheal**Investor Grievance E-mail:** investor@bigshareonline.com**SEBI Registration No.:** INR000001385**CIN:** U99999MH1994PTC076534**ISSUE PROGRAMME****ISSUE OPENS ON:** [●]**ISSUE CLOSES ON:** [●]^

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

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

The words and expressions used in this Draft Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.

Notwithstanding the foregoing, terms used in the chapters titled “Basis for Issue Price”, “Statement of Possible Tax Benefits”, “Industry Overview”, “Key Regulations and Policies in India”, “History and Certain Corporate Matters”, “Restated Consolidated Financial Information”, “Outstanding Litigations and Material Developments”, “Other Regulatory and Statutory Disclosures” and “Articles of Association” beginning on pages 104, 111, 117, 188, 200, 233, 323 Error! Reference source not found., 333 and 399 , respectively, of this Draft Prospectus shall have the meaning ascribed to such terms in such sections.

General Terms

Term	Description
Anil Fashions Limited/ Anil Fashions / AFL / our Company / we / us / our / the Company / the Issuer Company / the Issuer	Unless the context otherwise requires, refers to Anil Fashions Limited, a public limited company, registered under the Companies Act, bearing Corporate Identification Number U13990GJ1999PLC035368 and having its registered office at Survey No. 169, Piplej Pirana Road, Opp Bharwad Vaas, Piplej, Ahmedabad, Gujarat, India, 382405
Our Promoters	Mr. Ashok Ramniwas Agarwal, Mr. Navin Ramniwas Agarwal and Mr. Anup Ramniwas Agarwal.
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations as enlisted in the chapter titled “ Our Promoters and Promoter Group ” on page no. 223 of this Draft Prospectus.
You / Your / Yours	Prospective Investors in the Issue

Company Related Terms

Term	Description
Articles /Articles of Association / AOA	Articles of association of our Company, as amended, from time to time. For further details, see “ Main Provisions of the Articles of Association ” on page no. 399 of this Draft Prospectus.
Audit Committee	The audit committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details, please refer chapter titled “ Our Management ” beginning on page no. 208 of this Draft Prospectus.
Auditor(s) / Auditor of our Company / Statutory Auditor / Peer Review Auditor	The statutory auditors of our Company, being M/s. B.M. Saraf and Company, Chartered Accountants having firm registration number 109239W and having peer review certificate number 026180 as mentioned in the section titled “ General Information ” beginning on page no. 61 of this Draft Prospectus.
Bankers to the Company	Punjab National Bank and Small Industries Development Bank of India, being bankers to the Company.
Board of Directors / Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof, unless otherwise specified. For further details, please refer chapter titled “ Our Management ” beginning on page no. 208 of this Draft Prospectus.

Term	Description
CIN	Corporate Identification Number of our Company i.e., U13990GJ1999PLC035368.
Central Registration Centre	It is 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.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company being Mr. Pratik Navin Agarwal. For further details, please refer in chapter titled “ <i>Our Management</i> ” on page no. 208 of this Draft Prospectus.
Company Secretary/ Compliance Officer/ CS	The Company Secretary and Compliance Officer of our Company, being Ms. Raina Singh. For further details, please refer chapter titled “ <i>Our Management</i> ” on page no. 208 of this Draft Prospectus.
Corporate Social Responsibility Committee	Corporate social responsibility committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, and as described in chapter titled “ <i>Our Management – Committees of our Board</i> ”, on page no. 216 of this Draft Prospectus.
Corporate Office	Survey No. 169, Piplej Pirana Road, Opp Bharwad Vaas, Piplej, Ahmedabad, Gujarat, India, 382405
Director(s)	The Directors on our Board, as appointed from time to time. For further details, please described in chapter titled “ <i>Our Management</i> ”, on page no. 208 of this Draft Prospectus.
Equity Shares	Equity shares of our Company of face value of ₹ 10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons / entities holding Equity Shares of our Company.
Executive Director(s)	The executive Directors on our Board, as described in chapter titled “ <i>Our Management</i> ” on page no. 208 of this Draft Prospectus.
Group Entities	Such Entities as covered under the applicable accounting standards and such other companies as considered material by the Board. For details of our Group Entities, please refer to chapter titled “ <i>Our Group Entities</i> ” on page no. 229 of this Draft Prospectus.
Independent Director	An Independent Director as defined under Section 2(47) of the Companies Act and as defined under the SEBI LODR Regulations. For details of our Independent Directors, refer chapter titled “ <i>Our Management</i> ” on page no. 208 of this Draft Prospectus.
ISIN	International Securities Identification Number is INE0BUB01014.
Key Managerial Personnel / KMP	Key Managerial Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI Regulations and the Companies Act. For details, refer chapter titled “ <i>Our Management</i> ” on page no. 208 of this Draft Prospectus.
Managing Director / MD	Managing Director on our Board being Mr. Navin Ramniwas Agarwal, as disclosed in chapter titled “ <i>Our Management</i> ” on page no. 208 of this Draft Prospectus.
Materiality Policy	The policy adopted by the Board in its meeting dated September 09, 2026 for identification of (a) material outstanding litigation proceedings involving our Company, Promoters and Directors; (b) Group Companies; and (c) outstanding dues to material creditors by our Company, in accordance with the disclosure requirements under the SEBI ICDR Regulations, as amended from time to time.
Memorandum / Memorandum of Association / MOA	Memorandum of Association of our Company as amended from time to time.
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors is constituted in accordance with Section 178 of the Companies Act. For details, please refer chapter titled “ <i>Our Management– Committees of our Board</i> ” beginning on page no. 216 of this Draft Prospectus.
Non-Executive Director	The Non-Executive Director of our Company being Mr. Ashok Ramniwas Agarwal and Mr. Anup Ramniwas Agarwal, as disclosed in chapter titled “ <i>Our Management</i> ” on page no. 208 of this Draft Prospectus.
Registered Office	Survey No. 169, Piplej Pirana Road, Opp Bharwad Vaas, Piplej, Ahmedabad, Gujarat, India, 38240.
Restated Consolidated Financial Information/ Restated Consolidated Financial Statements	The restated consolidated financial information of our Company, comprising of the restated consolidated statement of assets and liabilities, the restated consolidated statement of profit and loss, the restated consolidated statement of cash flows, for the fiscals 2026, 2025 and 2024 along with the summary statement of significant

Term	Description
	accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
Registrar of Companies / RoC	Registrar of Companies, Ahmedabad
Stakeholders Relationship Committee	The stakeholders' relationship committee of our Board of Directors in accordance with Section 178 of the Companies Act and rules made thereunder and disclosed as such in the chapter titled " <i>Our Management– Committees of our Board</i> " on page no. 216 of this Draft Prospectus.
Subsidiary / Subsidiaries	The subsidiaries of our Company being wholly-owned subsidiaries as on the date of this Draft Prospectus being, Anil Organic Private Limited. For details, please refer to chapter titled " <i>History and Certain Corporate Matters - Our Subsidiaries</i> " on page no. 204 of this Draft Prospectus.

Issue Related Terms

Terms	Description
Abridged Prospectus	The memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allottee(s)	A successful applicant to whom the Equity Shares are being / have been issued.
Allotment / Allot / Allotted	Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Issue to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants 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	The successful Applicant to whom the Equity Shares are being / have been allotted.
Applicants / Investor	Any prospective Investor who makes an application for Equity Shares of our Company in terms of this Draft Prospectus.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Prospectus.
Application Form	The Form in terms of which the prospective Investors shall apply for our Equity Shares in the Issue.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by Applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
ASBA Account	An account maintained with the SCSB and specified in the Application Form submitted by ASBA Applicant for blocking the amount mentioned in the Application Form.
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs.
ASBA Investor / ASBA Applicant	Any prospective Investor(s) / Applicants(s) in this Issue who apply(ies) through the ASBA process.
BSE SME	The SME platform of BSE Limited (BSE SME) for listing equity shares offered under Chapter IX of the SEBI ICDR Regulations which was approved by SEBI as an SME Exchange.
Bankers to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar to the Issue, and the Bankers to the Issue.
Bankers to the Issue	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account and Refund Account will be opened and in this case being [●].
Basis of Allotment	The basis on which Equity Shares will be allotted to successful Applicants under the Issue and which is described in " <i>Basis of allotment</i> " under chapter titled " <i>Issue Procedure</i> " beginning on page no. 386 of this Draft Prospectus.

Terms	Description
Broker Centres	Broker centres notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Confirmation of Allocation Note / CAN	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.
Client Identification Number / Client Id	Client identification number maintained with one of the Depositories in relation to demat (as defined in General Terms) account.
Collecting Depository Participant/ CDP	A Depository Participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications from relevant Applicants at the Designated CDP Locations in terms of the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI and as per the list available on the websites of BSE and NSE.
Collection Centres	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.
Controlling Branches	Such branches of SCSBs which coordinate Applications under the Issue with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their address, PAN, name of the applicant father/husband, investor status, occupation and bank account details.
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 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 amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of this Draft Prospectus, after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Applicants in the Issue.
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 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.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by Individual Investors where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such Individual Investors using the UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	SME Platform of BSE.

Terms	Description
DP ID	Depository Participant's identity number.
Draft Prospectus/ DP	This Draft Prospectus dated September 30, 2026 issued in accordance with Section 26 of the Companies Act filed with the BSE for listing on BSE SME under SEBI ICDR Regulations.
Eligible FPI(s)	FPI(s) that are eligible to participate in the Issue, in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Issue and in relation to whom the Application Form and the DRHP constitutes an invitation to subscribe to the Equity Shares.
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable
Eligible NRI (s)	NRI(s) eligible to invest under Schedule 3 and Schedule 4 of the FEMA Rules, from jurisdictions outside India where it is not unlawful to make an offer / invitation under the Issue and in relation to whom this Draft Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Equity Listing Agreements	The listing agreements to be entered into by our Company with the Stock Exchange in relation to our Equity Shares.
Escrow and Sponsor Bank Agreement	Agreement dated [●] entered into amongst our Company, the Registrar to the Issue, the Lead Manager and Banker to the Issue and Sponsor Bank, to receive monies from the Applicants through the SCSBs bank account on the Designated Date in the Public Issue Account.
Escrow Account(s)	Account(s) opened with the Bank(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement.
Escrow Collection Bank(s)	The bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account(s) will be opened, in this case being [●]
First Applicant	Applicant whose name appears first in the Application Form in case of a joint application form and whose name shall also appear as the first holder of the beneficiary account held in joint names or in any revisions thereof.
FII / Foreign Institutional Investors	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	Applicant whose name appears first in the Application Form in case of a joint application form and whose name shall also appear as the first holder of the beneficiary account held in joint names or in any revisions thereof.
Fixed Price Process	The fixed price process, as prescribed under Regulation 253(3) of the SEBI ICDR Regulations, in terms of which the Issue is being made.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Fresh Issue	Fresh issue of 68,02,000 Equity Shares of face value ₹ 10/- each aggregating up to ₹ [●] Lakhs by our Company. For details, refer chapter titled " <i>The Issue</i> " on page no. 52 of this Draft Prospectus.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any Issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document/ GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, notified by SEBI, suitably modified and included in the chapter titled " <i>Issue Procedure</i> " beginning on page no. 361 of this Draft Prospectus.

Terms	Description
Gross Proceeds	The gross proceeds of the Fresh Issue.
Individual Applicant	Any prospective individual who makes an Application pursuant to the terms of the Draft Prospectus and the Application Form and unless otherwise stated or implied.
Individual Investors / IIs Individual Applicants / IBs	Individual Applicants, who have applied for the Equity Shares for at least two lots an amount not less than ₹ 2.00 Lakhs in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs).
Individual Portion	The portion of the Issue being not less than 50 % of the Net Issue consisting of [●] Equity Shares which shall be available for allocation to Individual Applicants (subject to valid Applications being received at or above the Issue Price), which shall not be less than the minimum Bid Lot subject to availability in the Individual Portion and remaining Equity Shares to be allotted on a proportionate basis.
Issue Agreement	The agreement dated September 01, 2026 amongst our Company and the Lead Manager, pursuant to the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Issue.
Issue Opening Date	Issue opening date for this Issue is [●].
Issue Closing Date	Issue closing date for this Issue is [●].
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their application.
Issue / Issue Size / Public Issue	The public issue of upto 68,02,000 Equity Shares of ₹ 10/- each at ₹ [●] per Equity Shares including share premium of ₹ [●] per Equity Share aggregating to ₹ [●] Lakhs by our Company.
Issue Price	The price at which the Equity Shares are being issued by our Company through this Draft Prospectus, being ₹ [●] (including share premium of ₹ [●] per Equity Share).
Issue Proceeds	The proceeds of the Fresh Issue which shall be available to our Company.
Lead Manager / LM	The lead manager to the Issue, namely Mark Corporate Advisors Private Limited.
Listing Agreement	The Listing Agreement to be signed between our Company and BSE.
Mandate Request	Mandate Request means a request initiated on the Individual Investors by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Market Maker	The market maker to the Issue, in this case being [●], 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 Maker Reservation Portion	The reserved portion of up to [●] Equity shares of ₹ [●] each at an Issue Price of ₹ [●] aggregating to ₹ [●] for Market Maker in the Public Issue of our Company.
Market Making Agreement	The agreement entered into between the Market Maker and our Company dated [●].
Mobile App(s)	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 or such other website as may be updated from time to time, which may be used by Individual Investors to submit Applications using the UPI Mechanism.
Minimum Promoters' Contribution (MPC)	Pursuant to the Regulation 236 and 238 of SEBI ICDR Regulations and amendments thereto, an aggregate of at least 20% of the post Issue Equity Share capital of our Company held by our Promoters shall be locked-in for a period of three years from the date of Allotment in this Issue and the Promoters' shareholding in excess of 20% of the post Issue Equity Share capital of our Company shall be locked in as per Regulation 238(b) of the SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025. Lock-in on promoters holding held in excess of minimum promoter contribution (MPC) to be released in phased manner i.e. lock-in for fifty percent. of promoters'

Terms	Description
	holding in excess of MPC shall be locked in for a period of two years from the date of allotment in the initial public offer; and remaining fifty percent. of promoters' holding in excess of MPC shall be locked in for a period of one year from the date of allotment in the initial public offer.
Mutual Funds	Mutual funds registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] Equity Shares of ₹ 10/- each at ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share aggregating to ₹ [●] lakhs.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page no. 89 of this Draft Prospectus.
Non-Institutional Applicants/ Non-Institutional Investors/ NII	All Applicants that are not QIBs or Individual Applicants and who have Bid for Equity Shares for an amount more than ₹ 2.00 Lakhs (but not including NRIs other than Eligible NRIs).
Non-Individual Portion including Qualified Institution Buyers	The remaining portion of the Net Issue, after Individuals Portion, being not more than 50% of the Net Issue which shall be available for Allocation to NRIs in accordance with the SEBI ICDR Regulations.
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please refer/ see to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page no. 89 of this Draft Prospectus.
Non- Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
NRIs / Non-Resident Indian	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
Overseas Corporate Body/ OCB	A Company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Offer.
Payment through electronic transfer of funds	Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable.
Person(s)	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Issue Opening and Closing Dates, the size of the Issue and certain other information.
Public Issue Account	An account of the Company under Section 40 (3) of the Companies Act, where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors.
Qualified Institutional Buyers / QIBs	The qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet ‘know your client’ requirements prescribed by SEBI.
Refund Account	Account opened / to be opened with the Refund Banker to the Issue from which the refunds of the whole or part of the application amount, if any, shall be made.
Refund Banker	The Banker with whom the Refund Account(s) will be opened, in this case being [●].

Terms	Description
Refund 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.
Registrar / Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited.
Registered Brokers	Stockbrokers registered with SEBI under the SEBI (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Applications in terms of circular no. CIR/CFD/14/2012 dated October 04, 2012, and the UPI Circulars issued by SEBI.
Registrar Agreement	The agreement dated September 29, 2026, entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents / RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Regulation S	Regulation S under the U.S. Securities Act of 1933, as amended from time to time.
Revision Form	The form used by the Applicant, to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous revision form(s) QIB Applicant and Non-Institutional Applicant are not allowed to lower their Application Forms (in terms of quantity of Equity Shares or the application amount) at any stage. Individual Investors can revise their Application Forms during the Issue Period and withdraw their Application Forms until Issue Closing Date.
SCORES	SEBI Complaints Redress System, a centralized web-based complaints redressal system launched by SEBIs.
Self-Certified Syndicate Bank(s)/ SCSBs	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35
Specified Securities	Equity shares offered through this Draft Prospectus.
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from Applicants, a list of which will be included in the Application Form.
Sponsor Bank	The Banker to the Issue registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Individual Applicants into the UPI and carry out other responsibilities, in terms of the UPI Circulars.
Systematically Important Non-Banking Financial Company	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 Designated Intermediary (only on demand), to the Applicant, as proof of registration of the Application Form.
Underwriter	The underwriter to the Issue, in this case being [●].
Underwriting Agreement	The Agreement entered into between the Underwriter and our Company dated [●].
UPI	Unified payment interface, which is an instant payment mechanism, developed by NPCI.

Terms	Description
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, circular number 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/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022, SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.
UPI Applicant	Collectively, individual investors applying as Individual Investors in the Individual Portion. Pursuant to circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 5.00 Lakhs shall use UPI and shall provide their UPI ID in the application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the websites of the stock exchange as eligible for such activity), and (iv) a registrar to an issue 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 UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the Individual Applicant by way of a notification on the Mobile App and by way of a SMS directing the Individual Applicant to such Mobile App) to the Individual Applicant initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by an Individual Investor to make a Bid in the Issue in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Venture Capital Funds	Venture capital funds as defined in, and registered with SEBI under, the erstwhile SEBI (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the SEBI (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.
WACA	Weighted Average Cost of Acquisition.
Working Days	Till application / Issue Closing Date: All days other than a Saturday, Sunday or a public holiday; Post application / Issue Closing Date and till the listing of Equity Shares: All trading days of Stock Exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018.

Conventional and General Terms/ Abbreviations

Term	Description
₹ or Rs. or Rupees or INR	Indian Rupees, the official currency of the Republic of India.
A/c	Account
Act or Companies Act	Companies Act, 2013, as amended from time to time
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
AGM	Annual General Meeting
AO	Assessing Officer
AS/ Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Application Supported by Blocked Amount
AY	Assessment year
BIFR	Board for Industrial and Financial Reconstruction
B2B	Business to business
BIS	Bureau of Indian Standards
BG	Bank guarantee
Bn	Billion
BSE	BSE Limited
BPS	Basis Points
CAD	Computer Aided Design
CAGR	Compounded annual growth rate
Calendar Year	Unless context otherwise requires, shall refer to the 12 month period ending December 31
CAN	Confirmation Allocation Note
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
Covid-19	Coronavirus disease
CPI	Consumer Price Index
CSR	Corporate social responsibility
Cr	Crore
CS	Company Secretary
CY	Calendar Year
CRR	Cash reserve ratio
CGST	Central GST
D2C	Direct-to-Consumer
Demat	Dematerialised
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depository / Depositories	NSDL and CDSL, a depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018, as amended from time to time.
DIN	Director identification number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI.
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
DP/ Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
DR	Depository Receipts as defined in Foreign Exchange Management (Non-debt Instruments) Rules, 2019.
DSE	Designated Stock Exchange

Term	Description
E	Estimated
EBITDA	Earnings before interest, tax, depreciation, and amortization
ECS	Electronic clearing system
EIA	Environment Impact Assessment
EOGM/EGM	Extra-ordinary General Meeting
EPS	Earnings per share i.e. profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
F	Forecasted
Fiscal Year/ FY	The period of 12 months ended March 31 of that particular year
FCFE	Free Cash Flow to Equity
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
FEMA NDI Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FEE	Foreign Exchange Earnings
FII	Foreign institutional investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulation	SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
Finance Act	Finance Act, 1994
FIS	Financial institutions
FIPB	Foreign Investment Promotion Board
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under SEBI FPI Regulations.
FTA	Foreign Tourist Arrival
FVCI	Foreign venture capital investor registered under the SEBI (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross domestic product
GIR Number	General index registry number
GNDI	Gross National Disposable Income
Gov/Government/GoI	Government of India
GRN	Goods Receipt Note
GST	Goods and Services Tax
GSTIN	GST identification number
GVA	Gross Value Added
HUF	Hindu Undivided Family
IEC	Importer-Export Code
IS	International Standards
ISO	International Organization of Standardization
ICSI	Institute of Company Secretaries of India
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standard
IGST	Integrated GST
IMPS	Immediate payment service
IMF	Indian Monetary Fund
Ind AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified by the Ind AS Rules.
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015
Indian GAAP	Generally Accepted Accounting Principles in India

Term	Description
IST	Indian standard time
II	Individual Investors
I.T. Act	Income Tax Act, 1961, as amended from time to time
ITAT	Income Tax Appellate Tribunal
INR/ Rs. / Rupees/ ₹	Indian Rupees, the legal currency of the Republic of India
JV/Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
KYC	Know your customer
LLP	Limited Liability Partnership
IPO	Initial public offering
IRDA	Insurance Regulatory and Development Authority of India
Ltd.	Limited
Pvt. Ltd.	Private Limited
MCA	Ministry of Corporate Affairs
Merchant Banker	Merchant banker as defined under the SEBI (Merchant Bankers) Regulations, 1992, as amended
Mn	Million
MOF	Ministry of Finance, Government of India
MoSPI	Ministry of Statistics and Programme Implementation
MOQ	Minimum Order Quantity
MOU	Memorandum of Understanding
MPC	Monthly Policy Committee
MPCE	Monthly Per Capita Consumption Expenditure
MSME	Micro, Small, and Medium Enterprises
N.A.	Not applicable
NAV	Net asset value
NCLT	National Company Law Tribunal
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate value of the paid-up share capital of the Company and all reserves created out of profits and securities premium account and instruments entirely in the nature of equity after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as per Restated Consolidated Financial Statements of the Company.
NOC	No objection certificate
No	Number
NPCI	National Electronic Fund Transfer
NR/Non-Resident	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited
NTA	Net tangible assets
OCI	Overseas Citizen of India
p.a.	Per annum
P/E Ratio	Price/ earnings ratio
PAN	Permanent account number allotted under the Income Tax Act, 1961, as amended

Term	Description
	from time to time
PAT	Profit after tax
PBT	Profit before tax
PIO	Person of Indian Origin
R & D	Research and development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
Registration Act	Registration Act, 1908
REPO	Repurchase Option
ROAE	Return on Average Equity
ROCE	Return on Capital Employed
ROC	Registrar of Companies
RoNW	Return on net worth
RTGS	Real time gross settlement
RTA	Registrar and Share Transfer Agent
SAM	Serviceable Addressable Market
SAT	Securities Appellate Tribunal
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self-Certified Syndicate Banks
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	SEBI Act, 1992, as amended from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
SEBI Listing Regulations/ SEBI LODR Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
SEBI SCORES	SEBI Complaints Redress System
SEBI Takeover Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
SEBI Rules and Regulations	SEBI ICDR Regulations, 2018 as amended, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time.
SEBI Venture Capital Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended from time to time.
SEZ	Special economic zones
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time.

Term	Description
SIDBI	Small Industries Development Bank of India
SKU	Stock Keeping Unit
SME	Small and Medium Enterprises
Sub Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
Stock Exchanges	Unless the context requires otherwise, refers to, NSE and BSE.
STT	Securities transaction tax
T	Issue Closing Date
TAN	Tax deduction account number
TAT	Turn Around Time
Tn	Trillion
Trade Marks Act	Trade Marks Act, 1999
TDS	Tax deducted at source
w.e.f.	With effect from
y-o-y	Year-on-year

Business, Technical and Industry - Related Terms

Term	Description
Debt – Equity Ratio	Debt-Equity Ratio compares our company's total liabilities with our shareholder equity and is used to assess the extent of our reliance on debt.
EBITDA	EBITDA helps us identify underlying trends in our business and facilitates evaluation of year-on-year operating performance of our operations by eliminating items that are variable in nature and not considered by us in the evaluation of ongoing operating performance and allowing comparison of our recurring core business operating results over multiple periods.
EBITDA Margin	EBITDA Margin assists in tracking the margin profile of our business and in understanding areas of our business operations which have scope for improvement.
EPF	Employee Provident Fund. Government-backed savings scheme designed to provide financial security and retirement benefits to employees
PAT	Profit after tax helps us in identifying information regarding the overall profitability of the business.
PPE	Personal Protective Equipment
Revenue from Operations	Revenue from Operations includes revenue from the sale of fabrics, such as digitally printed, dyed, jacquard, dobby, and corduroy fabrics, as well as ready-to-stitch garments like suits, shawls, and stoles. Additionally, it encompasses income from job work services, including dyeing, digital printing, scouring, and finishing for third-party clients. This KPI provides valuable insights into business growth, operational efficiency, and market penetration, highlighting how effectively we manage production, inventory, and sales to meet customer needs. It also showcases the strength of our product diversification, reflecting contributions from various product categories and segments, such as domestic and export markets or Tier 1/2 cities and Tier 3/4 cities.
Trade Payables (days)	Trade Payables days indicates how long it takes our company to pay our suppliers and vendors after receiving an invoice. It reflects how efficiently the company manages its payment obligations and working capital and indicates how well we manage payments for raw materials such as yarn, dyes, chemicals, and other inputs essential for production.
Trade Receivables (days)	Trade Receivables days is the average time it takes for our company to collect payment from our customers for outstanding invoices. Monitoring Trade Receivables Days helps us to evaluate the creditworthiness of wholesale and brand

Term	Description
	partners, identify delays in collections from institutional buyers and ensure a healthy cash flow to finance production cycles.

Key Performance Indicators (as defined in the chapter titled “Basis for Issue Price” on page no. 104 of this Draft Prospectus

List of KPIs as identified by the Company	Definitions and Assumptions in relation to KPIs
Revenue from operations	Used by the management to track the revenue profile of the business and to assess the overall financial performance and scale of operations of the Company.
Growth in revenue from operations	Indicates the year-on-year growth in the business of the Company.
Gross profit and gross margin	Indicate the profitability of the core manufacturing and trading operations after the cost of goods sold.
EBITDA and EBITDA margin	Indicate the operating profitability of the business before finance costs, depreciation and tax, and excluding other income.
EBITDA growth	Indicates the year-on-year growth in operating profitability.
EBIT and EBIT margin	Indicate the profitability of operations after depreciation but before finance costs and tax, and excluding other income.
RoCE	Indicates how efficiently the Company generates earnings from the total capital (equity and debt) employed in the business.
Current ratio	Indicates the ability of the Company to meet its short-term obligations from its current assets.
Operating cash flow	Indicates whether the Company generates cash from its day-to-day operations, after working capital changes and taxes.
PAT and PAT margin	Indicate the overall profitability of the business after all expenses and taxes.
RoNW	Indicates how efficiently the Company generates profits from shareholders' funds.
EPS	Indicates the profit attributable to each Equity Share of the Company.
Revenue from operations	Used by the management to track the revenue profile of the business and to assess the overall financial performance and scale of operations of the Company.
Growth in revenue from operations	Indicates the year-on-year growth in the business of the Company.
Gross profit and gross margin	Indicate the profitability of the core manufacturing and trading operations after the cost of goods sold.
EBITDA and EBITDA margin	Indicate the operating profitability of the business before finance costs, depreciation and tax, and excluding other income.
EBITDA growth	Indicates the year-on-year growth in operating profitability.

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

Certain Conventions

All references in this Draft 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 Government of India, central or state government, as applicable.

All references to “USA”, “US” and “United States” are to the United States of America and its territories and possessions.

In this Draft Prospectus, the terms “The Company”, “Our Company”, “Issuer”, “Anil Fashions”, “AFL”, and “Anil Fashions Limited” unless the context otherwise indicates or implies, refers to “Anil Fashions Limited”.

In this Draft Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lacs / Lakhs”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crores”. In this Draft Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Unless otherwise specified, any time mentioned in this Draft Prospectus is in Indian Standard Time (“IST”).

Unless indicated otherwise, all references to a year in this Draft Prospectus are to a Calendar Year.

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

Financial Data

Unless stated otherwise, the financial data in this Draft Prospectus is derived from the Restated Consolidated Financial Statements of our Company which comprises the restated audited balance sheet, the restated audited profit and loss statement and the restated audited cash flow statement as at and for the Financial Years ended March 2026, 2025 and 2024 together with the annexures and notes thereto and their examination thereon, as complied from the Indian GAAP financial statements, prepared in accordance with sub-clause (i), (ii) and (iii) of clause (b) of sub-section (1) of Section 26 of Chapter III of the Companies Act read with rule 4 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Ind AS, and restated in accordance with the SEBI ICDR Regulations and Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI. For further information, please see section “**Summary of Financial Information**” and “**Restated Consolidated Financial Information**” on page no. 54 and 233, respectively, of this Draft Prospectus.

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

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

Unless the context otherwise indicates, any percentage amounts, as set forth in “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” on page nos.

21, 161 and 312 respectively, of this Draft Prospectus, and elsewhere in this Draft Prospectus have been calculated on the basis of the Restated Consolidated Financial Statements of our Company, prepared in accordance with GAAP, and the Companies Act and Ind AS and restated in accordance with the SEBI ICDR Regulations.

In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and accordingly there may be consequential changes in this Draft Prospectus on account of rounding off adjustments.

Currency and Units of Presentation

All references to:

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

Unless otherwise specified, our Company has presented all numerical information in this Draft Prospectus in “Lakh” or in whole numbers where the numbers have been too small to represent in Lakh(s). One lakh represents 1,00,000, one million represents 10,00,000 and one crore represents 1,00,00,000.

Figures sourced from third-party sources may be rounded off to other than two decimal points in the respective sources and such figures have been expressed in this Draft Prospectus in such number of decimal points as provided in such respective sources. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Exchange Rates

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

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

Currency	Exchange rate as on*			
	March 31, 2026	March 31, 2025	March 31, 2024	March 31, 2023
1 USD	94.65	85.58	83.37	82.21

*Source: RBI reference rate, available at www.rbi.org.in and www.fbil.org.in

Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Prospectus has been obtained from industry sources. Industry sources generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured.

The extent to which the market and industry data used in this Draft Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, “*Basis for Issue Price*” on page no. 104 of this Draft Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the Lead Manager, neither their affiliates nor advisors have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change

based on various factors, including those discussed in “**Risk Factors**” on page no. 21 of this Draft Prospectus. Accordingly, investment decisions should not be based solely on such information.

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FORWARD LOOKING STATEMENTS

This Draft Prospectus contains certain statements which are not statements of historical facts and may be described as “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “are likely”, “believe”, “can”, “could”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue”, “will achieve”, “plan”, “project”, “propose”, “seek to”, “shall”, “may”, “future”, “objective”, “should”, “potential” or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans or goals are also forward-looking statements.

All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. 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 the forward-looking statements due to risks or uncertainties associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company has businesses and its ability to respond to them, its ability to successfully implement its strategy, its growth and expansion, technological changes, its exposure to market risks, general economic and political conditions in India and globally 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 laws, regulations and taxes and changes in competition in its industry.

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

- General economic and business conditions in India and other countries;
- Increase in price and material components;
- Regulatory changes relating to the finance and capital market sectors in India and our ability to respond to them;
- Our ability to successfully implement our strategy, our growth and expansion, our exposure to market risks that have an impact on our business activities or investments;
- Our ability to attract and retain qualified personnel;
- Any adverse outcome in the legal proceedings in which we are involved;
- 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 and foreign laws, regulations and taxes and changes in competition in our industry;
- Changes in the value of the Rupee and other currencies;
- The occurrence of natural disasters or calamities;
- Certain inherent construction, financing and operational risks in relation to our projects;
- Increasing competition in and the conditions of our clients and suppliers;
- Changes in political conditions in India; and
- Our inability to manage risks that arise from the abovementioned factors; and

For further discussion of factors that could cause the actual results to differ from the expectations, see “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on page nos. 21, 161 and 312, respectively, of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual 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 the current views of our Company as of the date of this Draft Prospectus and are not a guarantee of future performance. These statements are based on the 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 Lead Manager 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 regulatory requirements, our Company, the Promoters and the Lead Manager severally and not jointly, will ensure that investors in India are informed of material developments in relation to the statements relating to and undertakings specifically in the Draft Prospectus and the Prospectus in relation itself or their respective portion of the Equity Shares issued until the time of the grant of listing and trading permission by the Designated Stock Exchange for the Issue. In accordance with the SEBI ICDR Regulations, our Company and the LM will ensure that the investors in India are informed of material.

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SECTION II – RISK FACTORS

*Any investment in equity securities involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a complete understanding, you should read this section together with Sections titled, “**The Issue**”, “**Our Business**”, “**Industry Overview**”, “**Restated Consolidated Financial Information**”, “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” and “**Outstanding Litigation and Other Material Developments**” beginning on page nos. 52, 161, 117, 233, 312 and 323 respectively of this Draft Prospectus, as well as the other financial, statistical and other information contained in this Draft Prospectus. Unless otherwise indicated or the context otherwise requires, in this section, references to “we”, “us”, “our”, “our Company” or “the Company”, refers to Anil Fashions Limited.*

Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have an adverse effect on our business, financial condition, results of operations and prospects and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or a part of your investment. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial conditions. While making an investment decision, prospective Investors must rely on their own examination of us and our business and the terms of the Issue, including the merits and risks involved.

*This Draft Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements because of certain factors, including the considerations described below and the chapter titled “**Forward Looking Statements**” on page no. 19 of this Draft Prospectus.*

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence have not been disclosed in such risk factors. Further, 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 implications of any risks mentioned herein. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the consequences to you of an investment in the Equity Shares.

*The financial information in this section is, unless otherwise stated, derived from our Restated Consolidated Financial Statements included in this Draft Prospectus. For further information, please see “**Restated Consolidated Financial Information**” on page no. 233 of this Draft Prospectus.*

Materiality: *The risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality of risk factors:*

1. *Some risks may have material impact quantitatively.*
2. *Some risks may not be material individually but may be material when considered collectively.*
3. *Some risks may have material impact qualitatively instead of quantitatively.*
4. *Some risks may not be material at present but may have a material impact in the future.*

Note: *The risk factors are as envisaged by the Company along with the proposals to address the risk, if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section. In this Draft Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in this section unless otherwise indicated, has been calculated on the basis of the amount disclosed in the Restated Consolidated Financial Statements.*

INTERNAL RISK FACTORS

1. ***Our operations are concentrated in the State of Gujarat. Any significant social, political, economic or seasonal disruption, natural calamities or civil disruptions within the state of Gujarat could have an adverse***

effect on our business, results of operations, financial condition and cash flows.

Our business operations span various regions across India. Despite our diversified presence, we derive a significant portion of our revenue from customers located in the state of Gujarat. The table below represents our state-wise revenue bifurcation for the Financial Years 2025-26, 2024-25 and 2023-24:

The table below represents our state-wise revenue bifurcation for the Financial Years 2025-26, 2024-25 and 2023-24:

(₹ in Lakhs, except %)

Description	FY ended March 31, 2026		FY ended March 31, 2025		FY ended March 31, 2024	
	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations
Gujarat	12195.79	93.19	10,377.53	97.10	3824.34	99.86
Rajasthan	239.75	1.83	25.27	0.24	-	-
Delhi	206.26	1.58	10.41	0.10	-	-
Maharashtra	201.52	1.54	202.37	1.89	-	-
Karnataka	131.82	1.01	2.68	0.02	-	-
Haryana	68.36	0.52	20.87	0.20	-	-
Uttar Pradesh	16.23	0.12	1.48	0.01	-	-
West Bengal	14.43	0.11	15.48	0.14	-	-
Kerala	11.91	0.09	15.43	0.14	-	-
Tamil Nadu	1.15	0.01	-	-	-	-
Bihar	-	-	0.24	0.002	-	-
Madhya Pradesh	-	-	-	-	5.43	0.14
Export	-	-	17.13	0.16	-	-
Total	13087.22	100	10688.91	100	3829.77	100

As certified by M/s BM Saraf & Co., the Statutory Auditor of our Company, pursuant to their certificate dated September 25, 2026.

Our revenue concentration in Gujarat heightens our exposure to competitive pressures, economic shifts, and demographic changes specific to the concerned region. If the economic conditions of the state of Gujarat become volatile or uncertain or the conditions in the financial market deteriorate, or if there are any changes in laws applicable to our industry or if any restrictive conditions are imposed on us or our business, there will be a severe impact on the financial condition of our business. Adverse conditions such as economic downturns, political instability, or natural disasters specific to that region could significantly impact our revenue stream and negatively affect our financial performance. Further, the ultimate customers located in this geography may reduce or postpone their spending significantly, which would adversely affect our operations and financial conditions.

While we have not experienced any material adverse impact due to such regional revenue concentration as of the date of this Draft Prospectus, adverse developments in this area could potentially affect our business prospects, financial stability, and operational outcomes. As we explore opportunities to expand into new markets and geographical regions, we face competition not only from national players but also from entrenched local competitors. Local players often possess established market presence, familiarity with regional business practices, and strong relationships with distributors, government authorities, and suppliers. These factors may grant them competitive advantages over us, potentially impacting our ability to successfully penetrate new markets and regions.

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

The name of our Company was recently changed from “*Sanchem Fabrics Limited*” to “*Anil Fashions Limited*” on February 20, 2026, upon receipt of the Certificate of Incorporation pursuant to the change of name issued by the Registrar of Companies (ROC).

Consequent to the change in our corporate name, we are required to apply for, transfer, or update various statutory and regulatory licenses, registrations and approvals to operate our business, some of which our Company has either received or applied for. Many of these approvals are granted for fixed period of time and need renewal from time to time. Non-renewal/Updation of the said permits and licenses would adversely affect our operations, thereby having a material adverse effect on all our business, results of operations and financial condition. In the past there have been no instances of failure to obtain, renew or maintain certain statutory and regulatory permits and approvals as required to operate our business. There can be no assurance that the relevant authorities will renew/update such licenses, registrations and approvals in a timely manner or at all. Further, these licenses, registrations and approvals are subject to several conditions, and we cannot assure that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. Failure by us to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our operations and may have a material adverse effect on our business, results of operations and financial condition. For further details, see “**Government and Other Approvals**” on page no. 329 of this Draft Prospectus.

3. *We do not have long-term contracts with our customers, which limits our ability to predict future revenue.*

Our business is primarily driven by our relationship with our customers, and we generally do not enter into long-term contracts with them. As a result, there is no assurance that existing customers will continue to place orders with us in the future, or that the volume or pricing of such orders will remain consistent. The absence of committed arrangements limits our ability to accurately forecast revenues. In addition, our customers may switch to other suppliers without significant notice or penalty, especially in response to pricing or quality considerations. Any reduction in demand from key customers, or inability to secure repeat business, may adversely affect our revenues, cash flows, and overall financial condition. Although we have not encountered such issues in the past, there can be no assurance that they will not arise in the future.

4. *We do not have long-term agreements with suppliers for our raw materials requirements and an increase in the cost of, or a shortfall in the availability of such raw materials could have an adverse effect on our business and results of operations.*

Each of our businesses depend on the availability of reasonably priced, high quality raw materials in the quantities required by us. Our fabric manufacturing business depends primarily on cotton and polyester yarn, all of which are purchased from local suppliers and are subject to price variations based on market conditions.

For the Financial Years 2026, 2025 and 2024, our cost of materials consumed was ₹6,885.20 Lakhs, ₹5,047.87 Lakhs and ₹1,011.36 Lakhs respectively, or 51.82%, 46.87%, and 25.99% of our revenue from operations, respectively. The price and availability of such raw materials depend on several factors beyond our control, including overall economic conditions, production levels, market demand and competition for such materials, production and transportation cost, duties and taxes and trade restrictions. We usually do not enter into long-term supply contracts with any of our raw material suppliers and typically source raw materials from third-party suppliers or the open market. The absence of long-term contracts at fixed prices exposes us to volatility in the prices of raw materials that we require and we may be unable to pass these costs onto our customers, which may reduce our profit margins. We also face a risk that one or more of our existing suppliers may discontinue their supplies to us, and any inability on our part to procure raw materials from alternate suppliers in a timely fashion, or on commercially acceptable terms, may adversely affect our operations.

Further, we typically rely on third-party transportation providers to supply most of the raw materials and to deliver products to our customers. If, for any reason, primary suppliers of raw materials should curtail or discontinue their delivery of such materials or products to us in the quantities we need, or on commercially acceptable terms, production schedules could be disrupted and our business and results of operations could be adversely affected.

5. *There have been certain instances of delays and inadvertent inconsistencies in some of our historical corporate filings, which may result in penalties or fines being imposed by the competent regulatory authority.*

Our Company is required to make filings under various rules and regulations as applicable under the Companies Act within the time period stipulated therein. In the past, our Company has made certain inadvertent inconsistencies in some of its secretarial and statutory filings. Further, certain forms have not been filed by our Company within the stipulated time period, which have later been filed along with payment of requisite additional / late fees with the RoC in compliance with the Companies Act. Details of such instances are set out below:

Sr No.	Date of Event	Compliance	Remarks
1.	FY 2022-23, 2021-22, 2020-21 and 2019-20	Form MGT-7	Due to typographical error, the list of shareholders attached to the Form MGT-7 filed for the relevant periods inadvertently mentions the number of shares held by Mr. Anup Agarwal as 37,100 and by Ms. Neelam Agarwal as 33,800. The actual shares held by Mr. Anup Agarwal and Ms. Neelam Agarwal during the said period were 37,200 and 33,700, respectively, pursuant to transfer of 100 shares by Ms. Neelam Agarwal to Mr. Anup Agarwal on May 01, 2019.
2.	FY 2022-23, 2021-22, 2020-21 and 2019-20	Form AOC-4	Due to typographical error, the financial statement attached to the Form AOC-4 filed for the relevant periods inadvertently mentions the number of shares held by Mr. Anup Agarwal as 37,100 and by Ms. Neelam Agarwal as 33,800. The actual shares held by Mr. Anup Agarwal and Ms. Neelam Agarwal during the said period were 37,200 and 33,700, respectively, pursuant to transfer of 100 shares by Ms. Neelam Agarwal to Mr. Anup Agarwal on May 01, 2019.
3.	FY 2023-24	Form ADT-1	Due to a clerical error, Form ADT-1 filed for appointment of auditor M/s B.M. Saraf & Co. from April 01, 2023 to March 31, 2028 incorrectly mentions the previous term of their appointment as February 01, 1999 to April 01, 2018, which is actually the previous term of appointment of the auditor M/s Kunal Agarwal & Associates.
4.	FY 2024-25	Form AOC-4	The Form AOC-4 filed for the relevant period did not include the disclosure of Deferred Tax Liabilities, However, the Annual Report captures the same appropriately.
5.	FY 2021-22	Form AOC-4	The Form AOC-4 filed for the relevant period did not include the disclosure of Director/Managerial Remuneration. However, the financial statements have captured the same appropriately under Employee Benefits Expenses.

In addition to the above, our Company did not previously maintain statutory records and books in electronic form as per the requirements of the Companies Act and applicable secretarial standards. Such records and books were maintained in physical form and on the local storage of the Company's computer. Further, our Company did not previously maintain certain statutory notices, notes to agenda and circulated minutes of the meetings of our Board of Directors and shareholders.

The Company is committed to adhering to all statutory provisions and regulations under the Companies Act by implementing stringent internal checks and controls. While we have generally maintained compliance with applicable laws, there have been instances of delays, inconsistencies and clerical errors in certain statutory filings with the MCA. Such instances were inadvertent and non-material in nature. Although no show cause notices have been issued against our Company till date in respect of the above, in the event of any cognizance

being taken by the concerned authorities in respect of the above, actions may be taken against our Company and Directors.

The Company has taken corrective measures to rectify the errors made in the forms by filing relevant forms with the RoC and our Company has also appointed a Company Secretary and Compliance Officer in the Company as a measure of corrective step to avoid delayed, incorrect filings and any non-compliances in the future. Whilst due care is taken in statutory record keeping and compliances, we cannot assure you that there will be no such instances in the future, or there would be any further delays or defaults in relation to its reporting requirements.

6. The Registered Office/Corporate Office of our Company is not owned by us, and lack of ownership may expose us to risks associated with lease arrangements.

The Registered Office/Corporate Office of our Company is not owned by us but is taken on lease basis. Our Registered Office and Business Facility is situated at Survey No. 169, Piplej Pirana Road, Opp Bharwad Vaas, Piplej, Ahmedabad, Gujarat, India, 382405, which has been taken on rent under a lease agreement for a period of 9 years. Upon expiry of the term, we will be required to renegotiate the terms and conditions with the landlord. There can be no assurance that we will be able to renew the lease on commercially acceptable terms or at all. In the event of non-renewal or early termination of the lease, we may be required to vacate the premises and identify alternate office space on short notice. Any disruption or delay in identifying and shifting to new premises could adversely affect our day-to-day operations, financial condition, and overall profitability. For further details, see “**Our Business – Property**” on page no. 186 of this Draft Prospectus.

7. A certain amount of our revenue is generated from certain key customers, and the loss of one or more such customers, the deterioration of their financial condition or prospects, or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows.

We are dependent on a limited number of customers for a certain portion of our revenues. There can be no assurance that our significant customers in the past will continue to place similar orders with us in the future. Also as per nature of our business, we do not have any firm agreements with our customers. A significant decrease in business from any such key customer, whether due to circumstances specific to such customer or adverse market conditions affecting the industry or the economic environment generally, such as the COVID-19 pandemic, may materially and adversely affect our business, results of operations and financial condition.

The following tables set forth the purchases made from the top 10 customers of our Company for the Financial Years 2025-26, 2024-25 and 2023-24:

For the Financial Year ended March 31, 2026

(₹ in Lakhs, unless otherwise stated)

Sr. No.	Particulars	Sales in FY ended March 31, 2026	Percentage of total Sales (%)
1.	Customer 1	1506.10	11.51
2.	Customer 2	1330.53	10.17
3.	Customer 3	1058.60	8.09
4.	Customer 4	733.82	5.61
5.	Customer 5	609.83	4.66
6.	Customer 6	491.81	3.76
7.	Customer 7	448.11	3.42
8.	Customer 8	439.96	3.36
9.	Customer 9	420.45	3.21
10.	Customer 10	416.39	3.18
Total Revenue from Top 10 Customers		7455.6	56.97
Total Revenue from Operations		13,087.22	100.00

For the Financial Year ended March 31, 2025

(₹ in Lakhs, unless otherwise stated)

Sr. No.	Particulars	Sales in FY ended March 31, 2025	Percentage of total Sales (%)
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1.	Customer 1	2178.40	20.38
2.	Customer 2	793.09	7.42
3.	Customer 3	706.90	6.61
4.	Customer 4	679.06	6.35
5.	Customer 5	661.69	6.19
6.	Customer 6	574.23	5.37
7.	Customer 7	506.66	4.74
8.	Customer 8	457.71	4.28
9.	Customer 9	438.83	4.11
10.	Customer 10	421.42	3.94
Total Revenue from Top 10 Customers		7417.99	69.39
Total Revenue from Operations		10,688.91	100.00

For the Financial Year ended March 31, 2024

(₹ in Lakhs, unless otherwise stated)

Sr. No.	Particulars	Sales in FY ended March 31, 2024	Percentage of total Sales (%)
1.	Customer 1	968.77	25.29
2.	Customer 2	607.39	15.86
3.	Customer 3	474.90	12.40
4.	Customer 4	364.67	9.52
5.	Customer 5	205.22	5.36
6.	Customer 6	156.52	4.09
7.	Customer 7	136.13	3.55
8.	Customer 8	134.13	3.50
9.	Customer 9	71.60	1.87
10.	Customer 10	67.22	1.76
Total Revenue from Top 10 Customers		3186.55	83.2
Total Revenue from Operations		3,829.97	100.00

As certified by M/s BM Saraf & Co., the Statutory Auditor of our Company, pursuant to their certificate dated September 24, 2026.

Our reliance on a selected group of customers may also constrain our ability to negotiate our arrangements, which may have an impact on our profit margins and financial performance. We cannot assure you that we will be able to maintain historic levels of business from our significant customers, or that we will be able to significantly reduce customer concentration in the future. In addition, our revenues may be adversely affected if there is an adverse change in any of our customers supply chain strategies or a reduction in their outsourcing of products we offer, or if our customers decide to choose our competitors over us or if there is a significant reduction in the volume of our business with such customers. The loss of one or more of our significant customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. Further, to sustain or increase our revenue, we must add new customers and encourage existing customers to allocate a greater portion of their marketing spend to us.

8. *We rely significantly on few suppliers for the supply of raw materials. If these suppliers are unable or unwilling to supply raw materials on time or otherwise fail to meet our requirements, our business will be harmed. An inability to procure the desired quality, quantity of our raw materials in a timely manner and at reasonable costs, or at all, may have a material adverse effect on our business, results of operations and financial condition.*

Although our supplier base is diversified, still we are dependent significantly on few suppliers. If suppliers are unable to supply our products in sufficient quantities and on a consistent basis, we may not be able to sell our products to our customers in a timely manner. If we were to experience a supply disruption, it could take an extended period of time to find and qualify an alternate vendor. There is no guarantee that we would be able to obtain such alternative sources of supply on a timely basis, if at all. If we are unable to secure necessary raw materials from our suppliers on a timely basis, our Company may experience significant business disruption or suffer reduction in efficiency, and the revenue from operations of the Company will get severely affected. Although we believe we have maintained stable relationships with our suppliers in the past and have not faced

any significant supply-side disruptions as of the date of this Draft Prospectus, we cannot assure that we will be able to source adequate quantities of supplies that meet our price and quality requirements.

The following tables sets forth the purchases made from the top 10 suppliers of our Company for the Financial Years 2025-26, 2024-25 and 2023-24:

Top Ten Suppliers during FY 2025-26

Sr. No.	Particulars	Purchases in FY ended March 31, 2026	Percentage of Total Purchases (%)
1.	Supplier 1	2279.33	19.60
2.	Supplier 2	1276.06	10.98
3.	Supplier 3	916.07	7.88
4.	Supplier 4	689.07	5.93
5.	Supplier 5	622.30	5.35
6.	Supplier 6	475.71	4.09
7.	Supplier 7	409.95	3.53
8.	Supplier 8	390.24	3.36
9.	Supplier 9	377.20	3.24
10.	Supplier 10	320.37	2.76
Total Purchases from Top 10 Suppliers		7756.3	66.72
Total Purchases		11,626.44	100.00

Top Ten Suppliers during FY 2024-25

Sr. No.	Particulars	Purchases in FY ended March 31, 2025	Percentage of Total Purchases (%)
1.	Supplier 1	1073.58	12.97
2.	Supplier 2	659.86	7.97
3.	Supplier 3	648.99	7.84
4.	Supplier 4	568.65	6.87
5.	Supplier 5	490.70	5.93
6.	Supplier 6	427.41	5.16
7.	Supplier 7	288.83	3.49
8.	Supplier 8	263.02	3.18
9.	Supplier 9	252.92	3.06
10.	Supplier 10	242.48	2.93
Total Purchases from Top 10 Suppliers		4916.44	59.85
Total Purchases		8,278.72	100.00

Top Ten Suppliers during FY 2023-24

Sr. No.	Particulars	Purchases in FY ended March 31, 2024	Percentage of Total Purchases (%)
1.	Supplier 1	592.53	16.36
2.	Supplier 2	514.58	14.20
3.	Supplier 3	287.47	7.94
4.	Supplier 4	233.66	6.45
5.	Supplier 5	195.50	5.40
6.	Supplier 6	170.88	4.72
7.	Supplier 7	159.54	4.40
8.	Supplier 8	143.09	3.95
9.	Supplier 9	135	3.73
10.	Supplier 10	112.55	3.11
Total Purchases Top 10 Suppliers		2544.8	70.26
Total Purchases		3,622.70	100.00

As certified by M/s BM Saraf & Co., the Statutory Auditor of our Company, pursuant to their certificate dated September 24, 2026.

9. *If we are unable to secure raw materials and finished fabrics of the required quality and quantity at competitive prices, or if there is a rise in cotton prices or decline in the quality of cotton (on which our raw material i.e., cotton yarn depends), our business, results of operations and financial condition may be adversely affected.*

Our business relies on cotton yarn as our primary raw material for third party manufacturing of denim fabrics, sourced predominantly from Gujarat. Given its nature, cotton yarn is linked to cotton which is an agricultural commodity and cotton prices are susceptible to fluctuation due to various factors, including weather conditions, government policies and subsidies, energy costs. An increase in cotton prices could lead to increase in prices of cotton yarn potentially harm our operations, leading to adverse effects on our Company, financial position, profitability, and operational outcomes. Although we have not experienced any material disruption in the availability or significant upward movement in the cost of cotton yarn as of the date of this Draft Prospectus, in case the availability or the cost of the cotton yarn is adversely affected or in case there is any upward movement in the price of cotton yarn, it may have a significant effect on the operation of the Company. The reasons which affect the availability or price of the cotton may be beyond our control. Furthermore, any significant shortage or disruption in domestic supply, or a decline in cotton quality due to natural or other causes, may result in higher costs in procuring cotton yarn that could be challenging to transfer to our customers. One or more such reasons may affect our revenues and income from sales of our products and thereby adversely affect our business, profitability, cash flows and results of operations.

In addition to this, we also procure finished fabrics from third party for trading. However, we do not have guaranteed continuity or fixed pricing for these materials and our financial performance depends largely on our ability to arrange from the sellers of such materials in sufficient quantities at competitive prices. While we have not encountered any significant interruptions or price instability in our procurement of finished fabrics as of the Date of this Draft Prospectus, if any of our suppliers are to alter or discontinue relationships with us, it will pose a risk to our supply chain stability. Furthermore, unforeseen events beyond our control, such as war, epidemics, natural disasters, fires, floods, strikes (excluding vendor employee strikes), governmental actions, or transportation delays, could disrupt the supply of raw materials and finished fabric. However, despite these challenges, our extensive network of suppliers enable us to identify alternative sources, both within and outside our current geographic locations.

10. *We have incurred indebtedness and may incur additional indebtedness in the future, which could affect our ability to obtain future financing or pursue our growth strategy.*

Our Company has incurred a substantial level of indebtedness, which could pose challenges if we fail to meet repayment obligations or adhere to the terms outlined in our financing agreements. As of August 31, 2026, our outstanding borrowings amounted to ₹ 3,674.78 Lakhs. We maintain agreements with few banks for both short-term and long-term borrowings. Additionally, these agreements often require collateral in the form of charges on our fixed and current assets, mortgages on immovable properties, and hypothecation of movable assets. The fluctuation of interest rates also presents a direct impact on the interest costs of our loans, potentially affecting our financial stability. Our ability to service and refinance our debts relies heavily on generating cash flow from our operations. Although we have not faced any instance in the past, however, there is a possibility that we may not generate sufficient cash flow or secure adequate capital to meet our debt obligations. The level of leverage we carry can significantly influence our shareholders and future financial performance. It could increase our vulnerability to economic downturns, hinder our growth initiatives, and limit our flexibility in responding to industry changes. Moreover, it may reduce our ability to allocate funds towards capital expenditures, working capital requirements, and other corporate purposes, including dividend pay outs. This situation could also place us at a competitive disadvantage compared to less leveraged competitors.

11. *Our Company has negative cash flows in its operating activities and investing activities for the Financial Years 2025-26, details of which are given below. Sustained negative cash flow could impact our growth and business.*

Our Company has reported certain negative cash flows for the Financial Years 2025-26, 2024-25 and 2023-24 as per the Restated Financial Statements, as stated below:

(₹ in Lakhs)

Particulars	Financial Years 2025-26	Financial Years 2024-25	Financial Years 2023-24
Cash flow from / (used in) Investing Activities	(288.06)	(327.47)	(61.25)
Cash flow from / (used in) Financing Activities	468.36	(853.13)	(112.20)
Cash flow from / (used in) Operating Activities	(208.27)	975.58	171.38

We have experienced negative cash flow from our operating activities for the previous three Financial Years primarily on account of working capital requirements associated with the Company's business operations and the timing difference between the recognition of revenue and profits and the actual receipt of cash from customers

The Company is engaged in the manufacturing and trading of fabrics, trading of chemicals and auxiliaries, and manufacturing and distribution of masks and other personal protective equipment (PPE) products. The nature of these activities involves continuous procurement of raw materials, maintenance of adequate inventory levels, manufacturing and processing operations, and extension of credit to customers. Consequently, a portion of the Company's funds remains deployed in inventories, trade receivables and other operating current assets in the normal course of business.

During FY 2025-26, the Company recorded an improvement in its financial performance, with Profit After Tax increasing to approximately ₹ 1,143.38 Lakhs, as compared to approximately ₹ 247.54 Lakhs in FY 2024-25. However, the improvement in accounting profitability did not necessarily translate into a corresponding increase in cash flows from operating activities during the same period, primarily due to the timing of collections from customers and the deployment of funds towards working capital requirements.

Further, the Company's manufacturing operations require regular procurement of yarn and other raw materials, maintenance of inventory to ensure uninterrupted production, and meeting expenses relating to manufacturing, employee costs, utilities and other operating activities. The timing of payments to suppliers and other operating expenses, vis-à-vis the realization of amounts from customers, may result in temporary pressure on operating cash flows.

Accordingly, the negative cash flow from operating activities during FY 2025-26 reflects the cash requirements associated with the Company's operating cycle and working capital management, notwithstanding the improvement in its reported profitability.

We have also experienced negative cash flow from our investing activities for the previous three Financial Years primarily on account of capital expenditure incurred towards the installation of a 1 MW solar power plant on land for captive consumption.

The Company undertook this investment with the objective of meeting a portion of its electricity requirements through captive solar power generation, reducing dependence on conventional sources of electricity and optimising power costs associated with its manufacturing operations. The investment is also intended to improve energy efficiency and support the Company's long-term operational cost management.

The expenditure incurred towards the acquisition and installation of the solar power plant resulted in cash outflows under investing activities during the year. Such expenditure represents investment in long-term productive assets and is expected to provide operational and economic benefits over the useful life of the plant.

The investment in the captive solar power plant is consistent with the Company's broader focus on improving manufacturing efficiency, managing operating costs and strengthening its manufacturing infrastructure. The benefits arising from the investment are expected to accrue over the operating life of the plant through captive consumption of solar power and potential savings in electricity costs.

Accordingly, the negative cash flow from investing activities during FY 2025-26 primarily reflects the deployment of funds towards capital expenditure, particularly the investment in the 1 MW captive solar power plant, rather than cash outflows arising from the Company's routine manufacturing and trading operations.

During FY 2025-26, Anil Fashions Limited witnessed an increase in cash flows from financing activities, primarily reflecting the mobilisation of funds to support the Company's working capital requirements, capital expenditure and other business-related financial commitments.

The Company undertook an investment in a 1 MW solar power plant on land for captive consumption during the year, with the objective of optimising electricity costs and improving energy efficiency at its manufacturing facilities. The funding requirements associated with the Company's ongoing operations, together with capital expenditure undertaken during the year, contributed to its financing requirements.

The increase in cash flows from financing activities may also be attributable to additional borrowings and other financing arrangements, as applicable, undertaken to support the Company's operational requirements and maintain adequate liquidity.

Accordingly, the increase in cash flows from financing activities during FY 2025-26 reflects the Company's financing and fund mobilisation activities undertaken to support its working capital cycle, capital expenditure and overall business operations.

Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our business, financial condition and results of operations could be materially and adversely affected.

Any significant cash outflows in the short term from operating and investing activities, could have an adverse impact on our cash flow requirements, business operations and growth plans. As a result, our cash flows, business, future financial performance and results of operations could be adversely affected. For further details, see "**Restated Consolidated Financial Information – Restated Statement of Cash Flow**" on page no. 242 of this Draft Prospectus.

12. We have significant working capital requirements. If we experience insufficient cash flows to meet our working capital requirements, our business, results of operations and cashflows could be adversely affected.

Our business is working capital-intensive, and we fund our working capital requirements in the ordinary course of business from our internal accruals and financing from banks. Our Company will meet the requirement to the extent of ₹ 9,125.05 Lakhs in Financial Year 2026-27 from the Net Proceeds of the Issue and balance from borrowings and internal accruals. The working capital requirements of our Company for Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024, and projected working capital for Financial Year March 31, 2027, respectively is set forth below

(₹ in Lakhs)

Particulars	FY 2024-25*	FY 2025-26*	FY 2026-27*	FY 2027-28*
	<i>Restated</i>	<i>Restated</i>	<i>Estimated</i>	<i>Projected</i>
Current Assets				
Inventories	1,046.03	2,184.99	3,005.94	5,182.49
Trade Receivables	2,658.18	2,820.51	3,796.71	5,279.45
Other Current Assets	153.67	433.54	795.26	1,526.00
Total Current Assets	3,857.88	6,070.74	7,597.91	11,987.94
Trade Payables	672.29	1,298.80	1,712.98	1,888.69
Other Current Liabilities	91.26	119.45	127.56	135.48
Short Term Provisions	69.35	198.92	493.72	838.72
Total (II)	832.90	1,617.17	2,334.26	2,862.89

Net Working Capital (I) – (II)	3,024.98	4,453.56	5,263.65	9,125.05
Sources of Funds				
Short Term Borrowings	1,350.20	2,246.03	2,600.00	2,600.00
Internal Accruals/ Equity	1,674.78	2,207.53	2,663.65	2,663.65
IPO Proceeds	-	-	-	3,200.00
Total	3,024.98	4,453.56	5,263.65	9,125.05

As certified by M/s BM Saraf & Co., the Statutory Auditor of our Company, pursuant to their certificate dated September 24, 2026.

Currently, we meet our working capital requirements through a mix of internal accruals, existing net worth and working capital facilities from banks. We expect a further increase in the working capital requirements in view of current and potential operations. Accordingly, we have proposed using ₹ 3,200 Lakhs in Financial Year 2027-28 out of the Net Proceeds to meet the working capital requirements. For further details, see “*Objects of the Issue*” on page no. 89 of this Draft Prospectus. Our future success depends on our ability to continue to secure and successfully manage sufficient amounts of working capital. If we are unable to manage our working capital requirements, our business, results of operations and cash flows could be adversely affected. We cannot assure that we will be able to effectively manage our working capital. Should we fail to effectively implement sufficient internal control procedures and management systems to manage our working capital and other sources of financing, we may have insufficient capital to maintain and grow our business. While there have been no instances for last three Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 where we had faced working capital deficit, we cannot assure that we will be able to adequately maintain our working capital requirements. If we experience insufficient cash flows to meet our working capital requirements, our business, results of operations and cash flows could be adversely affected.

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

We have entered into various transactions with related parties in compliance with applicable provisions of Companies Act and all other applicable laws. We cannot assure you that we could not have achieved more favourable terms. It is likely that we may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. Set out below is a summary of related party transactions with related parties for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024, as derived from the Restated Financial Statements:

(₹ in Lakhs)

Particulars	Relation	Nature of Transactions	March 31, 2026	March 31, 2025	March 31, 2024
Ritesh Enterprise	Associates	Sales of Goods/Services	1.97	0.42	0.59
Anil Organic Pvt Ltd	Associates	Sales of Goods/Services	0.00	3.23	1.95
Ritesh Enterprise	Associates	Purchase	51.40	0.00	0.00
Pratik Enterprise	Associates	Purchase	54.10	0.00	0.00
Deepesh Agarwal	Relatives	Remuneration	0.00	6.60	0.00
Neelam Agarwal	Relatives	Remuneration	6.00	6.00	0.00
Neelam Agarwal	Relatives	Interest Credited / Paid	6.81	6.47	7.53
Anil Organic Pvt Ltd	Associates	Purchase	0.48	0.00	0.00
Deepesh Agarwal	Relatives	Interest Credited / Paid	2.50	4.02	6.35
Poonam Agarwal	Relatives	Interest Credited / Paid	2.47	6.76	3.23
Priti Agarwal	Relatives	Interest Credited / Paid	0.01	8.40	1.24

Poonam Manish Agarwal	Relatives	Interest Credited / Paid	0.00	3.27	2.40
Ritesh Agarwal	Relatives	Interest Credited / Paid	2.61	1.79	1.50
Pratik Enterprise	Associates	Interest Credited / Paid	1.72	21.54	0.00
Ritesh Enterprise	Associates	Interest Credited / Paid	11.18	12.43	0.00
Ashok Agarwal HUF	Relatives	Interest Credited / Paid	0.00	0.54	0.32
Anup Agarwal & Sons HUF	Relatives	Interest Credited / Paid	0.00	0.22	0.00
Ramniwas Agarwal & Sons HUF	Relatives	Interest Credited / Paid	0.00	0.19	0.00
Sakshi Ashok Agarwal	Relatives	Interest Credited / Paid	0.00	1.70	0.00
Hitika Navin Agarwal	Relatives	Interest Credited / Paid	0.00	0.04	0.43
Navin Agarwal HUF	Relatives	Interest Credited / Paid	0.00	0.41	0.00
Sanchit Ashok Agarwal	Relatives	Interest Credited / Paid	0.00	1.76	0.01
Deepesh Agarwal HUF	Relatives	Interest Credited / Paid	0.00	0.64	0.00

For details on our related party transactions, see “**Related Party Transactions**” on page no. **Error! Bookmark not defined.** of this Draft Prospectus. For details on the interest of our Promoter, Directors and KMPs of our Company, see “**Our Management – Interests of Directors**” and “**Our Management – Interests of Key Management Personnel**” on page nos. 214 and 222, respectively.

We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our Shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition.

14. Under-utilisation of our manufacturing capacity and an inability to effectively utilize our manufacturing capacity could have an adverse effect on our business, future prospects and future financial performance.

The following table sets forth certain information relating to the capacity utilisation of our Manufacturing Facility calculated on the basis of total installed production capacity and actual production, as of and for the years/periods indicated herein:

Sr. No.	Year*	Installed Capacity (Meter)	Actual Production (Meter)	% of actual production to Installed Capacity
1.	2023-24	72,00,000	46,95,685.25	65%
2.	2024-25	72,00,000	47,35,837.11	66%
3.	2025-26	1,28,00,000	87,23,098	68%

**For FY 2023-24, pre-merger data of Anil Fashions Private Limited, Gray Solutions Private Limited and Sanchem Fabrics Limited has been taken into effect. From April 01, 2024, post merger data of Anil Fashions Limited has been considered.*

As certified by Dinesh P. Jani, Independent Chartered Engineer, vide certificate dated September 09, 2026.

Any disruption in operations at our facility, whether due to equipment breakdowns, labour disputes, natural calamities, industrial accidents could result in underutilisation of the capacity and directly affect our ability to meet customer requirements in a timely manner. Since customer retention in our business is closely tied to

consistent quality and timely delivery, even temporary interruptions could adversely impact customer confidence and order volumes.

Further, while the increase in installed capacity is expected to support higher volumes, there can be no assurance that actual demand from our customers will increase proportionately or that we will be able to fully utilize the capacity. Failure to achieve optimal utilisation of this capacity, or delays in scaling operations to match market demand, may result in higher fixed costs per unit, reduced operating efficiency, and lower profitability.

Accordingly, while capacity enhancement strengthens our operational capabilities, any inability to effectively utilize or sustain this capacity could materially and adversely affect our business, results of operations, cash flows, and financial condition.

15. We have certain contingent liabilities and commitments, which, if they materialize, may adversely affect our results of operations, financial condition and cash flows.

As on March 31, 2026, our contingent liabilities as disclosed in the notes to our Restated Consolidated Financial Information aggregated to ₹ 121.95 lakhs. Set out below are our contingent liabilities not provided for as on March 31, 2026:

(₹ in lakhs)			
Particulars	March 31, 2026	March 31, 2025	March 31, 2024
Contingent Liabilities			
Bank Guarantees	62.46	43.60	-
Statutory Dues	59.49	50.98	50.98
Total	121.95	94.58	50.98

While most of these contingent liabilities have been incurred in the normal course of business, if these were to fully materialize or materialize at a level higher than we expect, it may materially and adversely impact our business, results of operations and financial condition. Further, we cannot assure you that we will not incur similar or increased levels of contingent liabilities in the future. For details, see “**Financial Information - Restated Consolidated Financial Information-Notes to Restated Financial Statement -Note 41**” of this Draft Prospectus.

16. Any failure on our part to effectively manage our inventory may result in an adverse effect on our business, revenue from manufacturing operations and financial condition.

One of our business verticals is involved in manufacturing operations, and, at all points in time, a certain portion of our assets comprise of an inventory of raw materials, work in progress and finished goods. Maintaining a sufficient inventory of raw materials is critical for our manufacturing operations including as a buffer against any supply disruptions. Any failure on our part to effectively manage our inventory of raw materials and finished products in response to changing market scenario may have an adverse effect on our financial condition and may even lead to loss of business and increase the costs of our operations. In the event we overestimate our requirements for raw materials as compared to the demand for our products, it may lead to situations that require us to block more capital and increase our operating costs in connection with inventories and further expose us to variations in raw materials risk. Equally, if we underestimate our requirements for raw materials, it may adversely affect our ability to manufacture the required quantity of products for our customers’ requirements in a timely and cost-efficient manner which may lead to loss of business and / or the opportunity to service customers which could adversely affect our business, results of operations and financial condition. Further, we may also lose opportunities to acquire raw materials in a cost-effective manner, thereby increasing costs of operations and adversely affecting our working capital requirements. Additionally, if our inventory of finished products is not dispatched on time or if there is any unanticipated delay in the delivery of our finished products or if the finished products are not properly maintained or are damaged or destroyed, we could lose such inventory which could have an adverse impact on our production cycle, results of operation and financial condition.

17. Our recent growth rates may not be indicative of our future performance, and any inability to sustain such growth could adversely affect our business, financial condition, and results of operations.

In FY 2025-26, our revenue from operations increased to ₹ 13,087.22 Lakhs from ₹ 10,688.91 Lakhs in FY 2024-25 reflecting an increase of 22.44%. Further, our PAT increased significantly by 361.89 % in FY 2025-26, i.e., from ₹ 247.54 Lakhs in FY 2024-25 to ₹ 1,143.38 Lakhs in FY 2025-26. Such high growth rates in the periods between FY 2025-26 and FY 2024-25 were primarily attributable to specific business factors prevailing during the respective periods, including market demand, pricing trends, operational efficiencies, and certain cost advantages, which may not recur in future periods.

There can be no assurance that we will be able to maintain similar levels of growth in revenue or profitability going forward. Our future growth rates may be lower, more volatile, or may decline, due to factors such as changes in market conditions, competition, input costs, regulatory changes, or our inability to successfully execute our business strategies. Any inability to sustain or manage growth effectively could adversely affect our business prospects and / or financial performance.

For further details, see “*Restated Consolidated Financial Information – Consolidated Restated Summary Statement of Profit and Loss*” under the section titled “*Restated Consolidated Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page no. 233 and 312, respectively, of the Draft Prospectus.

18. *We have experienced instances of delays and non-filings in relation to certain statutory dues and compliances, which may expose us to regulatory actions and penalties, and in turn have an adverse impact on our financial condition.*

Our Company is required to make periodic payments and filings with various statutory authorities, including, *inter alia*, in respect of employee provident fund, employee state insurance, professional tax, goods and services tax, and income tax, in accordance with applicable laws such as the Income Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Employees’ Provident Fund and Miscellaneous Provisions Act, 1952 and the Employees’ State Insurance Act, 1948.

There have been instances of delays and non-filings by our Company in filing statutory returns and depositing statutory dues with the relevant authorities in the past. Such delays were primarily attributable to delays in preparation and collation of information required for filing such returns, as well as, in some cases, technical issues encountered on the relevant government portals. All such delays and non-compliances have since been regularized, with the applicable interest and late fees paid to the respective authorities, and did not result in any material impact on our business or financial condition. There can be no assurance that similar delays or non-compliances will not occur in the future. Any failure or delay in complying with applicable statutory requirements may expose us to regulatory scrutiny, initiation of proceedings, imposition of penalties or interest, and other enforcement actions, which could adversely affect our business, results of operations, cash flows and financial condition.

As a corrective measure, our Company has undertaken steps to strengthen internal controls and enhance monitoring and tracking mechanisms for statutory payments and compliances. However, these measures may not be sufficient to prevent all future instances of non-compliance. In the event that any regulatory authority initiates proceedings against us or passes any adverse order, we may be required to incur significant costs in defending such actions, and any penalties or adverse findings may have a material adverse effect on our business and results of operations.

19. *The Company, our Promoters, our Directors and our Key Managerial Personnel are not involved in any pending or on-going litigations. However, they may face any litigation proceedings in future which may have any adverse decisions in these cases against them and it may impact business and operations of the Company.*

As on the date of this Draft Prospectus, there are no pending or ongoing legal proceedings against our Company. Further, to the best of our knowledge and belief, our Promoters, our Directors and our Key Managerial Personnel are not involved in any legal proceedings that are currently pending before any court, tribunal, or authority, except tax proceedings which are in the ordinary course. Our Promoters have confirmed that they are not aware of any legal proceedings involving them. The Company has not received any notice, communication, or intimation in relation to any potential claims or disputes that may result in legal proceedings being initiated against it. While the possibility of future legal proceedings in the ordinary course of business

cannot be ruled out, we believe that there are no outstanding matters that are or may be material in nature or that could have an adverse impact on our business, operations, financial condition, or reputation.

A summary of any outstanding legal proceedings, if applicable, relating to our Company, Promoters, our Directors and our Key Managerial Personnel as on the date of this Draft Prospectus is provided below:

(₹ in Lakhs)

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary Actions by SEBI or Stock Exchanges	Material Civil Litigations	Aggregate Amount Involved
Company						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	1	Nil	Nil	Nil	46.19
Directors other than Promoters						
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Promoters						
By the Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Group Companies						
By the Group Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Group Company	Nil	Nil	Nil	Nil	Nil	Nil
KMPs						
By our KMPs	Nil	N.A.	Nil	Nil	Nil	Nil
Against the KMPs	Nil	N.A.	Nil	Nil	Nil	Nil

For further details, refer “**Outstanding Litigations and Material Developments**” beginning on page no. 323 of this Draft Prospectus.

20. The average cost of acquisition of Equity Shares by our Promoters is lower than the Issue Price, which may result in a notional gain to them and could lead to a perception of inequitable pricing for public investors.

The average cost of acquisition of Equity Shares by our Promoters in our Company is lower than the final Issue Price in which Equity Shares are to be Issued. Details of average cost of acquisition of Equity Shares held by the Promoters are set out as below:

(₹ in Lakhs)

Sr. No.	Name of the Promoter	Number of Equity Shares held	Average cost of acquisition per Equity Share (₹)
1.	Mr. Navin Ramniwas Agarwal	27,04,764	2.44
2.	Mr. Ashok Ramniwas Agarwal	26,74,478	2.41
3.	Mr. Anup Ramniwas Agarwal	16,54,824	2.68

For further details regarding the average cost of acquisition of Equity Shares by our Promoters and the buildup of Equity Shares in our Company, please refer to the chapter “**Capital Structure**” beginning on page no. 70 of this Draft Prospectus.

The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire and shares allotted to them as reduced by amount received on sale of shares, i.e., net of sale consideration is divided by net quantity of shares acquired.

As a result, upon sale of their shareholding after the completion of the Issue, our Promoters may realize substantial gains. This disparity may lead to a perception among investors that the Promoters are benefiting disproportionately compared to public shareholders subscribing in the Issue. Further, while such gains are notional at the time of allotment and subject to market conditions, this could influence investor sentiment and may be perceived as a risk factor in terms of fairness of pricing. There can be no assurance that such perception will not adversely affect the trading price of our Equity Shares post-listing.

21. Our Company operates in a highly competitive and evolving textile landscape, and any inability to respond to pricing pressures, technological developments or industry consolidation could negatively affect our operations, market share and financial results.

The Indian textile industry is fragmented, with a mix of large integrated manufacturers and smaller regional players. We primarily compete on the basis of product quality, customer relationships, pricing, and timely delivery. Our key competitors include established domestic players with larger capacities, vertically integrated textile groups.

Many of our competitors have longer operating histories, greater brand recognition, access to cheaper raw materials or capital, and larger economies of scale. They may also be better positioned to absorb cost volatility or offer more attractive credit terms to customers. This may place pricing pressure on our offerings and restrict our ability to fully pass on raw material cost increases to our customers.

Furthermore, consolidation in the textile industry or the entry of global players with robust financial and operational capabilities may intensify competition. Some competitors may also invest more aggressively in technology, backward integration, or marketing, creating additional barriers to growth for us.

22. Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.

Our Company faces potential risks related to incidents of theft or damage to inventory. While we have not encountered such situations in the past, we acknowledge that there is a possibility of experiencing inventory losses due to various factors such as employee theft, vendor fraud, and general administrative errors. These incidents could have a negative impact on the results of operations and financial condition. During the execution of the contract and up to defect liability period we are generally fully liable to compensate all concerned for any loss, damage, or destruction of work, structure, property etc. including third party risk arising due to causes attributable to us.

Despite implementing security measures and internal controls, there is no guarantee that we will completely avoid instances of fraud, theft, employee negligence, or security lapses in the future. Any such occurrence could lead to significant financial losses and affect our overall business performance.

Although we have insurance coverage against losses due to theft, fire, breakage, or damage caused by other casualties, the extent of coverage may not fully mitigate the financial impact of such incidents on our operations and financial condition. In some cases, the losses incurred may exceed the insurance coverage, resulting in additional financial strain for the Company.

23. Our Company has availed loans from its Promoters in the past and such loan if re-called may have an adverse impact on the cash-flow, operation and financial condition of the Company.

Our Promoters have extended unsecured, interest-free loan to the Company to support its working capital and operational needs. While these funds have enabled continuity of operations, such loans are repayable on

demand and are not backed by any collateral. We cannot assure that our Promoters will continue to extend such financial support or that these loans will not be recalled at short notice. Any sudden re-call or cessation of such support could adversely affect our liquidity, operational flexibility, and overall financial condition.

- 24. *Some of our Promoters and members of the Promoter Group have extended personal guarantees with respect to loan facilities availed by our Company and have provided collateral security for loan facilities availed by our Company. Revocation of any or all of these personal guarantees or withdrawal of such property may adversely affect our business operations and financial condition.***

Some of our Promoters and members of the Promoter Group have extended personal guarantees with respect to loan facilities availed by our Company and have provided collateral security for loan facilities availed by our Company. As of March 31, 2026, the details of the personal guarantees extended are provided below as:

Sr. No.	Name of Lender	Name of Promoter/ Promoter Group Member
1.	Punjab National Bank	Mr. Ashok Ramniwas Agarwal Mr. Navin Ramniwas Agarwal Mr. Neelam Anup Agarwal Ms. Poonam Ashok Agarwal Ms. Priti Navin Agarwal Mr. Anup Ramniwas Agarwal Mr. Deepesh Anup Agarwal Mr. Pratik Navin Agarwal
2.	Small Industries Development Bank of India	Mr. Ashok Ramniwas Agarwal Mr. Navin Ramniwas Agarwal Mr. Neelam Anup Agarwal Ms. Priti Navin Agarwal

For details, see “**Financial Indebtedness**” on page no. 320 of this Draft Prospectus.

In the event any of these guarantees are revoked or the properties provided as collateral security are withdrawn, our lenders may require us to furnish alternate guarantees or an additional security or may demand a repayment of the outstanding amounts under the said facilities sanctioned or may even terminate the facilities sanctioned to us. There can be no assurance that our Company will be able to arrange such alternative guarantees or provide alternate collateral security in a timely manner or at all. If our lenders enforce these restrictive covenants or exercise their options on the relevant debt financing agreements, our operations and use of assets may be significantly hampered and lenders may demand payment of the entire outstanding amount and this in turn may also affect our further borrowing abilities thereby adversely affecting our business and operations.

- 25. *Any delays and/or defaults in customer payments could result in increase of working capital investment and/or reduction of our Company’s profits, thereby affecting our operation and financial condition.***

We are exposed to payment delays and/or defaults by our customers. Our financial position and financial performance are dependent on the creditworthiness of our customers. Such delays in payments may require our Company to make a working capital investment. We cannot assure you that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. If a customer defaults in making its payments on an order on which our Company has devoted significant resources, or if an order in which our Company has invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our Company’s results of operations and financial condition. For Financial Years 2025-26, 2024-25 and 2023-24 our trade receivables were ₹ 4,075 Lakhs, ₹ 2,658.18 Lakhs and ₹ 970.96 Lakhs, respectively.

There is no guarantee on the timeliness of all or any part of our customers’ payments and whether they will be able to fulfil their obligations, which may arise from their financial difficulties, deterioration in their business performance, or a downturn in the global economy.

Outstanding for following periods from due date of payment as at March 31, 2026

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	3436.06	478.90	24.00	43.06	58.93	4075.82
Undisputed Trade Receivables - Considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables - Considered Goods	-	-	-	-	-	-
Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	-
Total	3436.06	478.90	24.00	43.06	58.93	4075.82

Outstanding for following periods from due date of payment as at March 31, 2025

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	2344.92	215.07	51.89	17.66	28.64	2,658.18
Undisputed Trade Receivables - Considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables - Considered Goods	-	-	-	-	-	-
Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	-
Total	2344.92	215.07	51.89	17.66	28.64	2,658.18

Outstanding for following periods from due date of payment as at March 31, 2024

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	970.96	-	-	-	-	970.96
Undisputed Trade Receivables - Considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables - Considered Goods	-	-	-	-	-	-
Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	-
Total	970.96	-	-	-	-	970.96

For further details in relation to the trade receivables, please refer to '*Restated Consolidated Financial Information – Note 15 – Restated Statement of Trade Receivables*' on page 264 of this Draft Prospectus.

26. Our Company has commenced export operations in FY 2024-25, on account of which we may be subject to import duties or restrictions. Further, our inability to comply with related requirements may have an adverse effect on our business and results of operations.

Our Company has commenced export operations of our products to countries outside of India, during FY 2024-25. However, no export operations have been undertaken in FY 2025-26. Our revenue from operations from outside India for Financial Year 2024-25 which were undertaken via SEZ amounted to ₹ 17.13 Lakhs representing 0.16% of the total revenue of operations. Our export markets include Bangladesh and Sri Lanka. These countries impose varying import duties on our products. There can be no assurance that the import duties will not increase or new restrictions will not be imposed by such countries. Any substantial increase in such duties or imposition of new restrictions may adversely affect our business, financial condition and results of operations.

27. Our KMPs, Ms. Raina Singh, Company Secretary and Compliance Officer, and our Chief Financial Officer, Mr. Pratik Navin Agarwal, are associated with our Company for less than one year, which may affect continuity, familiarity with our operations and effective management of our business.

Our Key Managerial Personnel, Ms. Raina Singh, Company Secretary and Compliance Officer, and our Chief Financial Officer, Mr. Pratik Navin Agarwal, have been associated with our Company for a period of less than one year. Accordingly, they may not yet be fully accustomed to our Company's affairs till date or have prior practical exposure to the responsibilities of the role. Any misconduct or error by either of the KMPs could adversely impact our reputation and business. For details of Key Managerial Personnel and their appointment, see "*Our Management*" on page no. 208 of this Draft Prospectus.

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

In compliance with the SEBI ICDR Regulations, we have included specific key performance indicators, comprising financial and operational data, for selected listed industry peers, detailed in the "*Basis for Issue Price*" section starting on page no. 104 of the Draft Prospectus. This information has been sourced from and relies upon the audited financial statements of relevant listed industry peers, accessible on Stock Exchanges' websites, including annual reports submitted to the respective Stock Exchanges. It should be noted that there is no guarantee of the completeness of this information concerning industry peers. Different methodologies and formulas may have been employed in calculating the various ratios. Investors are advised not to place undue reliance on this information in making investment decisions. Any reliance on such data for benchmarking or valuation purposes should be undertaken with caution and a clear understanding of its limitations.

29. Delays or gaps in obtaining complete documentation or communication from certain members of our Promoter Group may impact our regulatory compliance, corporate disclosures, administrative and compliance processes.

Mr. Dinesh Ramavtar Gupta, one of the members of our Promoter Group has been uncontactable and have failed to provide necessary personal, financial, or statutory documentation, disclosures, or information required for our corporate records, compliance filings, and regulatory disclosures. We may be unable to make complete, accurate, or timely disclosures in our statutory filings, offering documents, or reports submitted to regulatory authorities, stock exchanges, or government bodies. The failure to obtain required declarations, signatures, or documents from all members of the Promoter Group may lead to non-compliance with applicable laws, corporate governance norms, or listing requirements, potentially resulting in inquiries, penalties, or legal actions against the company or our directors.

There can be no assurance that we will be able to establish contact with this member of the Promoter Group, secure the required documentation, or ensure full compliance with all applicable regulatory requirements in a timely manner, which could materially and adversely affect our reputation, operations, and financial condition.

30. Any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus shall be subject to certain compliance requirements, including prior approval of the Shareholders of our Company.

We propose to utilize the Net Proceeds towards utilization for the Capital expenditure towards civil construction and purchase of plant and machinery, working capital requirement and General Corporate Purposes of our Company. For further details of the proposed objects of the Issue, see chapter titled as “**Objects of the Issue**” beginning on page no. 89 of this Draft Prospectus. However, these objects of the Issue have not been appraised by any bank, financial institution or other independent agency. Further, we cannot determine with any certainty if we would require Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act and the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus without obtaining the approval of Shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the Shareholders of our Company in a timely manner, or at all.

Any delay or inability in obtaining such approval of the Shareholders of our Company may adversely affect our business or operations. Further, our Promoters would be required to provide an exit opportunity to the Shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement to provide an exit opportunity to such dissenting Shareholders of our Company may deter our Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoter will have adequate resources at their disposal at all times to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition, if any, which may adversely affect our business and results of operations.

31. The Objects of the Issue for which funds are being raised, are based on our management estimates and the same have not been appraised by any bank or financial institution or any independent agency. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titled as “Objects of the Issue”.

The fund requirement and deployment, as mentioned in the chapter titled as “**Objects of the Issue**” on page no. 89 of this Draft Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements.

The deployment of the funds as stated under chapter titled “**Objects of the Issue**” on page no. 89 of this Draft Prospectus is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation under chapter titled “**Objects of the Issue**” will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control and will be subject applicable rules and regulations. The occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

32. The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company, and an inability to effectively utilize the Issue Proceeds could have adverse effects on our finances.

Since the Issue does not exceed ₹ 5,000.00 Lakhs, according to SEBI ICDR Regulations, our Company is not required to appoint an independent Monitoring Agency for overseeing the deployment of funds raised through this Issue. The management and Board of Directors of our Company will have discretion over the utilization of these funds, and it will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue Proceeds could have adverse effects on our finances.

33. A majority of our Directors are or were not directors of listed companies and hence lack of adequate experience to address complexities associated with listed companies, could have an adverse impact on our business and operations.

Except Ummay Amen Hitawala, Non-Executive Independent Director of our Company, who was also on the board of directors of Aprameya Engineering Limited, Frontline Corporation Limited and Antarctica Limited, none of our other Directors are currently, or have been in the past directors on the board of any listed companies. For further information, see “**Our Management – Board of Directors**” on page 208. We cannot assure you if the lack of adequate experience of being on the board of listed companies will affect their ability to effectively address the specific complexities associated with being a listed company, which may not have any adverse impact on our operations as a listed company.

34. Our Company does not own any registered intellectual property rights, and any inability to protect our brand, business processes or proprietary information may adversely affect our business, financial condition and results of operations.

Our Company currently does not own or hold any registered intellectual property rights such as trademarks, copyrights, patents or designs in relation to our brand name, logo, trade dress, technology, know-how, business processes or other proprietary information. However, we use a logo as below, but have not obtained registration:



As a result, we may not have adequate legal protection against potential infringement, imitation, counterfeiting or unauthorised use of our trade name, brand identity, processes or know-how by third parties. The absence of such protection could expose us to risks of brand dilution, erosion of goodwill, diversion of business opportunities, or reputational harm.

Further, if competitors, vendors or other entities succeed in registering similar or identical marks, names or processes, it could create significant legal and operational challenges for us, including the possibility of litigation, restrictions on our use of our existing business identifiers, and potential rebranding costs. Defending claims relating to intellectual property rights, whether initiated by us or against us, may be expensive, time-consuming, and could divert management’s attention from the conduct of our core operations.

Additionally, any future changes in the regulatory framework, including potential requirements for mandatory registration, stricter enforcement of intellectual property rights, or heightened compliance obligations under applicable laws, may further increase our exposure and costs of compliance. The inability to secure, maintain and enforce intellectual property rights, or to adequately safeguard our unregistered proprietary information, may adversely affect our business operations, growth prospects, reputation, financial condition and results of operations.

35. Dependence on contract labor, potential wage liabilities, and labor disruptions could adversely impact our business, financial condition, cash flows, and results of operations.

We rely on contract workers for certain operations and may be held legally responsible for their wage payments if independent contractors default on their obligations. Additionally, any non-availability of contract labor at reasonable costs, labor strikes, work stoppages, or increased wage demands could disrupt our operations and negatively affect our overall financial performance.

36. Our inability to successfully implement some or all our business strategies in a timely manner or at all could have an adverse effect on our business.

As part of our strategy aimed towards business growth and improvement of market position, we intend to implement several business strategies, which include:

- expand relationships with our existing customers;
- broaden our marketing base and increasing our geographical reach;
- focus on expansion through utilization of existing capacities; and

- continue to focus on diversifying our product portfolio.

Our strategies may not succeed due to various factors, including our inability to reduce our debt and our operating costs, our failure to develop new products with sufficient growth potential as per the changing market preferences and trends, our failure to execute agreements with our distributors and customers, our failure to effectively market our products or foresee challenges with respect to our business initiatives, our failure to sufficiently upgrade our infrastructure, machines, automation, equipment and technology as required to cater to the requirement of changing demand and market preferences, our failure to maintain highest quality in our operations or to ensure scaling of our operations to correspond with our strategy and customer demand, changes in GoI policy or regulation, our inability to respond to regular competition, and other operational and management difficulties. For further details of our strategies, see “***Our Business – Our Strategies***” on page 180 of this Draft Prospectus.

37. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

38. In addition to normal remuneration, other benefits and reimbursement of expenses, our Promoters and Directors are interested in our Company to the extent of their shareholding and entitlement to dividends in our Company.

In addition to their regular remuneration and expense reimbursements, our Promoters, Mr. Navin Ramniwas Agarwal, Mr. Ashok Ramniwas Agarwal and Mr. Anup Ramniwas Agarwal have vested interests in our Company through their shareholding and entitlement to dividends. Consequently, these Promoters and Directors will continue to exercise significant control over our Company, influencing board composition and decisions requiring simple or special majority voting. Other shareholders may be unable to affect the outcome of such voting. We cannot guarantee that our Promoters and Directors will consistently exercise their shareholder rights in the best interests of our Company. This situation may potentially impact our business operations, financial results, and future prospects adversely.

39. Certain sections of this Draft Prospectus contain information from the B2K Analytics Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Issue is subject to inherent risks.

Certain sections of this Draft Prospectus include information based on, or derived from, the B2K Analytics Report prepared by B2K Analytics Private Limited, which is not related to our Company, Promoters, Directors or Key Managerial Personnels. We commissioned and paid for this report for the purpose of confirming our understanding of the industry in connection with the Issue. All such information in this Draft Prospectus indicates the B2K Analytics Report as its source. Accordingly, any information in this Draft Prospectus derived from, or based on, the B2K Analytics Report should be read taking into consideration the foregoing.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources do not guarantee the accuracy, adequacy or completeness of the data. Further, the B2K Analytics Report is not a recommendation to invest / disinvest in any company covered in the B2K Analytics Report. Accordingly, prospective investors should not place undue reliance on or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Issue pursuant to reliance on the information in this Draft Prospectus based on, or derived from, the B2K Analytics Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Prospectus based on, or derived from, the B2K Analytics Report before making any investment decision regarding the Issue. For further details, see “**Industry Overview**” beginning on page no. 117 of this Draft Prospectus.

40. Any increase in interest rates would have an adverse effect on our results of operations and will expose our Company to interest rate risks.

We are dependent upon the availability of equity, cash balances and debt financing to fund our operations and growth. Our secured debt has been availed at floating rates of interest. Any fluctuations in interest rates may directly impact the interest costs of such loans and, in particular, any increase in interest rates could adversely affect our results of operations. Furthermore, our indebtedness means that a material portion of our expected cash flow may be required to be dedicated to the payment of interest on our indebtedness, thereby reducing the funds available to us for use in our general business operations. If interest rates increase, our interest payments will increase and our ability to obtain additional debt and non-fund based facilities could be adversely affected with a concurrent adverse effect on our business, financial condition and results of operations. For further details, see “**Financial Indebtedness**” on page no. 320 of this Draft Prospectus.

41. Change in technology, evolving customer requirements and emerging industry trends may affect our business, may render our current technologies obsolete and may require us to make substantial capital investments.

Our ability to respond to technological advances, evolving customer requirements, and emerging industry standards and practices in a cost-effective and timely manner is critical to our future success. The development and implementation of such technology entails significant technical and business risk, as well as significant implementation costs. We cannot guarantee that new technologies will be successfully implemented or that our processing systems will be able to adapt to changing customer requirements or emerging industry standards. Technological advancements may make newer solutions more competitive than ours, or they may necessitate additional capital expenditures to upgrade our facilities and technology. If we are unable, for technical, legal, financial or other reasons, to adapt in a timely manner to changing market conditions, evolving customer requirements or technological changes, our business, financial condition and results of operations could be materially and adversely affected.

42. Our employees may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements.

We are exposed to the risk of employee fraud or other misconduct. Misconduct by employees could include inventory loss and intentional failures to comply with any regulations applicable to us, to provide accurate information to regulatory authorities, to comply with manufacturing standards we have established, or to report financial information or data accurately or disclose unauthorized activities to us. There can be no assurance that we will be able to identify and deter such misconduct, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risk. Although we have had no material incidents of employee misconduct during three preceding Financial Years, if our employees engage in any such future misconduct, we could face criminal penalties, fines, revocation of regulatory approvals and harm to our reputation, any of which could form a material adverse effect on our business, results of operations or financial condition.

43. There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the BSE platform in a timely manner, or at all.

In accordance with Indian legal norms and practices, permission for the listing and trading of Equity Shares issued through this Issue shall not be granted until the Equity Shares have been Issued and Allotted. The approval process for listing and trading requires the submission of all necessary documents authorizing the issuance of Equity Shares. There could be a possibility of failure or delay in obtaining listing approval for the

Equity Shares on the BSE platform. Any such failure or delay could significantly restrict your ability to liquidate or dispose of your Equity Shares.

44. We have not identified any alternate source of financing the ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.

As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the Issue. We meet our capital requirements through our bank finance, unsecured loans, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the Issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, see “*Objects of the Issue*” on page no. 89 of this Draft Prospectus.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, refer “*Dividend Policy*” on page no. 232 of this Draft Prospectus.

46. We have included in this Draft Prospectus certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance such as EBITDA, EBITDA Margin, PAT Margin, Return on Equity, Gross Margin, Net Working Capital, Net Debt to Equity, Net Debt to EBITDA and Return on Capital Employed, have been included in this Draft Prospectus. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of the industry, many of which provide such non-GAAP financial measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed elsewhere in this Draft Prospectus. These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies. For further information, see “*Our Business – Non-GAAP Measures*” on page no. 177 of this Draft Prospectus.

47. After the completion of the Issue, our Promoters along with the members of our Promoter Group will continue to collectively hold majority of the shareholding in our Company, which will allow them to influence the outcome of matters requiring shareholder approval.

As on the date of this Draft Prospectus, our Promoters along with members of our Promoter Group collectively held 100.00% of the share capital of our Company on a fully diluted basis. For further information of their shareholding pre and post-Issue, see “*Capital Structure*” on page no. 70. After the completion of the Issue, our Promoters along with members of our Promoter Group will continue to collectively hold majority of the

shareholding in our Company and will continue to exercise significant influence over our business policies and affairs and all matters requiring Shareholders' approval, including the composition of our Board, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures or any other matter requiring special resolution. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these stockholders. The interests of the Promoters as our controlling shareholders could conflict with our interests or the interests of our other shareholders. We cannot assure you that the Promoters will act to resolve any conflicts of interest in our favour and any such conflict may adversely affect our ability to execute our business strategy or to operate our business. For further information in relation to the interests of our Promoters in our Company, see "***Our Promoters and Promoter Group***" and "***Our Management***" on page nos. 223 and 208, respectively of this Draft Prospectus.

48. In the event there is any delay in the completion of the Issue, or delay in schedule of implementation, there would be a corresponding delay in the completion of the objects of this Issue which would in turn affect our revenues and results of operations.

The funds that we receive would be utilized for the objects of the Issue as has been stated in the chapter titled "***Objects of the Issue***" on page no. 89 of this Draft Prospectus. The proposed schedule of implementation of the objects of the Issue is based on our management's estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, it may adversely affect our revenues and results of operations.

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

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. Any sale of our Equity Shares by our Promoters or major shareholders or future equity issuances, by us may adversely affect the trading price of our Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. We cannot assure you that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

50. Our future funds requirements, in the form of issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

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

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations, which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and, or, we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed

companies. Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition.

52. Any losses, on account of foreign currency exchange rate fluctuations may adversely affect our business, results of operations and financial condition.

We face foreign exchange rate risk to the extent that a part of our revenue, and expenses are denominated in a currency other than the Indian Rupee. While our sales and most of our expenses are denominated in the Indian Rupees, expenses such as import freight, export sales agent's commission, interest expense on foreign currency, foreign denominated borrowings and our export revenue is denominated and invoiced in a currency other than the Indian Rupee such as USD, EUR, etc. Consequently, the depreciation of the Indian Rupee against the U.S. Dollar and other foreign currencies may adversely affect our results of operations by increasing the cost of operating expenses and financing any debt denominated in foreign currency that we may enter into.

53. This Draft Prospectus contains information from an industry report prepared by B2K Analytics Private Limited which we have commissioned and paid for.

This Draft Prospectus includes information that is derived from the Textile Industry Report for Anil Fashions Limited, prepared by B2K Analytics Private Limited, a research house, pursuant to an engagement with our Company. B2K Analytics has advised that while it has taken due care and caution in preparing the commissioned report, which is based on information obtained from sources that it considers reliable (Information), it does not guarantee the accuracy, adequacy or completeness of the Information and disclaims responsibility for any errors or omissions in the Information or for the results obtained from the use of the Information. The Textile Industry Report also highlights certain industry and market data, which may be subject to estimates and/or assumptions. There are no standard data gathering methodologies in the industry in which our Company conducts our business, and methodologies and assumptions vary widely among different industry sources. Further, such estimates and / or assumptions may change based on various factors. Additionally, some of the data and information in the Textile Industry Report is also based on discussions / conversations with industry sources and may not have been, nor be capable of being, independently verified by Textile Industry Report. Further, the Textile Industry Report is not a recommendation to invest or disinvest in our Company. B2K Analytics has disclaimed all financial liability in case of any loss suffered on account of reliance on any information contained in the Textile Industry Report.

EXTERNAL RISK FACTORS

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realized on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief.

Accordingly, Investors may be subject to payment of long-term capital gains tax in India, in addition to payment of Securities Transaction Tax ("STT"), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India as well as STT. No dividend distribution tax is required to be paid in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident.

55. Political, economic or other factors that are beyond our control may have an adverse effect on our business

and results of operations.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

56. An outbreak of other infectious or virulent diseases, if uncontrolled, may have an adverse effect on our business, results of operations and financial condition.

An outbreak of other infectious or virulent diseases, such as severe acute respiratory syndrome, the COVID-19 virus, the H1N1 virus, avian influenza (bird flu), the Zika virus or the Ebola virus, if uncontrolled, may have a material adverse effect on the economies of certain countries and our operations. If any of our employees or the employees of our suppliers and/or customers are infected with such diseases or if a significant portion of our workforce refuses to work for fear of contracting an infectious disease or are unable to work, our Company, our suppliers and/or our customers may be required to shut down operations for a period of time, and this could adversely affect our business, results of operations and financial condition. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

57. Terrorist attacks or war or conflicts involving India or other countries could adversely affect consumer and business sentiment and the financial markets and adversely affect our business.

Terrorist attacks and other acts of violence or war may adversely affect global equity markets and economic growth as well as the Indian economy and stock markets. Such acts negatively impact business and economic sentiment, which could adversely affect our business and profitability. Also, India has from time to time experienced, and continues to experience, social and civil unrest and hostilities with neighboring countries. Armed conflicts could disrupt communications and adversely affect the Indian economy. Such events could also create a perception that investments in Indian companies involve a high degree of risk. This, in turn, could have a material adverse effect on the market for securities of Indian companies, including our Equity Shares. The consequences of any armed conflicts are unpredictable and we therefore may not be able to foresee events that could have an adverse effect on our business.

58. The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.

India's physical infrastructure is in the developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's

physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

59. Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

60. Instability in financial markets could materially and adversely affect the results of operations and financial condition.

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

61. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

62. Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.

India has experienced natural calamities such as earthquakes, tsunami, floods etc. In recent years, the extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

63. Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.

Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in effect in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) 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 fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the rupees proceeds from the sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the Income Tax authorities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained.

64. Impact of inflation where the prices of our products shall not be increased at proportional rate and thereby reducing margins.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages, raw materials and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. RBI's Monetary Policy Committee projects inflation for relevant fiscal years. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or entirely offset any increases in costs with increases in prices for our products. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the Government 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.

65. Investors may not be able to enforce a judgment of a foreign court.

Our Company is incorporated under the laws of India. Our Company's assets are primarily located in India and a majority of our Company's Key Managerial Personnel and Directors 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.

A judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India. The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India.

66. The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.

Prior to the issue, there has been no public market for the Equity Shares, and an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, there will be liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Issue. The market price of the Equity Shares after the Issue 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 Indian and global machine tools industry, changing perceptions in the market about investments in this sector in India, investor perceptions of our future performance, adverse media reports about us or our sector, changes in the estimates of our performance or recommendations by financial analysts, 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, which may have a material adverse effect on the market price of the Equity Shares. General or industry-specific market conditions or stock performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance may also affect the price of the Equity Shares. In particular, the stock market as a whole in the past has experienced

extreme price and volume fluctuations that have affected the market price of many companies in ways that may have been unrelated to the companies' operating performances. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares. Further, the market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

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

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

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

The Issue Price of our Equity Shares will be determined by book-building method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Issue. For details, see "***Basis for Issue Price***" on page no. 104 of this Draft Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation, the following:

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

68. Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures such as the Additional Surveillance Measures ("ASM") and Graded Surveillance Measures ("GSM") by the Stock Exchanges in order to enhance market integrity and safeguard the interest of the investors

On and post the listing of equity shares, we may be subject to ASM and GSM by the Stock Exchange(s) and the Securities and Exchange Board of India. These measures have been introduced in order to enhance market integrity, safeguard the interest of investors and to alert and advise investors to be extra cautious and carry out necessary due diligence while dealing in such securities. The criteria for shortlisting any scrip trading on the Stock Exchange(s) under the ASM is based on an objective criterion as jointly decided by SEBI and the Stock Exchanges(s) which includes market based dynamic parameters such as high low price variation, client concentration, close to close price variation, market capitalization, average daily trading volume and its change, and average delivery percentage, among others. A scrip is typically subjected to GSM measures where there is a significant price movement that does not appear to be commensurate with the financial health and

fundamentals of a company. Specific parameters for GSM include net worth, net fixed assets, price to earnings ratio, market capitalization, and price to book value, among others. Factors within and beyond our control may lead to our securities being subject to GSM or ASM. In the event our Equity Shares are subject to such surveillance measures implemented by any of 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.

69. Investors will not be able to sell immediately on a Stock Exchange any of the Equity Shares they purchase in the Issue.

The Equity Shares will be listed on the Designated 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. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant and listing is expected to commence within the period as may be prescribed under the applicable laws. Any failure or delay in obtaining approval or otherwise any delay in commencing trading in the Equity Shares would restrict investors' ability to dispose their Equity Shares. We cannot assure that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods prescribed under applicable law.

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

Our restated summary statements of assets and liabilities, restated summary statements of profit and loss and cash flows for Fiscals 2026, 2025 and 2024 have been prepared in accordance with the Indian GAAP. We have not attempted to quantify the impact of US GAAP, IFRS, IND AS or any other system of accounting principles on the financial data included in this Draft Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. Ind AS, US GAAP and IFRS differ in significant respects from Indian GAAP. Accordingly, the degree to which the Restated Consolidated Financial Statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Accounting Standards notified under Companies (Accounting Standards) Rules, 2021 as amended, as per Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

71. There is no guarantee that our Equity Shares will be listed on the Designated Stock Exchange in a timely manner or at all.

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

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SECTION III – INTRODUCTION

THE ISSUE

The following table summarises the Issue details of this Draft Prospectus:

Particulars	Details of Number of Shares
Issue of Equity Shares by our Company	68,02,000 Equity Shares of face value of ₹ 10/- each fully paid-up for cash at price of ₹ [●] per Equity Share aggregating to ₹ [●] Lakh.
Out of which	
Reserved for Market Makers	[●] Equity Shares of face value of ₹ 10/- each fully paid-up for cash at price of ₹ [●] per Equity Share aggregating to ₹ [●] Lakh.
Net Issue to the Public	[●] Equity Shares of face value of ₹ 10/- each fully paid-up for cash at price of ₹ [●] per Equity Share aggregating to ₹ [●] Lakh.
Of the Net Issue to the Public	
A. Allocation to Individual Investors	At least [●] Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share aggregating to ₹ [●] shall be available for allocation for Individual Investors applying for a minimum of Two lots.
B. Allocation to Other than Individual Investors	[●] Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share aggregating to ₹ [●] shall be available for allocation for Other than Individual Investors applying for a minimum of Three lots.
Pre-and Post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue	1,71,10,583 Equity Shares of face value of ₹ 10/- each.
Equity Shares outstanding after the Issue	2,39,12,583 Equity Shares of face value of ₹ 10/- each.
Use of Proceeds	See “ Objects of the Issue ” on page no. 89 of this Draft Prospectus for information about the use of Net Proceeds.

Notes:

1. *As per the Regulation 253 (3) of the SEBI ICDR Regulations, as amended, as the present Issue is a Fixed Price Issue, the allocation in the Net Issue to the public category shall be made as follows:*
 - a) *Minimum 50% to Individual Investors who apply for minimum application size; and;*
 - b) *Remaining to:*
 - (i) *Individual Applicants who apply for minimum application size; and*
 - (ii) *Other Investors including corporate bodies or institutions; irrespective of the number of specified securities applied for.*

Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to Applicants in the other category. For the purpose of Regulation 253, sub-regulation (3) of the SEBI ICDR Regulations, if the category of Individual Investors who applies for minimum application size is entitled to more than 50% of the Issue Size on proportionate basis, such Individual Investors shall be allocated that higher percentage.

Subject to valid applications being received, under-subscription, if any, in the public category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the LM and BSE.
2. *The Issue is being made by our Company in terms of Regulation 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR as amended, wherein not less than 25% of the post-Issue paid up Equity Share capital of our Company is being offered to the public for subscription.*
3. *The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 24, 2026 and by the Shareholders of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act at the Annual General Meeting held on September 01, 2026.*

For further details, please refer to the section titled “***Issue Structure***” beginning on page no. 357 of this Draft Prospectus.

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SUMMARY OF FINANCIAL INFORMATION

*The following tables provide the summary of financial information of our Company derived from the Restated Consolidated Financial Information for the Financial Years ended March 31, 2026, 2025 and 2024. The Restated Consolidated Financial Information referred to above is presented under the section titled “**Financial Information**” beginning on page no. 233 of this Draft Prospectus. The summary of financial information presented below should be read in conjunction with the Restated Consolidated Financial Information, the notes thereto and the chapters titled “**Other Financial Information**” and “**Management’s Discussion and Analysis of Financial Position and Results of Operation**” beginning on page nos. 309 and 312, respectively of this Draft Prospectus.*

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RESTATED SUMMARY STATEMENT OF ASSET AND LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025	March 31, 2024
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	90.06	90.06	31.70
Reserves and Surplus	2,767.19	1,607.46	469.85
	2,857.26	1,697.52	501.55
Non-Current Liabilities			
Long-Term Borrowings	1,169.58	998.79	411.45
Deferred Tax Liabilities (Net)	18.54	100.33	.00
Other Long-Term Liabilities	-	-	-
Long-Term Provisions	15.76	18.32	10.50
	1,203.86	1,117.44	421.95
Current liabilities			
Short-Term Borrowings	2,870.60	1,350.20	700.71
Trade Payables	-	-	-
- Total outstanding dues of micro and small enterprises	-	-	-
- Total outstanding dues other than micro and small enterprises	1,573.42	672.29	506.83
Other Current Liabilities	128.90	91.26	91.68
Short-Term Provisions	230.19	69.35	35.55
	4,803.11	2,183.09	1,334.77
Total	8,864.23	4,998.04	2,258.26
ASSETS			
Non-Current Assets			
Property, Plant and Equipment and Intangible Assets			
i) Property, Plant and Equipment	1,219.26	988.52	359.59
ii) Capital work in Process	.00	.00	.00
Deferred Tax Assets (Net)	.00	.00	3.54
Non-Current Investment	.00	.00	.00
Other Non-Current Assets	121.42	146.96	29.92
	1,340.69	1,135.48	393.05
Current Assets			
Inventories	2,995.82	1,046.03	743.92
Trade Receivables	4,075.82	2,658.18	970.96
Cash and Cash Equivalent	11.89	4.68	5.87
Short-Term Loans and Advances	111.01	19.40	29.80
Other Current Assets	329.00	134.27	114.65
	7,523.54	3,862.56	1,865.21
Total	8,864.23	4,998.04	2,258.26

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RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025	March 31, 2024
Revenue			
Revenue from operations	13,087.22	10,688.91	3,829.97
Other income	200.77	80.15	61.67
Total Revenue	13,287.99	10,769.06	3,891.65
Expenses			
Purchases of Stock in Trade	4,526.56	2,768.07	2,392.90
Cost of Raw Material Consumed	6,885.20	5,047.87	1,011.36
Change in Inventories of Finished Goods & WIP	(1,453.84)	583.80	(299.05)
Employee benefits expense	86.25	169.62	41.25
Finance costs	303.38	369.58	123.42
Depreciation and amortisation expense	179.83	169.89	67.27
Other expenses	1,338.50	1,186.59	496.36
Total Expenses	11,865.89	10,295.43	3,833.51
Profit Before Exceptional and Extraordinary Items	1,422.10	473.63	58.14
Add/(Less):- Exceptional and Extraordinary Items	-	-	-
Profit Before Tax (PBT)	1,422.10	473.63	58.14
Tax expense			
Current tax	359.57	122.49	20.48
Deferred tax expenses/(income)	(81.33)	103.31	(4.64)
Earlier Year Tax	0.48	0.29	0.74
Income Tax adjustment			
Profit for the Year	1,143.38	247.54	41.55
Post-Bonus Earning Per Share (EPS)			
Basic Earning Per Share (BEPS)	6.68	1.45	0.69
Diluted Earning Per Share(DEPS)	6.68	1.45	0.69

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RESTATED SUMMARY STATEMENT OF CASH FLOWS

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025	March 31, 2024
A. Cash Flow From Operating Activities:-			
Profit before tax, as restated	1,422.10	473.63	58.14
Adjustments for : -			
Depreciation and amortisation	179.83	169.89	67.27
Profit on Sale of Fixed Assets	3.61	0.00	-
Loss on Sale of Fixed Assets	-	0.00	(4.82)
Provision For Gratuity	(3.18)	8.55	10.85
Non-Current Provision For Leave Encashment	-	0.00	0.00
Non-Current Provision for Lease Rent Equalisation	-	-	-
Finance Cost	303.38	369.58	123.42
Interest Income on Bank Fixed Deposit in Non Current Assets	(66.20)	(58.25)	(1.74)
Operating profit before working capital changes	1,839.54	963.40	253.12
Changes in Working Capital:			
Decrease/(Increase) in Inventories	(1,668.51)	279.79	(456.95)
Decrease/(Increase) in Trade receivables	(218.88)	(293.99)	101.85
Decrease/(Increase) in Other Non Current Assets	4.78	(81.14)	(21.74)
Decrease/(Increase) in Short Term Loans & Advances	(87.14)	(19.40)	32.91
Decrease/(Increase) in Other Current Assets	(194.73)	236.95	(113.65)
(Decrease)/Increase in Other Current Liabilities	31.74	(20.88)	27.90
(Decrease)/Increase in Trade Payables	344.13	(1.56)	348.63
(Decrease)/Increase in Short Term Provisions	(0.21)	(0.14)	0.05
(Decrease)/Increase in Other Long Term Liabilities	-	-	-
(Decrease)/Increase in Long-Term Loans and Advances	-	18.77	-
Total Changes in Working Capital	(1,788.81)	118.41	(81.01)
Total	50.72	1,081.81	172.12
Less:- Direct Tax Paid	258.99	106.23	0.74
Net cash flow from/(used in) operating activities after working capital changes (A)	(208.27)	975.58	171.38
B. Cash Flow From Investing Activities:-			
Less: Purchase of Fixed Assets (Tangibles Assets)	(397.84)	(385.73)	(68.49)
Add: Disposal of Fixed Assets (Tangible Assets)	43.58	5.50	
Add: Interest Income In Bank Fixed Deposit in Non Current Assets	66.20	58.25	1.74
Net cash flow used in investing activities (B)	(288.06)	(327.47)	(61.25)
C. Cash Flow From Financing Activities:-			
Add: Proceed from issue of Shares	-	-	0.00
Add/Less: Proceeds/(Payment) of Long Term Borrowing	(129.21)	(377.65)	(15.89)
Add: Short term Borrowings	900.94	(87.90)	27.11
Less: Interest Paid	(303.38)	(369.58)	(123.42)
Less: Dividend Paid	-	-	-
Net cash flow generated from/ (utilised in) financing activities (C)	468.36	(835.13)	(112.20)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(27.98)	(187.03)	(2.07)
Add:- Opening Cash & Cash Equivalents	4.68	191.71	7.94

Add:- Opening Cash & Cash Equivalents of Subsidiary	35.19		
Closing cash & cash equivalents	11.89	4.68	5.87

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SUMMARY OF CONTINGENT LIABILITIES

Details of contingent liabilities derived from Restated Consolidated Financial Statements is as follows:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025	March 31, 2024
Contingent Liabilities			
Bank Guarantees	62.46	43.60	-
Statutory Dues	59.49	50.98	50.98
Total	121.95	94.58	50.98

For further information on such contingent liabilities, please see section titled “*Restated Consolidated Financial Information – Note 41– Restated Statement of Contingent Liabilities*” under the section titled “*Restated Consolidated Financial Information*” and chapter titled “*Outstanding Litigations and Material Developments – Tax Proceedings*” beginning on page nos. 291 and **Error! Reference source not found.**323 of the Draft Prospectus.

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SUMMARY OF RELATED PARTY TRANSACTIONS

A summary of the related party transactions entered into by our Company is given below:

(₹ in Lakhs)

Particulars	Relation	Nature of Transactions	March 31, 2026	March 31, 2025	March 31, 2024
Ritesh Enterprise	Associates	Sales of Goods/Services	1.97	0.42	0.59
Anil Organic Pvt Ltd	Associates	Sales of Goods/Services	0.00	3.23	1.95
Ritesh Enterprise	Associates	Purchase	51.40	0.00	0.00
Pratik Enterprise	Associates	Purchase	54.10	0.00	0.00
Deepesh Agarwal	Relatives	Remuneration	0.00	6.60	0.00
Neelam Agarwal	Relatives	Remuneration	6.00	6.00	0.00
Neelam Agarwal	Relatives	Interest Credited / Paid	6.81	6.47	7.53
Anil Organic Pvt Ltd	Associates	Purchase	0.48	0.00	0.00
Deepesh Agarwal	Relatives	Interest Credited / Paid	2.50	4.02	6.35
Poonam Agarwal	Relatives	Interest Credited / Paid	2.47	6.76	3.23
Priti Agarwal	Relatives	Interest Credited / Paid	0.01	8.40	1.24
Poonam Manish Agarwal	Relatives	Interest Credited / Paid	0.00	3.27	2.40
Ritesh Agarwal	Relatives	Interest Credited / Paid	2.61	1.79	1.50
Pratik Enterprise	Associates	Interest Credited / Paid	1.72	21.54	0.00
Ritesh Enterprise	Associates	Interest Credited / Paid	11.18	12.43	0.00
Ashok Agarwal HUF	Relatives	Interest Credited / Paid	0.00	0.54	0.32
Anup Agarwal & Sons HUF	Relatives	Interest Credited / Paid	0.00	0.22	0.00
Ramniwas Agarwal & Sons HUF	Relatives	Interest Credited / Paid	0.00	0.19	0.00
Sakshi Ashok Agarwal	Relatives	Interest Credited / Paid	0.00	1.70	0.00
Hitika Navin Agarwal	Relatives	Interest Credited / Paid	0.00	0.04	0.43
Navin Agarwal HUF	Relatives	Interest Credited / Paid	0.00	0.41	0.00
Sanchit Ashok Agarwal	Relatives	Interest Credited / Paid	0.00	1.76	0.01
Deesh Agarwal HUF	Relatives	Interest Credited / Paid	0.00	0.64	0.00

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GENERAL INFORMATION

Brief Summary

Our Company was incorporated on February 01, 1999, under the name of “Sanchem Colour Limited”, a limited company under the Companies Act, 1956, pursuant to a Certificate of Incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Thereafter, the name of our Company was first changed to “Sanchem Fabrics Limited” in the extra-ordinary general meeting held on January 06, 2011 and a certificate of incorporation dated February 10, 2011, consequent to such name change was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli; and later to “Anil Fashions Limited” in the extra-ordinary general meeting held on February 05, 2026 and a fresh certificate of incorporation dated February 20, 2026, consequent to such name change was issued by the Registrar of Companies, Central Processing Centre. As on date of this Prospectus, the Corporate Identification Number of our Company is U13990GJ1999PLC035368.

For further details of incorporation please refer to chapter titled “**Our History and Certain Other Corporate Matters**” beginning on page no. 200 of this Draft Prospectus.

General Information of Company

Name	Anil Fashions Limited
Registered & Corporate Address	Survey No. 169, Piplej Pirana Road, Opp. Bharwad Vaas, Piplej, Ahmedabad, Gujarat, India, 382405. Tel.: 9327003440 E-mail: admin@anilfashions.com Website: https://www.anilfashions.com/
CIN/ Registration No.	U13990GJ1999PLC035368
Address of ROC	Registrar of Companies, Ahmedabad ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380013, Gujarat Tel. No.: +91 079-27438531 Email: roc.ahmedabad@mca.gov.in Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

SME Platform of BSE Limited (“**BSE SME**”), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra, India.

BOARD OF DIRECTORS

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

Sr. No.	Name	Designation	DIN	Residential Address
1.	Navin Ramniwas Agarwal	Managing Director	00790629	49, Satyam Bunglow, Opp-Karnavati Club, B/H Anand Niketan School, Satellite, Ahmedabad, Gujarat – 380015, India
2.	Ashok Ramniwas Agarwal	Non-Executive Non-Independent Director	01790639	14 Satyam Bunglows, Opp Karnavati Club, B/H Ramdevnagar, Off SG Road, Ahmedabad, Gujarat – 380 015, India
3.	Anup Ramniwas Agarwal	Non-Executive Non-Independent Director	01790620	48, Satyam Bunglows, Opp Shalby Hospital, Ahmedabad City, Gujarat-380 015, India

4.	Ajay Govind Agarwal	Independent Director	11761372	Flat No. 22, Tower A, Someshwar Complex-2, Near Jodhpur Char Rasta, Satellite Road, Ahmedabad, Gujarat-380015
5.	Ummay Amen Hitawala	Independent Director	10594350	33, Old Fatehpura, Girwa, P.O: Udaipur Shastri Circle, Rajasthan- 313001
6.	Raghav Sunil Modi	Independent Director	11767712	20, Gokul Row House, Ahmedabad, Gujarat, India

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page no. 208 of this Draft Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Raina Singh

Company Secretary and Compliance Officer

Address: Survey No. 169, Piplej Pirana Road, Opp. Bharwad Vaas, Piplej, Ahmedabad, Gujarat, India, 382405

Telephone: +91 9428015692

Email: cs@anilfashions.com

CHIEF FINANCIAL OFFICER

Mr. Pratik Navin Agarwal

Chief Financial Officer

Address: Survey No. 169, Piplej Pirana Road, Opp. Bharwad Vaas, Piplej, Ahmedabad, Gujarat, India, 382405

Telephone: +91 8460747050

Email: cfo@anilfashions.com

INVESTOR GRIEVANCES

Investors may contact our Company Secretary and Compliance Officer and / or the Registrar to the Issue and / or the Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders and / or non-receipt of funds by electronic mode etc.

All Issue related grievances, may be addressed to the Registrar to the Issue, with a copy of the relevant Designated Intermediary(ies) with whom the Application Form was submitted, giving full details such as name of the sole or First Applicant, Application Form number, Applicant’s DP ID, Client ID, PAN, address of Applicant, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Amount was blocked or the UPI ID (if applicable), date of Application Form and the name and address of the relevant Designated Intermediary(ies) where the Application was submitted.

Further, the Applicant shall enclose the Acknowledgement Slip or the application number from the Designated Intermediary(ies) in addition to the documents or information mentioned hereinabove. All grievances relating to Applications submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

In terms of the SEBI Master Circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 (to the extent applicable), any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. In terms of the SEBI Master Circular no. SEBI/HO/CFD/PoD1/P/CIR/2024/0154 dated November 11, 2024 (to the extent applicable), SCSBs are required to compensate the investor immediately on the receipt of complaint. Further, the LM is required to compensate

the investor for delays in grievance redressal from the date on which the grievance was received until the actual date of unblock.

Details of Key Intermediaries pertaining to this Issue of our Company

Lead Manager	Registrar to the Issue
 Mark Corporate Advisors Private Limited Address: 404/1, The Summit, Sant Janabai Road (Service Lane), Off W. E. Highway, Vile Parle (East), Mumbai-400 057, Maharashtra, India. Tel: +91 22 2612 3208 Contact Person: Mr. Niraj Kothari Email: smeipo@markcorporateadvisors.com Website: www.markcorporateadvisors.com Investor Grievance E-mail: investorgrievance@markcorporateadvisors.com SEBI Registration No.: INM000012128 CIN: U67190MH2008PTC181996	 Bigshare Services Private Limited Address: Office no. S6-2, 6th Floor, Pinnacle Business Park, Mahakali Caves Road, Next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India. Tel: + 91 22 6263 8200 Contact Person: Mr. Babu Rapheal Email: ipo@bigshareonline.com Website: www.bigshareonline.com Investor Grievance E-mail: investor@bigshareonline.com SEBI Registration No.: INR000001385 CIN: U99999MH1994PTC076534
Legal Advisor to the Issue	Statutory and Peer Review Auditor of the Issue
 Agama Law Associates Address: 1301, 13th Floor, Lodha Supremus, Opp. MTNL Office, Saki Vihar Road, Powai, Mumbai – 400 072, Maharashtra, India Tel: +91 22 4022 9129 Contact Person: Ms. Archana Balasubramanian Email: capitalmarkets@agamalaw.com Website: https://www.agamalaw.com/	M/s. B.M. Saraf and Company* Address: 201, Swayam Complex, 9-B, Shreyas Colony, near Stadium Circle, Navrangpura, Ahmedabad, Gujarat, India. Tel: 079-26440646 Contact Person: Deepesh Mittal Email: bmsarafca@gmail.com Website: N.A. Firm Registration No.: 109239W Peer Review Certificate No.: 026180 <i>*M/s B.M. Saraf and Company, Chartered Accountants, hold a valid peer review certificate dated June 11, 2026 issued by the Institute of Chartered Accountants of India valid till June 30, 2029.</i>
Banker to our Company	
 Punjab National Bank Address: Station Road, C-1, Mahipatram Rupram Ashram, Sarangpur, Ahmedabad - 380022 Tel: 9784847474 Contact Person: Vijay Singh Chauhan Email: bo012010@pnb.bank.in Website: https://pnb.bank.in/ CIN: PUNB	 Small Industries Development Bank of India Address: Ground Floor, Unit No.: GP-06 & 07, Titanium Heights, Behind Vodafone, Corporate Road, Makarba, Ahmedabad - 380015. Tel: 079 4804488 Contact Person: Avadhesh Kumar Email: changodar@sidbi.in Website: https://www.sidbi.in/en/
Market Maker to the Issue*	Banker to the Issue & Sponsor Bank*
Name: [●] Address: [●] Tel: [●] Contact Person: [●] Email: [●] Website: [●] SEBI Registration No.: [●]	Name: [●] Address: [●] Tel: [●] Contact Person: [●] Email: [●] Website: [●]

**The Banker to the Issue and Sponsor Bank and Market Maker shall be appointed prior to filing of the Prospectus with the RoC.*

DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Bidders (other than Individual Investors) is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time. Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at www.sebi.gov.in.

Eligible SCSBs as Sponsor Banks and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism, is provided as 'Annexure A' as per SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and is also available on (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) for SCSBs and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, for applications or such other websites as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the ASNA Specified Location named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and updated from time to time. For more information on such branches collecting Bid-cum-Application Forms from the Syndicate at ASBA Specified Locations, refer to the above-mentioned SEBI link.

Registered Brokers

The list of Registered of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and email address, is provided on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

Registrar to the Issue and Share Transfer Agents

The list of RTA s eligible to accept ASBA Forms at the Designated RTA Locations, including details such as postal address, telephone number and email address, is provided on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10> 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 on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Form from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

FILING THE DRAFT PROSPECTUS / PROSPECTUS

This Draft Prospectus is being filed with BSE SME, where the Equity Shares are proposed to be listed. The Draft Prospectus filed with BSE will be made public for comments, if any, for a period of at least twenty-one days from the date of filing the Draft Prospectus, by hosting it on our Company's website <https://www.anilfashions.com/>, BSE SME website www.bseindia.com and Lead Manager's website.

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

A copy of the Prospectus, along with the material contracts and documents will also be filed with the Registrar of Companies, Ahmedabad, ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380013, Gujarat, India, 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>.

IPO GRADING

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

CREDIT GRADING

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

DEBENTURE TRUSTEES

As this is an Issue of Equity Shares, the appointment of debenture trustees is not required.

GREEN SHOE OPTION

No Green Shoe Option is contemplated under this Issue.

BROKERS TO THE ISSUE

All members of the recognised Stock Exchanges would be eligible to act as brokers to the Issue.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Mark Corporate Advisors Private Limited is the sole Lead Manager to the Issue, a statement of inter-se allocation of responsibilities among the Lead Manager is not applicable.

MONITORING AGENCY

In terms of Regulation 262 of the SEBI ICDR Regulations, our Company shall not appoint a Monitoring Agency for monitoring the utilisation of Net Proceeds, prior to filing of the Draft Prospectus, as the size of the Issue does not exceed ₹ 5,000 Lakhs.

APPRAISING ENTITY

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

CHANGES IN AUDITORS DURING THE LAST THREE YEARS

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

Name of Auditor	Date of Change	Reason for Change	Period
M/s. Kunal Agarwal & Associates: A-605, Joyos Hubtown, GSRTC Bus Compound, Gita Mandir, Ahmedabad, Gujarat, India. Tel: +91 9426346360 Email: kunalsagarawal@yahoo.in Website: https://caka.in/ Contact Person: Mr. Kunal Agarwal Firm Registration No.: 132720W Membership No.: 140235	September 29, 2018	Appointment as the Statutory Auditor of the Company	April 1, 2018 till March 31, 2023
M/s. B.M. Saraf and Company: 201, Swayam Complex, 9-B, Shreyas Colony, near Stadium Circle, Navrangpura, Ahmedabad, Gujarat, India. Tel: 079-26440646 Email: bmsarafca@gmail.com Website: N.A. Contact Person: Deepesh Mittal Firm Registration No.: 109239W Membership No.: 070204 Peer Review Certificate No.: 026180	September 30, 2023	Appointment as the Statutory Auditor of the Company	April 1, 2023 till March 31, 2028

EXPERT OPINION

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

- Written consent dated September 25, 2026 received from M/s B.M. Saraf and Company, Chartered Accountants, to include their name as required under Section 26(1) of the Companies Act read with SEBI ICDR Regulations, in this Draft Prospectus, and as an “expert” as defined under Section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditor, and in respect of their (i) examination report, dated September 25, 2026, on the Restated Consolidated Financial Statements; (ii) their report dated September 25, 2026 on the proforma consolidated financial information, and (iii) their expert report dated September 25, 2026, on the statement of special tax benefits available to our Company, Subsidiary and Shareholders in this Draft Prospectus and such consent has not been withdrawn until the filing of this Draft Prospectus. However, the term “expert” shall not be construed to mean an “expert” under the U.S. Securities Act.
- Written consent dated September 09, 2026, received from Independent Chartered Engineer, Mr. Dinesh P. Jani, to include their name as an “expert” as defined under Section 26 of the Companies Act, in this Draft Prospectus and be named as an “expert” as defined under Section 2(38) of the Companies Act in respect of their certificate dated September 09, 2026, on independent verification of installed plant and machinery, and such consent has not been withdrawn until the filing of this Draft Prospectus. However, the term “expert” shall not be construed to mean an “expert” under the U.S. Securities Act.

WITHDRAWAL OF THE ISSUE

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

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

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

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

UNDERWRITERS

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% underwritten. The underwriting agreement is dated [●] and pursuant to the terms of the underwriting agreement, obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being issued through this Issue.

Name, address, telephone number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten*	Amount Underwritten	% of the total Issue Size
[●] Address: [●] Telephone: [●] Email: [●] Website: [●] Contact Person: Mr. [●] SEBI Registration No. [●]	[●]	[●]	100%

**Includes [●] Equity Shares having face value of ₹[●]/- each for cash of ₹[●] Lakhs being the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations, as amended.*

In the opinion of the Board, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective underwriting obligations in full.

Details of the Market Making Arrangement for this Issue

Our Company and the LM have entered into a tripartite agreement dated [●] with following Market Maker for this Issue, duly registered with the Stock Exchange to fulfill the obligations of Market Making:

Name	[●]
Address	[●]
Telephone No.	[●]
Website	[●]
Email	[●]
Contact Person	[●]
SEBI Registration Number	[●]
Market Maker Registration Number	[●]
CIN	[●]

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

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

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

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

1. The Market Maker shall be required to provide a two-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of BSE Limited and SEBI from time to time.
3. The minimum depth of the quote shall be ₹ 1 Lakh. However, the investors with holdings of value less than ₹1 Lakh 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.
4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the the Stock Exchange (in this case currently the minimum trading lot size is 1000 Equity Shares; however, the same may be changed by the Stock Exchange from time to time).
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
6. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
7. After a period of three months from the market making period, the Market Maker would be exempted to provide quote if the Equity Shares of Market Maker in our Company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Equity Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing two way quotes.
8. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, the Stock Exchange may intimate the same to SEBI after due verification.
9. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
10. On the first day of the listing, there will be pre-opening session (call auction) and thereafter the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
11. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
12. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Stock Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Stock Exchange for deciding controllable and non-controllable reasons would be final.
13. **Risk containment measures and monitoring for Market Makers:** Stock Exchange 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.
14. **Punitive Action in case of default by Market Maker:** Stock Exchange 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 Stock Exchange on the Market Makers, 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 Stock Exchange from time to time. The Stock Exchange will impose a penalty on the Market Maker(s) in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

15. The Market Maker(s) shall have the right to terminate said arrangement by giving a one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s). In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the LM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations. Further, our Company and the LM reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

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

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

Pursuant to SEBI circular no. 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 issue size and as follows:

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

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

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

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CAPITAL STRUCTURE

The share capital of our Company as on date of this Draft Prospectus and after giving effect to the Issue is set forth below:

(In ₹ Lakhs)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A	Authorized Share Capital ⁽¹⁾ 2,50,00,000 Equity Shares having Face Value of ₹ 10/- each	2500.00	-
B	Issued, Subscribed & Paid-up Share Capital prior to the Issue 1,71,10,583 Equity Shares having Face Value of ₹10/- each	1711.06	-
C	Present Issue in terms of this Draft Prospectus* Issue of up to 68,02,000 Equity Shares having Face Value of ₹ 10/- each at a price of ₹ [●] (including Premium of ₹ [●]) per Equity Shares aggregating up to ₹ [●] Lakhs	[●]	[●]
	Which comprises of:		
D	Reservation for Market Maker Portion [●] Equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share reserved as Market Maker Portion	[●]	[●]
E	Net Issue to Public Net Issue to Public of [●] Equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share to the Public	[●]	[●]
	Of the Net Issue to the Public ⁽²⁾:		
	i. Allocation to Individual Investors: At least [●] Equity Shares aggregating up to ₹ [●] Lakhs will be available for allocation to Individual Investors	[●]	[●]
	ii. Allocation to Non-Institutional Investors: [●] Equity Shares aggregating up to ₹ [●] Lakhs will be available for allocation to Non-Institutional Investors	[●]	[●]
F	Issued, Subscribed and Paid-up Equity Share Capital after the Issue**		
	Up to 2,39,12,583 Equity Shares of face value of ₹10/- each		2391.26
G	Securities Premium Account		
	Before the Issue (as on date of this Draft Prospectus)		NIL
	After the Issue***		[●]

* The present Issue has been authorized pursuant to a resolution of our Board dated August 24, 2026 and a special resolution of our Shareholders at an Annual General Meeting dated September 01, 2026 under Section 62(1)(c) of the Companies Act, 2013.

**Subject to finalization of Basis of Allotment.

***To be included upon finalisation of the Issue Price and subject to the Basis of Allotment.

(1) For details in relation to the changes in the authorised share capital of our Company in the last 10 years, please refer the chapter titled “**History and Certain Corporate Matters – Amendments to the Memorandum of Association**” on page no. 201 of this Draft Prospectus.

(2) For detailed information on the Net Issue and its allocation various categories, please refer the section titled “**The Issue**” beginning on page no. 52 of this Draft Prospectus.

CLASSES OF SHARES

Our Company has only one class of share capital i.e. Equity Shares of face value of ₹ 10/- each. All the issued

Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.

NOTES TO THE CAPITAL STRUCTURE

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

The current authorised capital of our Company is ₹ 25,00,00,000/- divided into 2,50,00,000 Equity Shares of ₹ 10 each. Further, the changes in authorised share capital of our Company are provided in the manner set forth below:

Date of Shareholder's Meeting	Particulars of Change		AGM/EGM
	From	To	
January 05, 2011 ⁽¹⁾	₹ 5,00,000/- divided into 50,000 Equity Shares of ₹ 10/- each	₹15,00,000/- divided into 1,50,000 Equity Shares of ₹ 10/- each	EGM
Error! Bookmark not defined. ⁽²⁾	₹15,00,000/- divided into 1,50,000 Equity Shares of ₹ 10/- each	₹35,00,000/- divided into 3,50,000 Equity Shares of ₹ 10/- each	AGM
Error! Bookmark not defined. ⁽³⁾	₹35,00,000/- divided into 3,50,000 Equity Shares of ₹ 10/- each	₹2,70,00,000/- divided into 27,00,000 Equity Shares of ₹ 10/- each	EGM
September 01, 2026 ⁽⁴⁾	₹2,70,00,000/- divided into 27,00,000 Equity Shares of ₹ 10/- each	₹25,00,00,000/- divided into 2,50,00,000 Equity Shares of ₹ 10/- each.	AGM

⁽¹⁾ Pursuant to shareholders' resolution vide Extra Ordinary General Meeting dated January 05, 2011, the Company increased its Authorised Share Capital from ₹5,00,000/- divided into 50,000 Equity Shares of ₹10/- each to ₹15,00,000/- divided into 1,50,000 Equity Shares of ₹10/- each.

⁽²⁾ Pursuant to shareholders' resolution vide Annual General Meeting dated September 30, 2015, the Company increased its Authorised Share Capital from ₹15,00,000/- divided into 1,50,000 Equity Shares of ₹10/- each to ₹35,00,000/- divided into 3,50,000 Equity Shares of ₹10/- each.

⁽³⁾ Pursuant to Order of Honourable National Company Law Tribunal, Ahmedabad by virtue of scheme of arrangement dated November 20, 2025, the Company increased its Authorised Share Capital from ₹35,00,000 divided into 3,50,000 Equity Shares of ₹ 10/- each to ₹ 2,70,00,000 divided into 27,00,000 Equity Shares of ₹ 10/- each.

⁽⁴⁾ Pursuant to shareholder's resolution vide Annual General Meeting dated September 01, 2026, the Company increased its Authorised Share Capital from ₹2,70,00,000/- divided into 27,00,000 Equity Shares of ₹10/- each to ₹25,00,00,000/-divided into 2,50,00,000 Equity Shares of ₹10/- each.

2. History of Paid-up Equity Share Capital of our Company:

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

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Capital (₹)
On Incorporation ⁽¹⁾	700	10	10	Cash	Subscription to Memorandum of Association	700	7,000
June 05, 2004 ⁽²⁾	10,000	10	10	Cash	Rights Issue	10,700	1,07,000
March 31, 2007 ⁽³⁾	39,300	10	10	Cash	Rights Issue	50,000	5,00,000

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Capital (₹)
June 23, 2011 ⁽⁴⁾	1,00,000	10	100	Cash	Rights Issue	1,50,000	15,00,000
November 24, 2015 ⁽⁵⁾	1,67,000	10	100	Cash	Private Placement	3,17,000	31,70,000
December 18, 2025 ⁽⁶⁾	5,83,557	10	10	Other than Cash	Scheme of Amalgamation	9,00,557	90,05,570
September 10, 2026 ⁽⁷⁾	1,62,10,026	10	N.A	N.A	Bonus Issue (18 bonus shares for every 1 equity shares held)	1,71,10,583	17,11,05,830

Notes to Capital Structure:

- (1) Initial subscribers to Memorandum of Association subscribed 700 Equity Shares as per details given below:

Sr. No.	Name of allottees	No. of Equity Shares allotted
1.	Navin Ramniwas Agarwal	100
2.	Ronak Adesara	100
3.	Shiraj Baghadiya	100
4.	Hargovan Parmar	100
5.	Nayak Apurva	100
6.	Kapil Sethia	100
7.	Manish Sharma	100
Total		700

- (2) Preferential Allotment of 10,000 Equity Shares of face value ₹10/- each issued at par as per the details given below:

Sr. No.	Name of allottees	No. of Equity Shares allotted
1.	Rachnadevi Kejriwal	10,000
Total		10,000

- (3) Preferential Allotment of 39,300 Equity Shares of face value of ₹10/- each issued at par as per the details given below:

Sr. No.	Name of allottees	No. of Equity Shares allotted
1.	Navin Ramniwas Agarwal	22,900
2.	Ashok Ramniwas Agarwal	16,400
Total		39,300

- (4) Preferential Allotment of 1,00,000 Equity Shares of face value of ₹10/- each issued at a premium of ₹90/- each as per the details given below:

Sr. No.	Name of allottees	No. of Equity Shares allotted
1.	Anup Agarwal and Sons HUF	10,000
2.	Navin Agarwal HUF	10,000
3.	Ashok Agarwal HUF	6,300
4.	Bijay Laxmi Harlalka	5,000
5.	Ritesh Anup Agarwal	400
6.	Pratik Navin Agarwal	400
7.	Deepesh Anup Agarwal	850
8.	Priti Navin Agarwal	12,500
9.	Sakshi Ashok Agarwal	8,000
10.	Neelam Anup Agarwal	11,200
11.	Poonam Ashok Agarwal	7,300
12.	Anup Ramniwas Agarwal	4,500
13.	Kamla Devi Agarwal	100
14.	Pinky Pravin Agarwal	50

15.	Ashok Ramniwas Agarwal	11,200
16.	Navin Ramniwas Agarwal	12,200
Total		1,00,000

- (5) Private Placement of 1,67,000 Equity Shares of face value ₹10/- each issued at a premium of ₹80/- each as per the details given below:

Sr. No.	Name of allottees	No. of Equity Shares allotted
1.	Navin Ramniwas Agarwal	22,500
2.	Ashok Ramniwas Agarwal	22,500
3.	Poonam Agarwal	22,500
4.	Neelam Anup Agarwal	22,500
5.	Anup Ramniwas Agarwal	22,500
6.	Priti Agarwal	22,500
7.	Navin Agarwal HUF	11,000
8.	Anup Agarwal and Sons HUF	10,000
9.	Deepesh Agarwal	11,000
Total		1,67,000

- (6) Scheme of Amalgamation of 5,83,557 Equity Shares of face value ₹10/- each issued at par as per the details given below:

Sr. No.	Name of allottees	No. of Equity Shares allotted
1	Anup Agarwal and Sons HUF	60,447
2.	Anup Ramniwas Agarwal	42,189
3.	Ashok Agarwal HUF	60,261
4.	Ashok Ramniwas Agarwal	75,039
5.	Deepesh Agarwal HUF	12,135
6.	Deepesh Anup Agarwal	28,689
7.	Hitika Navin Agarwal	7,017
8.	Navin Agarwal HUF	45,564
9.	Navin Ramniwas Agarwal	41,688
10.	Neelam Anup Agarwal	43,950
11.	Poonam Ashok Agarwal	43,578
12.	Prachi Ashok Agarwal	8,385
13.	Pratik Agarwal	7,824
14.	Priti Navin Agarwal	40,824
15.	Ramniwas Agarwal HUF and Sons	61,098
16.	Ritesh Anup Agarwal	1,869
17.	Sakshi Ashok Agarwal	3,000
Total		5,83,557

- (7) Bonus Issue of 1,62,10,026 Equity Shares of face value ₹10/- each issued at par as per details given below:

Sr. No.	Name of allottees	No. of Equity Shares allotted
1.	Deepesh Agarwal HUF	2,18,430
2.	Hitika Navin Agarwal	1,28,106
3.	Sakshi Ashok Agarwal	1,98,000
4.	Neelam Agarwal	13,97,700
5.	Ashok Ramniwas Agarwal	25,33,716
6.	Navin Ramniwas Agarwal	25,62,408
7.	Poonam Ashok Agarwal	13,22,604
8.	Pratik Navin Agarwal	1,48,032
9.	Priti Agarwal	13,66,632
10.	Navin Agarwal HUF	11,98,152
11.	Anup Ramniwas Agarwal	15,67,728
12.	Deepesh Anup Agarwal	7,30,602
13.	Ritesh Anup Agarwal	40,842
14.	Ashok Kumar Agarwal HUF	11,98,098
15.	Anup Agarwal and Sons HUF	14,48,046
16.	Prachi Prerak Agarwal	1,50,930

Total	1,62,10,026
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3. Preference Share capital history of our Company

Our Company does not have any preference share capital as on the date of this Draft Prospectus.

4. Issue of equity shares for consideration other than cash or by way of bonus issue or out of revaluation of reserves

Our Company has not issued equity shares out of revaluation of reserves since its incorporation. Except as set out below, our Company has not issued Equity Shares for consideration other than cash or through bonus issues:

Date of Allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price	Nature of Allotment	Benefit accrued to our Company	List of Allottees	
						Name of Allottees	Number of shares allotted
December 18, 2025	5,83,557	10	10	Allotment of Equity Shares in the ratio of 39 equity share(s) of Rs. 10/- each of the Company for every 100 equity share(s) held in Anil Fashions Private Limited (Transferor Company No. 1) and 141 equity share(s) of Rs. 10/- each of the Company for every 100 equity share(s) held in Gray Solutions Private Limited (Transferor Company No. 2) in the Company to the eligible shareholders of Anil Fashions Private Limited and Gray Solutions Private limited, whose names appear in the register of members/beneficial owners as on the Record Date 12/12/2025, pursuant to the Scheme of Arrangement authorized by our Board pursuant to a resolution passed at its meeting dated December 18, 2025.	Operational Synergies and Administrative Efficiency	Anup Agarwal and Sons HUF	60,447
						Anup Ramniwas Agarwal	42,189
						Ashok Agarwal HUF	60,261
						Ashok Ramniwas Agarwal	75,039
						Deepesh Agarwal HUF	12,135
						Deepesh Anup Agarwal	28,689
						Hitika Navin Agarwal	7,017
						Navin Agarwal HUF	45,564
						Navin Ramniwas Agarwal	41,688
						Neelam Anup Agarwal	43,950
						Poonam Ashok Agarwal	43,578
						Prachi Ashok Agarwal	8,385

						Pratik Agarwal	7,824
						Priti Navin Agarwal	40,824
						Ramniwas Agarwal HUF and Sons	61,098
						Ritesh Anup Agarwal	1,869
						Sakshi Ashok Agarwal	3,000
September 10, 2026	1,62,10,026	10	N.A .	Bonus issue in the ratio of eighteen (18) equity shares issued for every one (1) equity share held by the existing Equity Shareholders authorised by our Shareholders pursuant to a resolution passed at its meeting dated September 01, 2026 and Board Resolution dated September 10, 2026.	Capitalization of Reserves	Name of Allottees	Number of shares allotted
						Deepesh Agarwal HUF	2,18,430
						Hitika Navin Agarwal	1,28,106
						Sakshi Ashok Agarwal	1,98,000
						Neelam Agarwal	13,97,700
						Ashok Ramniwas Agarwal	25,33,716
						Navin Ramniwas Agarwal	25,62,408
						Poonam Ashok Agarwal	13,22,604
						Pratik Navin Agarwal	1,48,032
						Priti Agarwal	13,66,632
						Navin Agarwal HUF	11,98,152
						Anup Ramniwas Agarwal	15,67,728
						Deepesh Anup Agarwal	7,30,602
						Ritesh Anup Agarwal	40,842
						Ashok Kumar Agarwal HUF	11,98,098

						Anup Agarwal and Sons HUF	14,48,046
						Prachi Prerak Agarwal	1,50,930

5. Issue of Equity Shares having superior voting rights

Our Company has not issued any Equity Shares having superior voting rights compared to all other Equity Shares issued, as on the date of this Draft Prospectus.

6. Shares issued under Sections 391 to 394 of Companies Act, 1956 or Sections 230 to 234 of Companies Act, 2013

As of date of this Draft Prospectus, except as set out below, our Company has not allotted Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 and/or sections 230-234 of the Companies Act, 2013:

Date of Allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price	Nature of Allotment	Benefit accrued to our Company	List of Allottees	
December 18, 2025	5,83,557	10	10	Allotment of Equity Shares in the ratio of 287 equity share(s) of Rs. 10/- each of the Company for every 111 equity share(s) held in Anil Fashions Private Limited (Transferor Company No. 1) and 404 equity shares of Rs. 10/- each of Gray Solutions Private Limited (Transferor Company No. 2) in the Company to the eligible shareholders of Anil Fashions Private Limited and Gray Solutions Private limited, whose names appear in the register of members/beneficial owners as on the Record Date 12/12/2025, pursuant to the Scheme of Arrangement authorized by our Board pursuant to a resolution passed at	Operational Synergies and Administrative Efficiency	Name of Allottees	Number of shares allotted
						Anup Agarwal and Sons HUF	60,447
						Anup Ramniwas Agarwal	42,189
						Ashok Agarwal HUF	60,261
						Ashok Ramniwas Agarwal	75,039
						Deepesh Agarwal HUF	12,135
						Deepesh Anup Agarwal	28,689
						Hitika Navin Agarwal	7,017
						Navin Agarwal HUF	45,564
						Navin Ramniwas Agarwal	41,688

				its meeting dated December 18, 2025.		Neelam Anup Agarwal	43,950
						Poonam Ashok Agarwal	43,578
						Prachi Ashok Agarwal	8,385
						Pratik Agarwal	7,824
						Priti Navin Agarwal	40,824
						Ramniwas Agarwal HUF and Sons	61,098
						Ritesh Anup Agarwal	1,869
						Sakshi Ashok Agarwal	3,000

7. Shares issued pursuant to Employee Stock Option Scheme or Employee Stock Purchase Scheme

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

8. Equity Shares issued in the preceding one year lower than the Issue Price

The Issue Price shall be decided by our Company in consultation with the Lead Manager. Our Company has not issued any equity shares which may be lower than the Issue Price during the period of one year preceding the date of this Draft Prospectus except as disclosed herein.

9. Shareholding Pattern of our Company

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

(The remainder of this page is left blank intentionally.)

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying depositary receipts (VI)	Total No. of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares underlying outstanding convertible securities (including warrants)	Shareholding as a % assuming full conversion of convertible securities No. (a)	No. of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Class (Equity)	Total	Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoters and Promoter Group	16	1,71,10,583			1,71,10,583	100	1,71,10,583	1,71,10,583	100							1,71,10,583
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter - Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	ng depos itory receipt																
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total		16	1,71,10,583			1,71,10,583	100.00	1,71,10,583	1,71,10,583	100.00							1,71,10,583

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

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10. Details of equity shareholding of the major Shareholders of our Company:

- a) Particulars of the shareholders holding 1% (one percent) or more of the paid-up share capital of our Company as on the date of filing of this Draft Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Deepesh Agarwal HUF	2,30,565	1.35
2.	Sakshi Ashok Agarwal	2,09,000	1.22
3.	Neelam Anup Agarwal	14,75,350	8.62
4.	Ashok Ramniwas Agarwal	26,74,478	15.63
5.	Navin Ramniwas Agarwal	27,04,764	15.81
6.	Poonam Ashok Agarwal	13,96,082	8.16
7.	Priti Agarwal	14,42,556	8.43
8.	Navin Agarwal HUF	12,64,716	7.40
9.	Anup Ramniwas Agarwal	16,54,824	9.67
10.	Deepesh Anup Agarwal	7,71,191	4.51
11.	Ashok Kumar Agarwal HUF	12,64,659	7.39
12.	Anup Agarwal and Sons HUF	15,28,493	8.93
Total		1,66,16,678	97.12

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

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Deepesh Agarwal HUF	2,30,565	1.35
2.	Sakshi Ashok Agarwal	2,09,000	1.23
3.	Neelam Anup Agarwal	14,75,350	8.62
4.	Ashok Ramniwas Agarwal	26,74,478	15.63
5.	Navin Ramniwas Agarwal	27,04,764	15.81
6.	Poonam Ashok Agarwal	13,96,082	8.15
7.	Priti Agarwal	14,42,556	8.44
8.	Navin Agarwal HUF	12,64,716	7.40
9.	Anup Ramniwas Agarwal	16,54,824	9.67
10.	Deepesh Anup Agarwal	7,71,191	4.50
11.	Ashok Kumar Agarwal HUF	12,64,659	7.39
12.	Anup Agarwal and Sons HUF	15,28,493	8.93
Total		1,66,16,678	97.12

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

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Navin Ramniwas Agarwal	99,388	11.04
2.	Ashok Ramniwas Agarwal	1,30,339	14.47
3.	Poonam Ashok Agarwal	73,478	8.16
4.	Neelam Anup Agarwal	77,650	8.62
5.	Anup Ramniwas Agarwal	79,389	8.82
6.	Priti Navin Agarwal	75,924	8.43
7.	Anup Agarwal and Sons HUF	80,447	8.93
8.	Navin Agarwal HUF	66,564	7.39

9.	Ashok Kumar Agarwal HUF	66,561	7.39
10.	Deepesh Anup Agarwal	40,589	4.51
11.	Sakshi Ashok Agarwal	11,000	1.22
12.	Ramniwas Agarwal and Sons Agarwal	61,098	6.78
13.	Deepesh Agarwal HUF	12,135	1.35
Total		8,74,562	97.11

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

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Sakshi Ashok Agarwal	8,000	2.52
2.	Neelam Anup Agarwal	33,700	10.63
3.	Ashok Ramniwas Agarwal	55,300	17.44
4.	Navin Ramniwas Agarwal	57,700	18.20
5.	Poonam Ashok Agarwal	29,900	9.43
6.	Priti Agarwal	35,100	11.07
7.	Navin Agarwal HUF	21,000	6.62
8.	Anup Ramniwas Agarwal	37,200	11.74
9.	Deepesh Anup Agrawal	11,900	3.75
10.	Ashok Kumar Agarwal HUF	6,300	1.99
11.	Anup Agarwal and Sons HUF	20,000	6.31
Total		3,16,100	99.71

- e) None of the shareholders of our Company holding 1% or more of the paid-up capital of the Company as on the date of the filing of the Draft Prospectus are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan or other instrument.
- f) Our Company has not made any initial public offer of its Equity Shares or any convertible securities during the preceding 02 (two) years from the date of this Draft Prospectus.

11. Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid / Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or otherwise. Provided however, that the foregoing restrictions do not apply to the issuance of any Equity Shares pursuant to the Issue.

12. Details of the Build-up of our Promoters' shareholding

Set forth below are the details of the build-up of shareholding of our Promoters:

Date of Allotment and made fully paid up/ Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F. V.	Issue / Transfer Price (in Rs.)	Cumulative no. of Equity Shares	% of Pre-Issue Equity Paid Up Capital	% of Post-Issue Equity Paid Up Capital	No. of Shares Pledged	% of shares pledged
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Navin Ramniwas Agarwal										
January 15, 1999	Upon Subscription to MOA	Cash	100	10	10	100	0.01	[●]	N.A.	N.A.
March 31, 2007	Preferential Allotment	Cash	22,900	10	10	23,000	2.54	[●]	N.A.	N.A.
June 23, 2011	Preferential Allotment	Cash	12,200	10	10	35,200	1.36	[●]	N.A.	N.A.
November 24, 2015	Private Placement	Cash	22,500	10	10	57,700	2.50	[●]	N.A.	N.A.
December 18, 2025	Scheme of Amalgamation	Other than Cash	41,688	10	10	99,388	4.63	[●]	N.A.	N.A.
August 25, 2026	Transfer from Ramniwas Agarwal and Sons HUF to Navin Ramniwas Agarwal	Cash	42,968	10	10	1,42,356	4.77	[●]	N.A.	N.A.
September 10, 2026	Bonus Issue	N.A.	25,62,408	10	N.A	27,04,764	14.97	[●]	N.A.	N.A.
Total			27,04,764				15.81			
Ashok Ramniwas Agarwal										
August 19, 2004	Transfer from Ronak Adesara to Ashok Ramniwas Agarwal	Cash	100	10	10	100	0.01	[●]	N.A.	N.A.
March 31, 2007	Preferential Allotment	Cash	16,400	10	10	16,500	1.82	[●]	N.A.	N.A.
June 23, 2011	Preferential Allotment	Cash	11,200	10	10	27,700	1.24	[●]	N.A.	N.A.
November 24, 2015	Private Placement	Cash	22,500	10	10	50,200	2.50	[●]	N.A.	N.A.
May 20, 2016	Transfer from Bijaylakshmi Harlalka to Ashok Ramniwas Agarwal	Cash	5,100	10	10	55,300	0.57	[●]	N.A.	N.A.
December 18, 2025	Scheme of Amalgamation	Other than Cash	75,039	10	10	1,30,339	8.33	[●]	N.A.	N.A.
August 25, 2026	Transfer from Ramniwas Agarwal and Sons HUF to Ashok Ramniwas Agarwal	Cash	10,423	10	10	1,40,762	1.16	[●]	N.A.	N.A.
September 10, 2026	Bonus Issue	N.A.	25,33,716	10	N.A	26,74,478	14.80	[●]	N.A.	N.A.
Total			26,74,478				15.63			
Anup Ramniwas Agarwal										
August 19, 2004	Transfer from Apurva Bakulchandra	Cash	100	10	10	100	0.01	[●]	N.A.	N.A.

	Nayak to Anup Ramniwas Agarwal									
June 23, 2011	Preferential Allotment	Cash	4,500	10	10	4,600	0.50	[●]	N.A.	N.A
November 16, 2005	Transfer from Rachnadevi Kejriwal to Anup Ramniwas Agarwal	Cash	10,000	10	10	14,600	1.11	[●]	N.A.	N.A
November 24, 2015	Private Placement	Cash	22,500	10	10	37,100*	2.50	[●]	N.A.	N.A
May 01, 2019	Transfer from Neelam Agarwal to Anup Ramniwas Agarwal	Cash	100	10	10	37,200*	0.01	[●]	N.A.	N.A
December 18, 2025	Scheme of Amalgamation	Other than Cash	42,189	10	10	79,389	4.68	[●]	N.A	N.A
August 25, 2026	Transfer from Ramniwas Agarwal and Sons HUF to Anup Ramniwas Agarwal	Cash	7,707	10	10	87,096	0.86	[●]	N.A	N.A
September 10, 2026	Bonus Issue	N.A.	15,67,728	10	N.A	16,54,824	9.16	[●]	N.A.	N.A
Total			16,54,824				9.68			

*Due to typographical error, the list of shareholders attached to the Form MGT-7 and AOC-4 filed for the relevant periods inadvertently mentions the number of shares held by Mr. Anup Agarwal as 37,100 and by Ms. Neelam Agarwal as 33,800. The actual shares held by Mr. Anup Agarwal and Ms. Neelam Agarwal during the said period were 37,200 and 33,700, respectively, pursuant to transfer of 100 shares by Ms. Neelam Agarwal to Mr. Anup Agarwal on May 01, 2019.

13. As on the date of the Draft Prospectus, the Company has 16 (sixteen) shareholders.

14. The details of the Shareholding of the members of the Promoter & Promoter Group as on the date of this Draft Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholders	Pre-Issue		Post Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
Promoters					
1.	Ashok Ramniwas Agarwal	26,74,478	15.63	26,74,478	[●]
2.	Navin Ramniwas Agarwal	27,04,764	15.81	27,04,764	[●]
3.	Anup Ramniwas Agarwal	16,54,824	9.67	16,54,824	[●]
Promoter Group					
4.	Poonam Ashok Agarwal	13,96,082	8.16	13,96,082	[●]
5.	Deepesh Anup Agarwal	7,71,191	4.51	7,71,191	[●]
6.	Neelam Anup Agarwal	14,75,350	8.62	14,75,350	[●]
7.	Ritesh Anup Agarwal	43,111	0.25	43,111	[●]
8.	Prachi Prerak Agarwal	1,59,315	0.93	1,59,315	[●]
9.	Pratik Navin Agarwal	1,56,256	0.91	1,56,256	[●]
10.	Priti Navin Agarwal	14,42,556	8.43	14,42,556	[●]
11.	Hitika Navin Agarwal	1,35,223	0.79	1,35,223	[●]
12.	Sakshi Ashok Agarwal	2,09,000	1.22	2,09,000	[●]

13.	Deepesh Agarwal HUF	2,30,565	1.36	2,30,565	[●]
14.	Navin Agarwal HUF	12,64,716	7.39	12,64,716	[●]
15.	Ashok Kumar Agarwal HUF	12,64,659	7.39	12,64,659	[●]
16.	Anup Agarwal and Sons HUF	15,28,493	8.93	15,28,493	[●]
Total		1,71,10,583	100.00	1,71,10,583	[●]

15. Except as mentioned below, there were no shares purchased/sold by the Promoter(s) and Promoter Group, directors of our Company and their relatives during last six months:

Date of Allotment/transfer	Name of Allottee/Transferee/Transferor	Party Category	Number of Shares Allotted/Transferred	Face Value	Issue Price/Transfer Price	Reason of Allotment/Transfer
August 25, 2026	Ashok Ramniwas Agarwal	Promoter	10,423	10	N.A	Gift deed
August 25, 2026	Navin Ramniwas Agarwal	Promoter	42,968	10	N.A	Gift deed
August 25, 2026	Anup Ramniwas Agarwal	Promoter	7,707	10	N.A	Gift deed
September 10, 2026	Ashok Ramniwas Agarwal	Promoter	25,33,716	10	N.A	Bonus Issue
September 10, 2026	Navin Ramniwas Agarwal	Promoter	25,62,408	10	N.A	Bonus Issue
September 10, 2026	Anup Ramniwas Agarwal	Promoter	15,67,728	10	N.A	Bonus Issue

16. There are no financing arrangements wherein the Promoters, Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six (06) months immediately preceding the date of filing of the Draft Prospectus.

17. The average cost of acquisition of Equity Shares by our Promoters is as follows:

Sr. No.	Name of the Promoter	Number of Equity Shares held	Average cost of acquisition per Equity Share (₹)
4.	Mr. Navin Ramniwas Agarwal	27,04,764	2.44
5.	Mr. Ashok Ramniwas Agarwal	26,74,478	2.41
6.	Mr. Anup Ramniwas Agarwal	16,54,824	2.68

18. Promoter's Contribution and other Lock-In details:

Pursuant to Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20.00% (twenty percent) of the fully diluted post-Issue capital of our Company held by the Promoters shall be locked in for a period of three years from the date of Allotment or commencement of commercial production* whichever is later ("**Minimum Promoter's Contribution**"), and the Promoters' shareholding in excess of 20% (twenty percent) of the fully diluted post-Issue Equity Share capital ("**Promoters' Excess Holding Over Minimum Promoters' Contribution**") shall be locked in for a period as follows:.

- 50% (fifty percent) of Promoters' Excess Holding Over Minimum Promoters' Contribution shall be locked in for a period of two years from the date of allotment in the initial public offer; and
- Remaining 50% (fifty percent) of Promoters' Excess Holding Over Minimum Promoters' Contribution shall be locked in for a period of one year from the date of allotment in the initial public offer.

**Commencement of commercial production as per Regulation 238 of the SEBI ICDR Regulations, means the last date of the month in which commercial production of the project in respect of which the funds raised are proposed to be utilised as stated in the offer document, is expected to commence.*

The lock-in of the Minimum Promoter's Contribution would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock exchange before the listing of the Equity Shares.

Following are the details of Minimum Promoter's Contribution:

Name of Promoter	Number of Equity Shares locked-in ^{*(1)(2)(3)}	Nature of Allotment / Transfer	Date of Allotment and Date when made fully paid-up	Face value (in ₹)	Issue / Acquisition Price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)
[●]	[●]	[●]	[●]	[●]	[●]	[●]

* Subject to finalisation of Basis of Allotment.

(1) For a period as specified above from the date of allotment.

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

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

For details of the build-up of the Equity Share capital held by our Promoters, see chapter titled “**Capital Structure - Details of the Build-up of our Promoters' shareholding**” on page no. 81 of this Draft Prospectus. The Promoter's Contribution has been brought to the extent of not less than the specified minimum lot and from persons defined as ‘promoter’ under the SEBI ICDR Regulations.

As on the date of this Draft Prospectus, our Promoters hold **Error! Bookmark not defined.** equity shares constituting **Error! Bookmark not defined.** of the issued, subscribed and paid-up share capital of our Company.

Our Promoters have given their respective consent to include such number of Equity Shares held by them, constituting 20% of the fully diluted post-Issue Equity Share capital of our Company as Promoters' Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of filing this Draft Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under the SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

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

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets.
- Equity Shares resulting from bonus issue by utilization of revaluations reserves or unrealized profits of the Company or from bonus issue against Equity Shares which are otherwise ineligible for minimum promoters' contribution;
- Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- Equity Shares issued to the Promoters upon conversion of a partnership firm or limited liability partnership;
- Equity Shares held by the Promoters that are subject to any pledge; and
- Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoters' Contribution subject to lock-in.
- Equity Shares acquired by our Promoters and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India or any non-individual public shareholder holding at least 5% of the post Issue equity share capital or any entity (individual or non-individual) forming part of our Promoter Group other than the Promoters during the one year preceding the date of this Draft Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue.

Our Company has not been formed by the conversion of a partnership firm into a company in the past one year

and thus, no Equity Shares have been issued to our Promoters upon conversion of a partnership firm in the past one year. All the Equity Shares held by the Promoters and the members of the Promoter Group are held in dematerialized form.

In terms of undertaking executed by our Promoters, Equity Shares forming part of Promoters' Contribution subject to lock in will not be disposed/ sold/ transferred by our Promoters during the period starting from the date of filing of this Draft Prospectus till the date of commencement of lock in period as stated in this Draft Prospectus.

Further, our Promoters have not acquired equity shares in terms of the scheme under Sections 230 to 234 of the Companies Act, as approved by a High Court or a tribunal, as applicable, in lieu of business and invested capital that had been in existence for a period of more than one year prior to such approval.

We are not a government company, statutory authority or corporation or any special purpose vehicle set up by any of them, which is engaged in the infrastructure sector.

Details of pre-issue equity shares held by persons other than the Promoters locked-in for One Year

In terms of Regulation 239 of the SEBI ICDR Regulations, the entire pre-issue equity share capital of our Company will be locked-in for a period of one year from the date of allotment in this Issue except for:

- (a) Equity Shares allotted to employees, whether currently an employee or not, under an employee stock option or employee stock purchase scheme or a stock appreciation right scheme of our Company prior to the initial public offer;
- (b) Equity Shares held by an employee stock option trust or transferred to the employees by an employee stock option trust pursuant to exercise of options by the employees, whether currently employees or not, in accordance with the employee stock option plan or employee stock purchase scheme or a stock appreciation right scheme; Provided that the equity shares allotted to the employees shall be subject to the provisions of lock-in as specified under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (c) Any equity shares held by a VCF or Category I AIF or Category II AIF or FVCI (as defined under the SEBI FVCI Regulations), as applicable, provided that such Equity Shares shall be locked in for a period of at least one year prescribed under the SEBI ICDR Regulations from the date of purchase by such shareholders, and such VCF or Category I AIF or Category II AIF or a FVCI holds, individually or with persons acting in concert, less than 20% of pre-issue Equity Share capital of the Company.

Other details with respect to lock-in, pledge and transferability

As required under Regulation 241 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository. Any unsubscribed portion of the Equity Shares would also be locked-in as required under the SEBI ICDR Regulations.

Pursuant to Regulation 242(a) of the SEBI ICDR Regulations, the Equity Shares held by our Promoters, which is locked-in for a period of 3 years from the date of allotment may be pledged as collateral security for loans granted by scheduled commercial banks, public financial institutions, NBFC-SI or housing finance companies, provided that such loans have been granted by such bank or institution for the purpose of financing one or more of the objects of the Issue and pledge of the Equity Shares is a term of sanction of such loans, which is not applicable in the context of this Issue.

Pursuant to Regulation 242(b) of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which is locked-in for a period of one year and two years from the date of allotment may be pledged as collateral security for loans granted by scheduled commercial banks, public financial institutions, NBFC-SI or housing finance companies, provided that pledge of the Equity Shares is one of the terms of sanction of such loans.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In terms of Regulation 239 read with Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by

persons other than the Promoters prior to the Issue and locked-in for a period of one year from the date of allotment in the Issue may be transferred to any other person holding the Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to continuation of the lock-in in the hands of transferee for the remaining period and compliance with the SEBI Takeover Regulations. Such transferee shall not be eligible to transfer until the expiry of the lock-in period.

In terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters, which is locked-in may be transferred to another promoter or another members of the Promoter Group or to any new promoter or persons in control of our Company, subject to continuation of the lock-in; in the hands of the transferees for the remaining period and in compliance with the SEBI Takeover Regulations, as applicable. Such transferees are not eligible to transfer such transferred Equity Shares till the expiry of the lock-in period.

19. Our Company, our Promoters, our Directors and the Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.
20. All securities offered through the issue shall be made fully paid-up, if applicable, or may be forfeited for non-payment of calls within twelve months from the date of allotment of securities.
21. The post-Issue paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.
22. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
23. There neither have been and there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Draft Prospectus until the Equity Shares have been listed on the Stock Exchange or all application monies have been refunded, as the case may be.
24. Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans, or other convertible instruments into Equity Shares as on the date of this Draft Prospectus.
25. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
26. Our Company shall ensure that any transactions in Equity Shares by our Promoters and the Promoter Group during the period between the date of filing the Draft Prospectus and the date of closure of the Issue, shall be reported to the Stock Exchanges within 24 hours of the transaction.
27. Our Company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Draft Prospectus.
28. All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Prospectus.
29. As on the date of this Draft Prospectus, the Lead Manager, and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The LM and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
30. Our Promoters and the members of our Promoter Group will not participate in the Issue.
31. Following are the details of Equity Shares of our Company held by our Directors, Key Management Personnel:

Sr. No.	Name of Director	Designation	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1	Navin Ramniwas Agarwal	Managing Director	27,04,764	15.81
2	Ashok Ramniwas Agarwal	Non-Executive Director	26,74,478	15.63
3	Anup Ramniwas Agarwal	Non-Executive Director	16,54,824	9.67
4	Pratik Navin Agarwal	Chief Financial Officer	1,56,256	0.91

32. As of the date of this Draft Prospectus, our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue. However, our Company may secure a bridge loan or arrange alternative financial facilities to meet its immediate funding requirements for achieving the intended objects after filing of Draft Prospectus with the Designated Stock Exchange.
33. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “**Basis of Allotment**” in the chapter titled “**Issue Procedure**” beginning on page no. 361 of this Draft Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (1) of SEBI (ICDR) Regulations, as amended from time to time.
34. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
35. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue 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 lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
36. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such *inter-se* spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
37. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
38. As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.

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OBJECTS OF THE ISSUE

The Issue comprises of a fresh Issue of up to 68,02,000 Equity Shares of face value of ₹ 10/- each, aggregating up to ₹ [●] Lakhs by our Company. For details, see “*The Issue*” on page nos. 52, respectively of this Draft Prospectus.

OBJECTS OF THE ISSUE

We intend to utilise the proceeds of the Issue to meet the following objects:

1. Meeting working capital requirements of our Company; and
2. General corporate purposes
(collectively referred to herein as the “*Objects*”).

The details of the Proceeds of the Issue are set out below:

(₹ in Lakhs)	
Particulars	Estimated Amount
Gross Proceeds from the Issue ⁽¹⁾	[●]
(Less) Issue related expenses in relation to the Issue ⁽²⁾	[●]
Net proceeds from the Issue after deducting the Issue related expenses (“Net Proceeds”) ⁽³⁾	[●]

⁽¹⁾ Subject to the finalization of Basis of Allotment.

⁽²⁾ For details of the expenses related to the Issue, see section titled “*Estimated Issue Related Expenses*” below in this chapter.

^{(2) & (3)} To be finalized upon determination of the Issue Price and will be updated in the Prospectus prior to filing with the RoC.

Utilization of Net Proceeds

The Net Proceeds are proposed to be used in the manner set out in the following table:

(₹ in Lakhs)		
Sr. No	Particulars	Estimated Amount
1	Working Capital Requirements	3200.00
2	General Corporate Purpose ⁽¹⁾	[●]
	Total Net Proceeds	[●]

⁽¹⁾ To be finalized and updated in the Prospectus prior to filing with RoC. General Corporate Purpose shall not exceed 15% of the Gross Proceeds or ₹ 1000 Lakhs, whichever is lesser, in accordance with Regulation 230(2) of the SEBI ICDR Regulations read along with SEBI ICDR Regulation (Amendment) Regulations, 2025.

PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF NET PROCEEDS

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

(₹ in Lakhs)				
Sr. No.	Particulars	Total estimated amount to be funded from the Net Proceeds*	Estimated amount to be deployed from the Net Proceeds in FY 2026-27*	Estimated amount to be deployed from the Net Proceeds in FY 2027-28*
1.	Working Capital Requirements	3200.00	Nil	3200.00
2.	General Corporate Purposes	[●]	[●]	[●]
	Total Net Proceeds	[●]	[●]	[●]

In addition to the aforementioned Objects, our Company expects to receive the benefits of listing of the Equity Shares on BSE SME, including amongst other things, the enhancement of our Company’s brand name and creation of a public market in India for our Equity shares.

We intend to deploy the Net Proceeds of the Issue towards the Objects as disclosed in the table above, in accordance with the business requirements of our Company. However, the fund requirement, proposed schedule of implementation and intended use of the Net Proceeds as set-out above are based on our current business plans, management estimates of future growth projections, current circumstances of our business and prevailing market conditions, which are subject to change. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as, financial and market conditions, competition, business and strategy, negotiation with lenders and our vendors, interest/exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable law. If the estimated utilization in a particular financial year is not fully achieved, including for the reasons mentioned above, the unutilized amount may be deployed in subsequent financial years.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be done through internal accruals through cash flows from our operations. For details on risks involved, see ***“Risk Factor - Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior approval of the Shareholders of our Company”*** on page no. 40 of this Draft Prospectus.

Our business is working capital-intensive, and we fund our working capital requirements in the ordinary course of business from our internal accruals and financing from banks/others. For details, see ***“Risk Factor - We have significant working capital requirements. If we experience insufficient cash flows to meet our working capital requirements, our business, results of operations and cashflows could be adversely affected”*** on page no.30 of this Draft Prospectus.

MEANS OF FINANCE

Fund requirements for the Objects are proposed to be met from the Net Proceeds. Accordingly, we confirm that there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations and Clause 9 of Part A of Schedule VI of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue or through existing identifiable internal accruals. Further, if the actual utilization towards any of the stated Objects is lower than the estimated amount, the surplus funds may be deployed towards future growth opportunities, and/or any other purpose in line with our business strategy, including general corporate purposes, subject to applicable laws. It is clarified that the total amount to be utilized towards general corporate purposes shall not exceed 15% of the Gross Proceeds or ₹ 1000 Lakhs, whichever is lower in compliance with the SEBI ICDR Regulations and as detailed under the section ***“Details of the Objects of Issue – General Corporate Purposes”*** of this chapter on page no. 100 of the Draft Prospectus. The estimated schedule of deployment of the Net Proceeds is indicative in nature and is based on management’s current estimates. Our management shall have the discretion to revise the actual deployment across various Fiscals, subject to business requirements and compliance with applicable laws.

DETAILS OF THE OBJECTS OF ISSUE

1. To Meet Working Capital Requirements

Our Company is engaged in the manufacturing and trading of fabrics, supply and trading of textile dyes, chemicals and auxiliaries, and manufacturing and distribution of masks and other personal protective equipment (PPE) products, across various markets in India. The nature of our operations requires significant working capital investment to support procurement of weaving infrastructure, manufacturing and processing expenses, inventory holding, logistics, and trade receivables. Our manufacturing activities involve upfront expenditure towards procurement of cotton yarn, dyes and chemicals, finishing costs, and inspection and logistics expenses. In addition, our distribution business requires maintenance of adequate inventory of high-width woven fabrics to meet customer demand across key markets. Payments from customers are generally received over a credit period in line with industry practices, which results in funds being locked in trade receivables.

Further, as part of our business expansion and value chain integration strategy, the Company has procured technology to upgrade its manufacturing capabilities and recently established direct exports to Sri Lanka and

Bangladesh. The proposed utilisation will primarily be towards financing inventory, trade receivables, manufacturing and processing expenses, and other operating requirements in the ordinary course of business.

Accordingly, our business is working capital intensive and requires continuous access to adequate liquidity to ensure smooth manufacturing and trading operations.

Expected Business Growth

The Indian economy is expected to continue to demonstrate resilient growth momentum over the medium term, supported by strong domestic consumption, public infrastructure spending, and recovery in manufacturing activity. The textile and apparel sector is expected to benefit from improving demand conditions, increasing penetration of organised retail, stabilisation in cotton and input prices, and enhanced supply chain efficiencies. With the anticipated growth in domestic textile demand and expansion of our operations, we expect sustained growth in our business, which will result in higher working capital requirements on account of increased technological upgradation and procurement, inventory holding, and trade receivables. Accordingly, the Company proposes to utilise major portion of the Net Proceeds of the Issue towards funding its incremental working capital requirements, which is expected to support business growth and strengthen its operational capabilities.

Existing Working Capital Requirements

Our Company presently funds its working capital requirements through a combination of internal accruals and short-term borrowings from banks and financial institutions. As on March 31, 2026, our Company has a sanctioned fund-based based working capital limit of ₹ 2600 Lakhs from bankers, which are utilised to finance inventory procurement, meet manufacturing and processing expenses and manage receivables.

For details of the existing working capital facilities availed by our Company, see “**Financial Indebtedness**” on page 320 and “**Restated Consolidated Financial Information**” on page 233 of this Draft Prospectus.

Requirement of Incremental Working Capital

With the anticipated growth in operations, expansion of distribution footprint from present 10 states to pan India, gradual stabilisation of self-manufacturing activities, and higher scale of procurement and sales, the working capital requirements of our Company are expected to increase. Factors contributing to incremental working capital needs include:

- i. increased inventory holding of grey and finished denim fabrics to support expanded sales volumes;
- ii. extended receivable cycles arising from increased level of self-manufacturing activities; and
- iii. operating expenses associated with the commencement and ramp-up of leased self-manufacturing facilities.

Accordingly, our Board of Directors, pursuant to a resolution dated September 25, 2026 has taken note that a major portion of the Net Proceeds of the Issue is proposed to be utilised towards funding the incremental working capital requirements of the Company.

We propose to utilise an aggregate amount of ₹ 3200.00 Lakhs out of the Net Proceeds towards funding the working capital requirements of our Company. The proposed utilisation will primarily be towards financing inventory, trade receivables, manufacturing and processing expenses, and other operating requirements in the ordinary course of business.

The funds towards working capital is proposed to be deployed in FY 2027-28, in line with the projected growth in operations. Our Company proposes to utilise entire ₹ 3200.00 Lakhs in FY 2027-28 towards funding its incremental working capital requirements.

Further, for risks in relation to use of the Net Proceeds for funding working capital requirement of our Company, see “**Risk Factor - We have significant working capital requirements. If we experience insufficient cash flows to meet our working capital requirements, our business, results of operations and cashflows could be adversely affected.**” on page no. 30 of this Draft Prospectus.

The details of our Company’s working capital for the Financial Years ended March 31, 2026 and March 31, 2025, its estimated working capital for Financial Year 2026-27 and its projected working capital for Financial Year 2027-28 and source of funding are set forth below:

(₹ in Lakhs)

Particulars	FY 2024-25*	FY 2025-26*	FY 2026-27	FY 2027-28
	<i>Restated</i>	<i>Restated</i>	<i>Estimated</i>	<i>Projected</i>
Inventories	1046.03	2814.69	3005.94	5182.49
Trade Receivables	2658.18	2820.51	3796.71	5279.45
Other Current Assets	153.67	435.54	795.26	1526.00
Total (I)	3857.88	6070.74	7597.91	11987.94
Trade Payables	672.29	1298.80	1712.98	1888.69
Other Current Liabilities	91.26	119.45	127.56	135.48
Short Term Provisions	69.35	198.92	493.72	838.72
Total (II)	832.90	1617.17	2334.26	2862.89
Total WC Gap (III) = [(I) – (II)]	3024.98	4453.56	5263.65	9125.05
Funding Pattern				
Short-Term Borrowings from Bank	1350.20	2246.03	2600.00	2600.00
Equity and Internal Accruals	1674.78	2207.53	2663.65	3325.05
Proceeds from IPO	--	--	--	3200.00
Total	3024.98	4453.56	5263.65	9125.05

*As certified by M/s. B.M. Saraf & Co, Statutory Auditor of the Company, vide their certificate dated September 25, 2026.

Holding Levels (Days)

Particulars	FY 2024-25*	FY 2025-26*	FY 2026-27	FY 2027-28
	Actual	Actual	Estimated	Projected
Inventory Holding Period	41	73	83	85
Trade Receivables Holding Period	62	79	72	71
Trade Payables Holding Period	25	29	39	32
Net Working Capital Days	78	123	116	124

*As certified by M/s. B.M. Saraf & Co, Statutory Auditor of the Company, vide their certificate dated September 25, 2026.

-Days are rounded off.

Notes:

⁽¹⁾ Holding period level (in days) of 'Inventories' is calculated by dividing average inventories for the current and previous period by cost of goods sold (including raw material consumed and change in inventories) multiplied by number of days in the year/period.

⁽²⁾ Holding period level (in days) of 'Trade Receivables' is calculated by dividing average trade receivables for the current and previous period by revenue from operations multiplied by number of days in the year / period.

⁽³⁾ Holding period level (in days) of 'Trade Payables' is calculated by dividing average trade payables for the current and previous period by sum of total purchases multiplied by number of days in the year/period.

⁽⁴⁾ Net Working Capital Days is Receivables+ Inventory -Trade Payables in days.

We have compiled and confirmed the working capital estimates for FY 2026-27 and FY 2027-28, as approved by the Board and Audit Committee pursuant to the resolution passed by the Company in its Board Meeting and Audit Committee meeting held on September 25, 2026.

Comparison of holding days with the peers

Please see below the comparison on the assumptions (number of days) with the Company's industry peers:

Particulars	FY 2024-25	FY 2025-26
Anil Fashions Limited		
Inventories	41	73
Trade Receivables	62	79
Trade Payables	25	29
Net Working Capital Days	78	123

Particulars	FY 2024-25	FY 2025-26
Nandan Denim Limited		
Inventories	21	21
Trade Receivables	53	48
Trade Payables	37	25
Net Working Capital Days	37	44

Particulars	FY 2024-25	FY 2025-26
Varvee Global Limited		
Inventories	34	296
Trade Receivables	64	93
Trade Payables	75	457
Net Working Capital Days	23	-68

-Days are rounded off

Please see below the comparison on peer benchmarking for working capital in the segment in which the Company operates:

(i) Particulars	FY 2024-25	FY 2025-26
Anil Fashions Limited		
Inventories	11.18%	19.97%
Trade Receivables	16.99%	21.53%
Trade Payables	6.82%	8.03%

Particulars	FY 2024-25	FY 2025-26
Nandan Denim Limited		
Inventories	5.75%	5.75%
Trade Receivables	14.52%	13.15%
Trade Payables	10.14%	6.85%

Particulars	FY 2024-25	FY 2025-26
Varvee Global Limited		
Inventories	9.32%	81.10%
Trade Receivables	17.53%	25.48%
Trade Payables	20.55%	125.21%

- (1) *Inventory Percent (%) = Inventory / Total Sales * 100 for Varvee Global Limited.*
(2) *Inventory Percent (%) = Inventory / COGS * 100 for Anil Fashions Limited and Nandan Denim Limited*
(3) *Receivables Percent (%) = Receivables / Total Sales * 100.*
(4) *Trade Payables Percent (%) = Trade Payables / Cost of Total Purchase * 100*

JUSTIFICATION FOR “HOLDING PERIOD” LEVELS

The Company's working capital requirements have been assessed based on its actual operating cycle and the expected increase in the scale of operations. The holding-period assumptions have been derived with reference to the Company's historical operating performance, actual FY 2025-26 results, estimated FY 2026-27 operations and projected FY 2027-28 operations.

Revenue from operations increased from ₹10,688.91 lakh in FY 2024-25 to ₹12,727.23 lakh in FY 2025-26. Revenue from operations is expected to increase by approximately 20% in FY 2026-27 and is further expected to increase by approximately 30%-35% in FY 2027-28. Accordingly, the increase in the scale of operations is expected to result in a higher requirement for inventory and deployment of funds in trade receivables.

A. Inventory Holding Period

As on March 31, 2025, the Company's closing inventory stood at ₹1,046.03 lakh, with an average inventory of approximately ₹894.97 lakh, resulting in an inventory holding period of approximately 40.8 days based on COGS of ₹8,004.90 lakh.

For FY 2025-26, the Company's closing inventory increased substantially to ₹2,814.69 lakh, while average inventory increased to approximately ₹1,930.36 lakh. Against COGS of ₹9,668.06 lakh, the inventory holding period was approximately 72.9 days.

The increase in inventory holding days during FY 2025-26 was primarily due to the increase in the scale of operations and the Company's requirement to maintain higher levels of inventories. The Company's total inventory comprised raw materials, work-in-process and finished goods, with the higher stock levels supporting the increased level of business activity and ensuring availability of products for customer requirements.

For FY 2026-27, closing inventory is estimated at ₹3,005.94 lakh, with average inventory of approximately ₹2,910.32 lakh and COGS estimated at ₹12,823.26 lakh, resulting in an estimated inventory holding period of approximately 82.8 days.

The increase in inventory holding period is primarily linked to the expected increase in revenue from operations by approximately 20% in FY 2026-27. The Company expects to require additional inventory to support higher sales volumes and maintain adequate availability of inventories. The higher inventory requirement is therefore a direct working capital requirement arising from the expected expansion in business volumes.

For FY 2027-28, closing inventory is projected at ₹5,182.49 lakh, with average inventory of approximately ₹4,094.21 lakh against projected COGS of ₹17,545.28 lakh, resulting in an inventory holding period of approximately 85.2 days.

The projected increase in inventory is consistent with the further projected increase in revenue from operations by approximately 30%-35% in FY 2027-28. The Company expects to maintain adequate stock levels to support the higher scale of operations, ensure uninterrupted availability of products and meet customer requirements in a timely manner.

Accordingly, the increase in inventory holding period from 40.8 days in FY 2024-25 to 72.9 days in FY 2025-26, 82.8 days in FY 2026-27 and 85.2 days in FY 2027-28 is primarily attributable to the Company's expanding scale of operations and the corresponding requirement for higher inventory to support the projected growth in sales.

The proposed IPO proceeds are intended towards the Company's working capital requirements and are expected to provide additional liquidity to support the increased funds deployed towards inventory and the overall operating cycle.

B. Trade Receivable Holding Period

As on March 31, 2025, the Company's closing trade receivables stood at ₹2,658.18 lakh, with average trade receivables of approximately ₹1,814.57 lakh. Against revenue from operations of ₹10,688.91 lakh, the trade receivable holding period was approximately 62.0 days.

For FY 2025-26, closing trade receivables increased to ₹2,820.51 lakh, while average trade receivables increased to approximately ₹2,739.34 lakh. Against revenue from operations of ₹12,727.23 lakh, the trade receivable holding period increased to approximately 78.6 days.

The increase in receivable days during FY 2025-26 was primarily attributable to the increase in the Company's sales and the corresponding increase in funds deployed towards customer receivables. The increase in the customer receivable cycle reflects the working capital requirement associated with the higher level of business activity and the credit period extended to customers in the normal course of business.

For FY 2026-27, trade receivables are estimated at ₹3,796.71 lakh, with average trade receivables of approximately ₹3,308.61 lakh against estimated revenue from operations. Accordingly, the trade receivable holding period is estimated at approximately 71.5 days.

Although sales are estimated to increase substantially during FY 2026-27, the Company expects the receivable cycle to improve from the actual level of 78.6 days recorded in FY 2025-26. This improvement is expected to arise from closer monitoring of outstanding receivables, focused collection efforts and improved working capital management.

The proposed IPO proceeds are intended towards working capital requirements and are expected to strengthen the Company's liquidity position. The additional liquidity will support the Company's ability to manage the working capital cycle efficiently while continuing to provide commercially appropriate credit terms to customers.

For FY 2027-28, trade receivables are projected at ₹5,279.45 lakh, with average trade receivables of approximately ₹4,538.08 lakh against projected revenue from operations, resulting in a projected holding period of approximately 70.5 days.

The projected receivable days therefore stabilise at approximately 70–72 days despite the significant increase in sales. This reflects the Company's expectation that receivable management and collection efficiency will improve as the business expands.

Accordingly, the movement in trade receivable holding period from 62.0 days in FY 2024-25 to 78.6 days in FY 2025-26, followed by an estimated reduction to 71.5 days in FY 2026-27 and 70.5 days in FY 2027-28, reflects the initial increase in working capital deployment arising from business growth followed by the expected improvement in collection and receivable management.

C. Trade Payable Holding Period

As on March 31, 2025, the Company's closing trade payables stood at ₹672.29 lakh, with average trade payables of approximately ₹589.56 lakh. Against total purchases of approximately ₹8,649.74 lakh, the trade payable holding period was approximately 25 days.

For FY 2025-26, closing trade payables increased to ₹1,298.80 lakh, while average trade payables increased to approximately ₹985.55 lakh. Against total purchases of approximately ₹12,270.52 lakh, the trade payable holding period increased to approximately 29 days.

The increase in trade payable days was primarily attributable to the increase in procurement requirements corresponding to the growth in business operations. As the Company's sales and production activity increased, procurement from suppliers also increased, resulting in a higher level of trade payables.

For FY 2026-27, trade payables are estimated at ₹1,712.98 lakh, with average trade payables of approximately ₹1,505.89 lakh against estimated total purchases of approximately ₹14,062.98 lakh. This results in an estimated trade payable holding period of approximately 39.1 days.

The increase in payable days is attributable to the Company's higher procurement requirements and the expected availability of supplier credit as the scale of operations increases. The Company expects to maintain an appropriate level of supplier credit in line with its increased procurement volumes and commercial arrangements with suppliers.

The proposed IPO proceeds are intended towards working capital requirements and are expected to strengthen the Company's liquidity position. This additional liquidity will provide the Company with greater flexibility to manage its working capital cycle and settle supplier dues in accordance with agreed commercial terms.

For FY 2027-28, trade payables are projected at ₹1,888.69 lakh, with average trade payables of approximately ₹1,800.84 lakh against projected total purchases of approximately ₹20,890.11 lakh, resulting in a projected trade payable holding period of approximately 31.5 days.

The reduction in payable days from 39.1 days to 31.5 days is expected to arise from improved liquidity and the Company's ability to make timely payments to suppliers while maintaining the required procurement levels to support the projected growth in sales.

Accordingly, the movement in trade payable holding period from 24.9 days in FY 2024-25 to 29.3 days in FY 2025-26 and 39.1 days in FY 2026-27, followed by a reduction to 31.5 days in FY 2027-28, reflects the increase in procurement requirements with business expansion, supplier credit availability and the expected improvement in liquidity and payment discipline.

D. Overall Working Capital Justification

The Company's working capital requirement is directly linked to the expected increase in the scale of operations. Revenue from operations is expected to increase by approximately 20% in FY 2026-27 and by a further approximately 30%-35% in FY 2027-28, as compared with the immediately preceding financial year.

The increase in sales will require the Company to maintain higher inventory levels and deploy additional funds towards trade receivables. At the same time, the increase in procurement requirements will result in higher trade payables and utilisation of available supplier credit.

The projected increase in inventory holding period is therefore primarily attributable to the Company's requirement to maintain adequate stock to support the projected increase in sales. The trade receivable holding period is expected to improve from the FY 2025-26 actual level as the Company strengthens its collection and receivable monitoring processes. The trade payable cycle is expected to increase during FY 2026-27 in line with higher procurement requirements and subsequently moderate as liquidity and payment capacity improve.

The proposed IPO proceeds are intended towards the Company's working capital requirements and are expected to strengthen the Company's liquidity position. The additional working capital support will enable the Company to fund the incremental requirement arising from higher inventory and receivables and manage supplier payments as the scale of operations increases.

The holding-period assumptions have therefore been determined with reference to the Company's actual audited FY 2025-26 operating cycle, the estimated FY 2026-27 business requirements and the projected FY 2027-28 operating cycle, taking into consideration the projected increase in sales, COGS, procurement, inventory, trade receivables and trade payables.

The projected working capital cycle is accordingly based on the Company's expected business growth and the corresponding funding requirement necessary to support the increased scale of operations.

Ageing of Trade Receivables as a Percentage of Revenue from Operations

The trade receivables as a percentage of the revenue from operations for FY 2024-25 and FY 2025-26 is as follows:

Period	Trade Receivable (₹ in Lakhs)	% of Revenue from Operations
FY 2024-25	2658.18	24.87%
FY 2025-26	2820.51	22.16%

The restated trade receivable as well as projected trade receivable are in the normal course of business and are in line and consistent with the previous ongoing operation of the Company.

All fluctuations primarily reflect changes in the scale of operations, sales growth, and customary credit terms extended to customers. The estimated and the projected trade receivables have been calculated on the basis of revenue from operations for FY 2026–27 and FY 2027-28 respectively, taking into consideration historical collection patterns, existing customer relationships, and standard credit periods offered to manufacturers, distributors, dealers and wholesalers.

Ageing of Trade Payables as a Percentage of Revenue from Operations

The trade payables as a percentage of the revenue from operations for FY 2024-25 and FY 2025-26 is as follows:

Period	Trade Payable (₹ in Lakhs)	% of Revenue from Operations
FY 2024-25	672.29	6.29%
FY 2025-26	1298.80	10.20%

All fluctuations in the restated trade payables, as well as the projected trade payables, are in the normal course of business and are primarily attributable to changes in the scale of operations and procurement volumes. The projected trade payables have been estimated based on anticipated purchase requirements, historical payment trends, and the credit terms availed from suppliers in the ordinary course of business.

The Company follows a disciplined approach towards the timely settlement of its dues to suppliers, with the objective of ensuring uninterrupted production cycles, fostering long-term supplier relationships and preserving its bargaining power. This approach enables the Company to maintain a reliable supply chain, secure favourable procurement terms and sustain operational efficiency. Trade payable days are expected to reduce to approximately 31.50 days in FY 2027–28, reflecting improved payment discipline and efficient working capital management.

Ageing of Inventory as on March 31, 2026

As on March 31, 2026, our inventory ageing is as below:

(₹ in Lakhs)					
Particulars	Total Amount	Less than 6 months	6-12 months	12-24 months	24-36 months
Finished Goods	1081.863	1081.21	100	100	100
Stock in Trade	688.35	688.35	100	100	100
Raw Materials	1044.48	1044.48	100	100	100
Total	2814.69	2814.04	100	0.653	100

The turnover of the Company in FY 2024-25 has grown by 279.09% to ₹10688.91 100 Lakhs and profit after tax has grown by 100595.76% to ₹ 247.54 Lakhs.

Rationale for increase in the proposed working capital gap

The increase in the Company's proposed working capital requirement is primarily driven by the anticipated expansion of its business operations, higher inventory requirements, increased trade receivables arising from credit sales and additional funds required for other operating current assets.

The Company's net working capital requirement is projected to increase from ₹4,453.56 lakhs as at March 31, 2026 to ₹9,125.05 lakhs as at March 31, 2028, reflecting the additional funding required to support its projected scale of operations.

The Company proposes to utilise the proceeds of the Issue towards meeting its working capital requirements, which will enable it to maintain adequate inventory, meet customer orders, support its credit sales and manage its operating cycle efficiently.

The proposed utilisation of IPO proceeds towards working capital is expected to provide the Company with additional financial flexibility, support its business expansion plans and reduce its reliance on short-term borrowings for meeting its growing operational requirements.

Accordingly, the proposed working capital funding is considered necessary to support the anticipated growth in the Company's manufacturing and trading activities and to ensure adequate liquidity for the efficient conduct of its business operations.

Justification for Increase in Revenue for FY 2026-27 and FY 2027-28

1. Organic Growth in Existing Markets

The Company expects to achieve organic growth in its existing domestic markets through deeper penetration of its existing customer base, strengthening of customer relationships and increased sales across its existing business segments.

The Company caters to a diversified customer base comprising fabric processing units, garment manufacturers, fabric traders, chemical traders, mask and PPE product traders and other customers. The Company intends to leverage its established customer relationships, industry experience and existing distribution network to increase business volumes and expand its market presence.

The anticipated growth in revenue is expected to be supported by the following factors:

- a. Increased sales to existing customers: The Company expects to increase the volume of supplies to its existing customers by catering to their growing requirements and strengthening long-term business relationships.
- b. Penetration into new customers within existing markets: The Company intends to expand its customer base by establishing business relationships with additional fabric processors, garment manufacturers, fabric traders and other institutional and commercial buyers in its existing geographical markets.
- c. Improved utilisation of manufacturing capacity: The Company intends to improve utilisation of its existing weaving and finishing infrastructure, enabling it to cater to higher customer demand and increase production volumes without a proportionate increase in fixed operating costs.
- d. Expansion of product offerings: The Company proposes to leverage its existing manufacturing capabilities to cater to a wider range of customer requirements across denim, cotton, polyester and blended fabrics, along with different fabric compositions, widths, weights and finishing specifications.

The above initiatives are expected to contribute to higher sales volumes, improved customer retention and sustained revenue growth during FY 2026-27 and FY 2027-28.

2. Strategic Expansion in International Markets

The Company intends to expand its presence in international markets by leveraging its experience in the textile industry, established manufacturing capabilities and existing customer relationships.

The Company undertook its first direct export in 2024-25 to Sri Lanka and participated in the Intexo Colombo fair in August 2025. The Company has also undertaken direct exports to Bangladesh during 2026-2027. These activities have provided the Company with exposure to international customers and opportunities to explore additional export markets.

The Company proposes to build upon these initial export activities through the following initiatives:

- Expansion in existing export markets: The Company intends to strengthen its business presence in Sri Lanka and Bangladesh by developing relationships with additional customers, traders and garment manufacturers in these markets.

- Exploration of new geographical markets: The Company proposes to explore opportunities in other international textile markets through participation in trade fairs, development of overseas business relationships and engagement with potential distributors and buyers.

- Development of direct export relationships: The Company intends to focus on establishing direct relationships with overseas customers, thereby enabling it to cater to customer requirements and explore opportunities for recurring export orders.

- Leveraging product and manufacturing capabilities: The Company's range of denim, cotton and blended fabrics is expected to provide opportunities to cater to the varying requirements of international customers, subject to applicable quality specifications, commercial terms and regulatory requirements.

The Company expects that the gradual development of its export business, supported by its existing manufacturing infrastructure and customer relationships, will contribute to revenue growth during FY 2026-27 and FY 2027-28.

3. Cross-Selling Opportunities and Revenue Synergies across Business Segments

The Company operates across multiple complementary business segments, including manufacturing and trading of fabrics, trading of chemicals and auxiliaries, and manufacturing and distribution of masks and other PPE products.

The Company intends to leverage its presence across these segments to identify cross-selling opportunities and increase the value of business generated from its existing customer relationships.

In particular, the Company's relationships with fabric processing units provide opportunities to supply both fabrics and chemicals and auxiliaries used in textile processing. Similarly, its relationships with garment manufacturers and fabric traders provide opportunities to expand the range and volume of fabric supplies.

The Company also intends to utilise its existing business network to expand the distribution of its mask and PPE products through relevant traders and institutional customers.

The ability to cater to multiple requirements of customers through its diversified business portfolio is expected to support customer retention, improve business engagement and contribute to incremental revenue during the projected period.

4. Better Utilisation of Manufacturing Infrastructure and Operational Efficiencies

The Company expects to derive additional revenue growth through improved utilisation of its existing manufacturing infrastructure and operational capabilities.

The Company has an established weaving infrastructure comprising airjet looms of different widths, together with supporting facilities and fabric finishing capabilities. The Company intends to leverage this installed infrastructure to cater to higher production volumes and a broader range of customer specifications.

The installation of the fabric finishing machine in March 2025 has strengthened the Company's finishing capabilities, while the rooftop solar power installation and the 1 MW captive solar power plant investment during FY 2025-26 are intended to support energy efficiency and cost optimisation.

These initiatives are expected to support the Company's ability to manage manufacturing costs, improve operational efficiency and cater to higher customer demand.

The Company believes that better utilisation of its existing infrastructure, combined with improved production planning and resource allocation, will support the anticipated increase in revenue during FY 2026-27 and FY 2027-28.

5. Growth in Trading Activities and Expansion of Customer Network

In addition to its manufacturing activities, The Company undertakes trading of fabrics, chemicals and auxiliaries. The Company expects its trading business to contribute to revenue growth by expanding its customer network, increasing the range of products offered and catering to the procurement requirements of its existing and prospective customers.

The trading business enables the Company to cater to customer requirements beyond its own manufacturing output and provides flexibility in sourcing and supplying products based on customer specifications and market demand.

The Company intends to leverage its established supplier relationships, customer network and industry experience to expand its trading volumes during the projected period.

Further, the Company's integrated presence in fabric manufacturing and trading of chemicals and auxiliaries provides opportunities to develop business with textile processing units and other customers requiring multiple products and inputs.

The anticipated growth in trading activities is expected to supplement revenue generated from the Company's manufacturing operations and contribute to its overall revenue growth.

2. General Corporate Purposes

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance Net Proceeds to the tune of ₹ [●] Lakhs is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 15% of the Gross Proceeds or ₹ 1,000 Lakhs, whichever is lower, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which we propose to utilize the Net Proceeds includes meeting day to day expenses which includes amongst other things, short-term working capital requirements, expansion into new units, payment of pre-payment charges for loan prepayments, meeting day to day expenses which may include salaries and wages, administration, insurance, repairs and maintenance, payment of taxes and duties, brand building and other marketing expenses, meeting expenses incurred in the ordinary course of business and towards any exigencies, and any other purpose as considered expedient and as approved periodically by our Board or a duly constituted committee thereof, subject to compliance with applicable law, including the necessary provisions of the Companies Act.

The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount available under this head and our business requirements, from time to time. Our management, in accordance with the policies of our Board, shall have flexibility in utilising surplus amounts, if any.

We confirm that any Issue related expenses shall not be considered as a part of general corporate purpose. Further in case, if our actual Issue expenses turn to be lesser than the estimated Issue expenses of ₹ [●] Lakhs, such surplus amount shall be utilized for general corporate purpose in such a manner that the amount for general corporate purposes, as mentioned in the Draft Prospectus, shall not exceed 15% of the Gross Proceeds or ₹ 1,000 Lakhs, whichever is lower.

Details of funds deployed till date and sources of funds deployed

The funds deployed towards the Gross Proceeds of this Issue till the September 20, 2026 as certified by M/s B.M. Saraf & Co., Chartered Accountants (FRN: 109239W), the Statutory Auditor of our Company pursuant to their certificate dated September 25, 2026 is given below:

(₹ in Lakhs)

Deployment of Funds	Amount
Issue related expenses	15.93*
Total	15.93

* The amount will be recouped from the Issue Proceeds.

Details of the sources of funds deployed towards the Objects of this Issue is set out below:

(₹ in Lakhs)

Sources of Funds	Amount
Internal accruals/ Retained Earnings	15.93
Total	15.93

Estimated Issue Related Expenses

The total expenses for this Issue are estimated not to exceed ₹ [●] Lakhs which is [●] % of Issue Size.

The break-up of the estimated Issue expenses is set forth below:

(₹ in Lakhs)

Particulars	Estimated Amount ⁽¹⁾	% of the total Issue expenses ⁽¹⁾	% of the total Issue size ⁽¹⁾
Fees payable to the Lead Manager and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Fees payable to the Registrar to the Issue	[●]	[●]	[●]
Fees payable to Legal Counsel	[●]	[●]	[●]
Fees payable to Market Maker	[●]	[●]	[●]
Fees payable to Independent Chartered Engineer	[●]	[●]	[●]
Fees payable to Statutory Auditor	[●]	[●]	[●]
Listing fees, regulator fee including the Stock Exchange, bidding software fees, and other regulatory expenses	[●]	[●]	[●]
Fees payable to other parties, including but not limited to statutory auditors, practicing company secretary, independent chartered accountant, industry expert, the independent chartered engineer	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Payment for printing and stationery, postages etc.	[●]	[●]	[●]
Selling Commission and processing fee for SCSBs and Bankers to the Issue and fees payable to the Sponsor Bank(s) for applications made by UPI Applicants. Brokerage, selling commission and application charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs	[●]	[●]	[●]
Miscellaneous	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

*To be incorporated in the Prospectus to be filed with RoC.

Structure for commission and brokerage payment to the SCSBs, RTAs, CDPs and SCSBs:

- 1) Issue expenses include good and services tax, where applicable. Issue expenses will be incorporated at the time of filing of the Prospectus. Issue expenses are estimates and are subject to change.
- 2) SCSBs will be entitled to a processing fee of ₹ [●]/- per Application Form for processing of the Application Forms only for the successful Allotments procured by other Designated Intermediaries and submitted to them.
- 3) Selling commission payable to Registered Broker, SCSBs, RTAs, CDPs on the portion directly procured from Individual Investors and Non-Institutional Investors, would be 0.01% on the Allotment amount.
- 4) No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.
- 5) The commission and processing fees shall be released only after the SCSBs provide a written confirmation to the Lead Manager not later than 30 days from the finalization of Basis of Allotment by Registrar to the Issue in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 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.
- 6) Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

Interim Use of Net Proceeds

Our Company, in accordance with Companies Act and other applicable laws, policies established by our Board from time to time and to attain the Objects set out above, will have flexibility to deploy the Net Proceeds pending utilisation of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, as may be approved by our Board or a duly constituted committee thereof.

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

Appraising entity

None of the Objects for which the Net Proceeds will be utilized have been appraised by any bank or financial institution. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including 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.

Shortfall of Funds

Any shortfall in meeting the fund requirements will be met by way of internal accruals and / or unsecured loans or amount allocated towards General Corporate Purposes.

Bridge Financing Facilities

As on the date of this Draft Prospectus, our Company has not raised any bridge loans from any bank or financial institution which are proposed to be repaid from the Net Proceeds.

Monitoring of Utilisation of Funds

As per SEBI ICDR Regulations, appointment of monitoring agency is required only if Issue Size exceeds ₹ 5,000.00 Lakhs. As the size of the Issue does not exceed ₹ 5,000.00 Lakhs, our Company has not appointed a Monitoring Agency to monitor the utilisation of the Net Proceeds, in accordance with Regulation 262 of the SEBI ICDR Regulations. For details in relation to the proposed utilisation of the Net Proceeds, see “*Objects of the Issue*” on page no. 89 of this Draft Prospectus.

Pursuant to Regulation 32 of the SEBI Listing Regulations, 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 Financial Year, we will utilize such unutilized amount in the next Financial Year. Further, in accordance with Regulation 32(1)(a) of the SEBI Listing Regulations, our Company shall furnish to the Designated Stock Exchange on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the Objects stated in this Draft Prospectus.

In accordance with Regulation 262 (5) of the SEBI ICDR Regulations, the Company shall submit a certificate of the Statutory Auditor for utilization of money raised through the Issue to the Designated Stock Exchange while filing the quarterly financial results, till the Issue Proceeds are fully utilized.

Variations in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act and Regulation 281A and Schedule XX of the SEBI ICDR Regulations, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. 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 Promoters, Directors, Key Managerial Personnel, Senior Managerial Personnel in relation to the utilization of the Net Proceeds. The Objects of the Issue does not consist of repayment of loan to Promoter, Promoter Group or any related party, from the Issue proceeds,

whether directly or indirectly. No part of the Net Proceeds will be paid by us as consideration to our Promoters, Directors, Key Managerial Personnel or Senior Managerial Personnel except in the normal course of business and in compliance with the applicable laws. Our Company has not entered into nor is planning to enter into any arrangement / agreements with Promoters, members of the Promoter Group, Directors or Key Management Personnel or Senior Managerial Personnel in relation to the utilisation of the Net Proceeds. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects, as set out above.

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BASIS FOR ISSUE PRICE

The Issue Price of ₹ [●] per Equity Share has been determined by our Company, in consultation with the LM on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is ₹ 10 and Issue Price is ₹ [●] per Equity Share. Investors should also refer to the sections “*Risk Factors*”, “*Our Business*”, “*Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page nos. 21, 161, 233 and 312, respectively, of this Draft Prospectus to have an informed view before making an investment decision.

I. QUALITATIVE FACTORS

- i. Experienced & Committed Management Team;
- ii. Good track record;
- iii. Leveraging the experience of our Promoters;
- iv. Cordial relations with our dealers;
- v. Extensive product portfolio spanning diverse price points.

For further details, refer to the chapter titled “*Risk Factors*” and “*Our Business*” on page nos. 21 and 161, respectively, of this Draft Prospectus.

II. QUANTITATIVE FACTORS

Information presented below relating to the Company is based on the Restated Financial Statement. Some of the quantitative factors which form the basis or computing the price are as follows:

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

The details of the basic and diluted EPS as derived from Restated Financial Statements are as follows:

Financial Year ended on	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2026	6.68	6.68	3
March 31, 2025	1.45	1.45	2
March 31, 2024	0.69	0.69	1
Weighted Average	3.94	3.94	

Notes:

- i. The face value of each Equity Share is ₹ 10.
- ii. Basic Earnings per share = Restated net profit after tax (loss after tax) as restated / Weighted average number of Equity Shares outstanding during the financial year, after considering impact of bonus retrospectively for all period presented.
- iii. Diluted Earnings per share = Restated Net profit after tax (loss after tax) as restated / Weighted average number of potential Equity Shares outstanding during the financial year.
- iv. Weighted average = Aggregate of financial year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each financial year / Total of weights.
- v. EPS Calculations have been done in accordance with Accounting Standard 20 - Earning per share issued by the Institute of Chartered Accountants of India.

2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ [●] per Equity Share of face value ₹10.00 each fully paid up

Particulars	P/E Ratio
P/E ratio based on the Basic & Diluted EPS, as restated for March 31, 2026	[●]

3. Return on Net Worth (“RONW”)

The details of RONW, as derived from Restated Financial Statements are as follows:

Period	Return on Net Worth (%)	Weight
Financial Year ended March 31, 2026	40.02%	3
Financial Year ended March 31, 2025	14.58%	2
Financial Year ended March 31, 2024	8.28%	1
Weighted Average	26.25%	

Notes:

- Weighted average = Aggregate of financial year-wise weighted Net Worth divided by the aggregate of weights i.e. [(Net Worth x Weight) for each financial year] / [Total of weights]*
- Return on Net Worth (%) = Net profit after tax, as restated / Net worth as restated as at period/year end.*
- For the purpose of the above, "Net worth" means the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, foreign currency translation reserve, write-back of depreciation as at period /year end, as per Restated Financial Statement of Assets and Liabilities of the Company.*

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

The details of NAV per Equity Share, as derived from Restated Financial Statements are as follows:

Period	NAV as per absolute no. of Equity Share (₹)
#March 31, 2026	16.70
March 31, 2025	9.92
# March 31, 2024	8.33
After the Issue	
Issue Price	[●]
NAV after the Issue	[●]

Pursuant to the resolution of the shareholders dated 01.09.2026, the Company allotted 1,62,10,026 fully paid equity shares of ₹10 each as bonus shares on September 10, 2026 in the ratio of 18 equity shares for every 1 equity share held, by capitalisation of ₹1,621.00 lakhs from securities premium as well as surplus in the statement of profit and loss.

Notes:

- Net asset value per share = Net worth as restated / Number of Equity Shares as at financial year end.*

5. Comparison with Industry Peer

Sr. No.	Name of the Company	Face Value (Per Share)	CMP (₹)	Basic & Diluted EPS (₹)	Total Income	P/E Ratio	RON W (%)	NAV (₹ Per share)	PAT (₹ In Lakhs)
1	Anil Fashions Limited	10	N.A.	6.68	13,287.99	[●]	40.02	16.70	1,143.38
Peer* Details									
1	Nandan Denim Limited	1.00	2.61	0.23	2,88,607.32	11.35	5.09	4.52	3,312.84
2	Varvee	5.00	66.50	2.44	8,257.24	27.57	16.17	14.95	1,244.9

	Global Limited (formerly Aarvee Denims and Exports Limited)								2
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*Closing market price on BSE Limited as on September 25, 2026 (the “Reference Date”), as available on www.bseindia.com.

Notes:

1. The figures for Anil Fashions Limited are based on the Restated Consolidated Financial Statements for the financial year ended March 31, 2026. EPS and NAV per share are post-bonus.
2. The figures for the peers are based on their audited standalone financial results for the financial year ended March 31, 2026, as filed with BSE Limited.
3. P/E ratio = CMP as on the Reference Date / Basic and diluted EPS for the financial year ended March 31, 2026.
4. RoNW (%) = Profit after tax / Total equity as at March 31, 2026 × 100. NAV per share = Total equity as at March 31, 2026 / Number of equity shares outstanding as at March 31, 2026.
5. Varvee Global Limited sub-divided its equity shares of face value of ₹10 each into equity shares of face value of ₹5 each with effect from March 3, 2026. Its EPS and NAV per share are stated on the basis of face value of ₹5.
6. Considering the nature and scale of business of the Company, the peers are not strictly comparable. They have been included for broader comparison.
7. The industry peers and their data may be updated before the Prospectus is filed with the RoC.

For further details see section titled “**Risk Factors**” beginning on page no. 21 of this Draft Prospectus, and the financials of the Company including profitability and return ratios, as set out in the section titled “**Restated Consolidated Financial Information**” of Our Company beginning on page no. 233 of this Draft Prospectus for a more informed view.

III. KEY PERFORMANCE INDICATORS (“KPIs”)

Our Company considers that KPIs included herein below have a bearing for arriving at the basis for Issue Price. The KPIs disclosed below have been approved by a resolution of our Board of Directors dated September 25, 2026 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the KPIs herein have been certified by M/s BM Saraf & Co, Chartered Accountants (FRN: 109239W), by their certificate dated June 11, 2026 vide UDIN 26117954WNHHPM7948 which has been included as part of the “**Material Contracts and Documents for Inspection**” on page no. 414 of this Draft Prospectus. Additionally, the Audit Committee has confirmed that other than verified and audited KPIs set out below, our Company has not disclosed any other KPI, to earlier investors, at any point of time during the three years period prior to the date of the Draft Prospectus.

Our Company confirms that it shall continue to disclose all the KPIs included in this section “**Basis for Issue Price**”, on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration that is at least the later of (i) one year after the listing date or period specified by SEBI; or (ii) till the utilization of the Net Proceeds. Any change in these KPIs, during the aforementioned period, will be explained by our Company as required under the SEBI ICDR Regulations.

For details of other business and operating metrics disclosed elsewhere in this Draft Prospectus, see “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on page nos. 161 and 312, respectively, of this Draft Prospectus.

- a. Investors can refer to the below-mentioned Key Performance Indicators to make an assessment of our Company’s performances and make an informed decision:

(₹ in Lakhs, except % and ratios)

Particulars	Anil Fashions Limited			Varvee Global Limited (formerly Aarvee Denims and Exports Limited)			Nandan Denim Limited		
	FY 2025-26	FY 2024-25	FY 2023-24	FY 2025-26	FY 2024-25	FY 2023-24	FY 2025-26	FY 2024-25	FY 2023-24
Revenue from operations	13,087.22	10688.91	3829.97	6,279.95	4,245.29	8,472.66	287187.4	3546667.56	201008.75
Growth in revenue from operations (%)	22.44	179.09	N.A	47.93	-49.89	-67.53	-19.03	76.44	-0.82
Gross profit	3,129.30	2289.17	724.76	Not Ascertainable	Not Ascertainable	Not Ascertainable	Not Ascertainable	Not Ascertainable	Not Ascertainable
Gross margin (%)	23.91	21.42	18.92	Not Ascertainable	Not Ascertainable	Not Ascertainable	Not Ascertainable	Not Ascertainable	Not Ascertainable
EBITDA	1,704.53	932.96	187.16	536.57	-8,990.05	-3,120.99	8992.29	12817.7	11828.7
EBITDA margin (%)	13.02	8.73	4.89	8.54	-211.77	-36.84	3.13	3.61	5.88
EBITDA growth period on period (%)	82.70	398.48	NA	Not Ascertainable	Not Ascertainable	Not Ascertainable	-29.84	8.36	40.67
EBIT	1,524.70	763.07	119.89	5.86	-9,425.18	-4,291.49	4571.77	7496.73	7773.15
EBIT margin (%)	11.65	7.14	3.13	0.09	-222.01	-50.65	1.59	2.11	3.87
RoCE (%)	27.86	2.44	2.44	0.06	-44.37	-11.40	5.59	8.41	8.1
Current ratio (times)	1.57	1.77	1.40	0.59	0.55	1.02	2.25	1.49	1.46
Net cash flow from / (used in) operating activities	-208.27	975.58	171.38	504.46	2,747.16	10,992.76	14445.26	9506.94	23040.8

Profit after tax (PAT)	1,143.38	247.54	41.55	1,244.92	1,854.39	-4,461.64	3312.84	3344.85	4494.1
RoNW (%)	40.02	14.58	8.28	16.17	51.88	-259.43	5.09	5.41	7.68
Basic and diluted EPS (₹) (adjusted for bonus issue)	6.68	1.45	0.69	2.44	3.95	-9.51	0.23	0.23	0.31

Notes:

- (1) Sources: audited standalone financial statements in the annual reports of the respective companies, as filed with BSE Limited. Nandan Denim Limited: Annual Report 2025-26 (balance sheet p. 126, statement of profit and loss p. 127, statement of cash flows p. 128), Annual Report 2024-25 (pp. 116-118) and Annual Report 2023-24 (pp. 114-115). Varvee Global Limited: Annual Report 2025-26 (pp. 125-127), Annual Report 2024-25 (pp. 143-146) and Annual Report 2023-24 (pp. 74-75).
- (2) The peers prepare their financial statements under Indian Accounting Standards (Ind AS). The KPIs have been computed on the definitions set out in the notes to Part A. PAT is the profit for the year and excludes other comprehensive income. Total borrowings for capital employed include lease liabilities.
- (3) Figures for FY 2024-25 are taken from the comparatives in the FY 2025-26 annual report, and figures for FY 2023-24 from the comparatives in the FY 2024-25 annual report, as regrouped or restated by the respective companies. Figures for FY 2022-23 (from the FY 2023-24 annual report) have been used only for FY 2023-24 growth rates and opening capital employed.
- (4) For Varvee Global Limited, current assets include assets held for sale are ₹1,442.03 lakhs, ₹3,371.14 lakhs and ₹9,031.70 lakhs as at March 31, 2026, 2025 and 2024 respectively.
- (5) Varvee Global Limited sub-divided each equity share of ₹10 into two equity shares of ₹5 with effect from March 3, 2026. EPS for all three years is stated on the face value of ₹5; EPS for FY 2023-24, reported as ₹19.02 on the face value of ₹10, has been adjusted to ₹(9.51). Nandan Denim Limited's EPS is stated on its face value of ₹1.
- (6) N.M. means not meaningful, where the EBITDA of the current or the previous year is negative.
- (7) Other income of Varvee Global Limited for FY 2024-25 ₹13,990.59 lakhs includes a gain of ₹12,489.77 lakhs on the sale of property, plant and equipment, which is why it reported a profit after tax despite negative EBITDA in that year.
- (8) Nandan Denim's FY 2024-25 PAT is ₹3,344.85 lakhs as restated in its FY 2025-26 annual report originally ₹3,348.03 lakhs, and its FY 2023-24 PAT is ₹4,494.10 lakhs as restated in its FY 2024-25 annual report originally ₹4,496.96 lakhs. The later, restated figures have been used. The peer figures were extracted from the uploaded annual reports and available on www.bseindia.com.

Explanation of KPIs

KPI	Explanation
Revenue from operations	Used by the management to track the revenue profile of the business and to assess the overall financial performance and scale of operations of the Company.
Growth in revenue from operations	Indicates the year-on-year growth in the business of the Company.
Gross profit and gross margin	Indicate the profitability of the core manufacturing and trading operations after the cost of goods sold.
EBITDA and EBITDA margin	Indicate the operating profitability of the business before finance costs, depreciation and tax, and excluding other income.
EBITDA growth	Indicates the year-on-year growth in operating profitability.

EBIT and EBIT margin	Indicate the profitability of operations after depreciation but before finance costs and tax, and excluding other income.
ROCE	Indicates how efficiently the Company generates earnings from the total capital (equity and debt) employed in the business.
Current ratio	Indicates the ability of the Company to meet its short-term obligations from its current assets.
Operating cash flow	Indicates whether the Company generates cash from its day-to-day operations, after working capital changes and taxes.

b. Set forth below are some of our key operational performance indicators:

(in days)

Metric	FY 2025-26	FY 2024-25	FY 2023-24
Trade Receivable Holding Period (Days)	79	62	97
Inventory Holding Period (Days)	73	41	55
Trade Payable Holding Period (Days)	29	25	32

IV. WEIGHTED AVERAGE COST OF ACQUISITION

a. Price per share of Issuer Company based on primary / new issue of shares

Details of Equity Shares other than Equity Shares issued under ESOP/ESOS and issuance of bonus issue, during the 18 months preceding the date of this Draft Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issued capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

Sr. No	Date of allotment/ transfer	Nature of transaction	Number of Equity Shares	Price per Equity Share (₹)	Nature of Consideration	Total Consideration (₹)
1.	November 20, 2025	Allotment pursuant to the merger scheme	5,22,459	37.53	Other than Cash	1,96,07,030.00
2.	August 25, 2026	Transfer from Ramniwas Agarwal HUF to Promoters	61,098	37.575	Cash	22,95,757.35
3.	September 10, 2026	Bonus Issue (18:1)	1,62,10,026	Nil	N.A.	Nil
Total			1,67,93,583			2,19,02,787.35
Weighted average cost of acquisition (₹)						1.30

b. The price per share of our Company based on the secondary sale/ acquisition of shares

There have 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 of shares), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issued capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

c. Weighted Average Cost of Acquisition on Issue Price:

Type of transaction	Weighted average cost of acquisition	Issue Price
---------------------	--------------------------------------	-------------

	(₹ per Equity Shares)	
Weighted average cost of primary / new issue acquisition*	1.30	[●]
Weighted average cost of secondary acquisition	NA	[●]

*Calculated for last 18 months

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STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors
Anil Fashions Limited
(Formerly known as Sanchem Fabrics Limited)
Survey No. 169, Piplej Pirana Road,
Opp Bharwad Vaas, Piplej,
Ahmedabad, Gujarat, India, 382405

Mark Corporate Advisors Private Limited
404/1, The Summit,
Sant Janabhai Road (Service Lane)
Off Western Express Highway, Vile Parle (East)
Mumbai 400 057 (Maharashtra)
(Mark Corporate Advisors Private Limited referred to as the “Lead Manager”)

Dear Sir,

Sub: Statement of possible Special tax benefit (‘the Statement’) available to Anil Fashions Limited (Formerly known as Sanchem Fabrics Limited) (“The Company”) and its shareholders prepared in accordance with the requirements under Schedule VI-Clause 9L of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the ‘Regulations’).

We hereby confirm that the enclosed annexure’s 1 and 2, prepared by “Anil Fashions Limited” (‘the Company’) states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – Tax Act, 2025 (‘Act’) as amended time to time, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the State Goods and Services Tax Act as passed by respective State Governments from where the Company operates and applicable to the Company, the Customs Act, 1962 and the Foreign Trade Policy 2015-2020, as amended by the Finance Act, 2026, i.e., applicable for the Financial Year 2026-27 relevant to the Tax Year 2026-27, presently in force in India for inclusion in the Draft Prospectus (“DP”) / Prospectus for the proposed public offer of equity shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”).

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure’s 1 and 2 cover only special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits. Further, these benefits are neither exhaustive nor conclusive and the preparation of the contents stated is the responsibility of the Company’s management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor we are advising the investor to invest money or not to invest money based on this statement.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

We do not express any opinion or provide any assurance as to whether:

- the Company or its Shareholders will continue to obtain these benefits in future;
- the conditions prescribed for availing the benefits, where applicable have been/would be met;
- The revenue authorities/courts will concur with the views expressed herein.

We hereby give our consent to include the enclosed statement regarding the tax benefits available to the Company and to its shareholders in the DP for the proposed public offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India provided that the below statement of limitation is included in the offer document.

Limitations

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of the existing tax laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement.

The enclosed Annexure's 1 and 2 are intended solely for your information and for inclusion in the Draft Prospectus / Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

The certificate is issued solely for the limited purpose to comply with Indian (ICDR Regulations). Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside India (including in the United States of America), and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. This report should not be relied upon by prospective investors outside India (including persons who are Qualified Institutional Buyers as defined under (i) Rule 144A or (ii) Regulation S under the United States Securities Act of 1933, as amended) participating in the offering. We accept no responsibility and deny any liability to any person who seeks to rely on this report and who may seek to make a claim in connection with any offering of securities on the basis that they had acted in reliance on such information under the protections afforded by United States of America law and regulation or any other laws other than laws of India.

Yours faithfully,

For and on behalf of
M/s B. M. Saraf & Co.
Chartered Accountants

Sd/-

CA Umang Saraf
Partner
M No: 117954
FRN : 109239W
UDIN: 26117954PUGZMI8703

Date: 24/09/2026
Place: Ahmedabad

ANNEXURE 1

TO THE STATEMENT OF POSSIBLE TAX BENEFITS

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 (the Act) presently forced 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 different interpretation on the benefits, which an investor can avail.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS OF AN INVESTMENTS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THE SECURITIES, PARTICULARLY IN THE 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 IN THEIR PARTICULAR SITUATION.

1. Special Tax Benefits available to the Company under the Income Tax Act:

i. Lower corporate tax rate under Section 115BAA of the ITA

Section 200 of Income Tax Act 2025 (Formerly Section 115BAA of Income Tax Act 1961) inserted w.e.f. 1 April 2020 (AY 2020-21), provides an option to a domestic company to pay corporate tax at a reduced rate of 22% (plus applicable surcharge and education cess).

(Surcharge at 10% on the tax liability and further, enhanced by an education cess at 4% of the total tax liability and surcharge)

In case the Company opts for the concessional income tax rate as prescribed under Section 200 of Income Tax Act 2025 (Formerly Section 115BAA of Income Tax Act 1961), it will not be allowed to claim any of the following deductions/ exemptions:

- Deduction under the provisions of Section 144 of Income Tax Act 2025 (Formerly Section 10AA of Income Tax Act 1961) (deduction for units in Special Economic Zone);
- Deduction under Section 144 of Income Tax Act 2025 (Formerly Section clause (iia) of sub-section (1) of Section 32 of Income Tax Act 1961) (Additional depreciation);
- Deduction under Section 48 & 49 of Income Tax Act 2025 (Formerly Section 32AD or Section 33AB or Section 33ABA of Income Tax Act 1961) (Investment allowance in backward areas, Investment deposit account, site restoration fund);
- Deduction under Section 45, 46, 50 and 135 of Income Tax Act 2025 (Formerly sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of Section 35 of Income Tax Act 1961) (Expenditure on scientific research);
- Deduction under Section 46 and 47 of Income Tax Act 2025 (Deduction for specified business, agricultural extension project);
- Deduction under Section 47(1)(b) of Income Tax Act 2025 (Formerly Section 35CCD (Expenditure on skill development));
- Deduction under any provisions of Chapter VIII except Section 146 & 148 of Income Tax Act 2025 (Formerly Chapter VI-A other than the provisions of Section 80JJAA (Deduction in respect of employment of new employees) and 80M (Deduction in respect of certain inter-corporate dividends));
- No set-off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;
- No set-off of any loss or allowance for unabsorbed depreciation deemed so under Section 116 of Income Tax Act 2025 (Formerly Section 72A of Income Tax Act 1961), if such loss or depreciation is attributable to any of the deductions referred above.

The provisions of Section 206 of Income Tax Act 2025 (Formerly Section 115JB of the Income Tax Act 1961) regarding Minimum Alternate Tax ("MAT") are not applicable if the Company opts for the concessional income

tax rate as prescribed under Section 200 of the ITA. Consequently, the Company will not be entitled to claim tax credit relating to MAT.

The Company has opted for the concessional rate of tax for the first time in the return of income filed for FY 2020-21 for which declaration in specified form (i.e., Form 10- IC) has been filed with the ITA.

2. Special Tax Benefits available to the shareholders under the Income Tax Act:

Apart from the tax benefits available to each class of shareholders as such, there are no special tax benefits available to the shareholders of the Company under the Tax Laws identified above.

Notes:

1. All the above benefits are as per the current direct tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

ANNEXURE 2

TO THE STATEMENT OF POSSIBLE TAX BENEFITS

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the Indirect Tax laws presently forced 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 different interpretation on the benefits, which an investor can avail.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS OF AN INVESTMENTS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THE SECURITIES, PARTICULARLY IN THE 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 IN THEIR PARTICULAR SITUATION.

A. SPECIAL TAX BENEFITS TO THE COMPANY

- i. **Benefits under the Export Promotion Capital Goods (EPCG) Scheme, governed by Chapter 5 of the Foreign Trade Policy 2015-20 (read with relevant rules prescribed thereunder), include:**

Custom Duty Exemption:

As per FTP Para 5.01, entities engaged in manufacturing or services are eligible to import capital goods at zero customs duty under the EPCG Scheme. These goods may include machinery and equipment essential for the production or service processes.

Exemption from IGST and Compensation Cess:

Domestic companies are exempt from paying Integrated GST (IGST) and compensation cess on imported capital goods under the scheme. This exemption aligns with a commitment to promote exports and boost production efficiency.

- ii. **Benefits under the Central Goods and Services Tax Act, 2017 (CGST Act), respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (IGST Act) (read with relevant rules prescribed thereunder)**

Export of services under the GST law

Under the GST regime, supplies of goods and services which qualify as export of goods or services are zero-rated. On account of zero rating of supplies, the supplier is entitled to claim Input Tax Credit (ITC) in respect of input and input services used for such supplies and can seek refund of accumulated/ unutilized ITC.

GST law inter-alia allows export of services at zero rate on fulfilment of certain conditions. Exporters can export services under Letter of Undertaking (LUT) without payment of IGST and claim refund of accumulated ITC. There is also an alternative available to export services with payment of IGST and subsequently claim refund thereof, as per the provisions of section 54 of the CGST Act. We understand that the Company is undertaking exports of services without payment of tax under the cover of LUT. However, no refund is applied due to commercial viability.

- iii. **Benefits of Duty Drawback scheme under Section 75 of the Customs Act, 1962:**

As per Section 75 of the Customs Act, the Central Government is empowered to allow duty drawback on goods manufactured in India and exported. The Company does not avails duty drawback benefit as per the All Industry Rate (AIR) in the duty drawback schedule.

- iv. **Benefits of Remission of Duties and Taxes on Export Products (“RODTEP”) Scheme under The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023):**

This scheme provides rebate of duties/ taxes / levies (which are not refunded under any other existing schemes), at the Central, State and local level, borne on the exported product, including prior stage cumulative indirect taxes on goods and services used in the production of the exported product and such indirect duties/ taxes / levies in respect of distribution of exported product. The Company avails RODTEP benefit as notified, on exported products. Under the Scheme, a rebate would be granted to eligible exporters at a notified rate as a percentage of FOB value with a value cap per unit of the exported product, wherever required, on export of items which are categorized under the notified 8 digits HSN Code. However, for certain export items, a fixed quantum of rebate amount per unit may also be notified.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

The Shareholders of the Company are not entitled to any special tax benefits under the Indirect Tax Laws in India.

Notes:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant indirect tax law benefits and does not cover any direct tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

Unless noted otherwise, the information in this section is derived from “Textile Industry Report” (B2K Analytics Report) as well as other publications and industry sources. Neither we nor any other person connected with the Issue has independently verified this information. The information may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect.

B2K Analytics Report has been prepared by B2K Analytics Private Limited, part of Brickwork Group, India, at the specific request of our Company. The market research process for the report has been undertaken through secondary / desktop research as well as primary research, which involves discussing the status of the market with manufacturers, curtain brands, textile processors, and relevant industry bodies.

The research methodology used is the Expert Opinion Methodology. Quantitative market information was sourced from interviews as part of the primary research, as well as from publicly available portals and verified secondary sources, and is therefore subject to change based on evolving market and business conditions. B2K Analytics’ estimates and assumptions are based on varying levels of quantitative and qualitative analyses, including industry reports, government publications, and information available in the public domain. Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.

B2K Analytics has prepared this study in an independent and objective manner; and it has taken adequate care to ensure its accuracy and completeness. B2K Analytics believes that this study presents a true and fair view of the Textiles Market, including key segments, industry structure, and market challenges, within the limitations of secondary information and primary discussions. It does not purport to be exhaustive. This study has been conducted with an “overall industry” perspective, and it may not reflect the performance of any individual company. B2K Analytics shall not be liable for any loss suffered due to reliance on the information contained in this study. This study should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in it or otherwise.

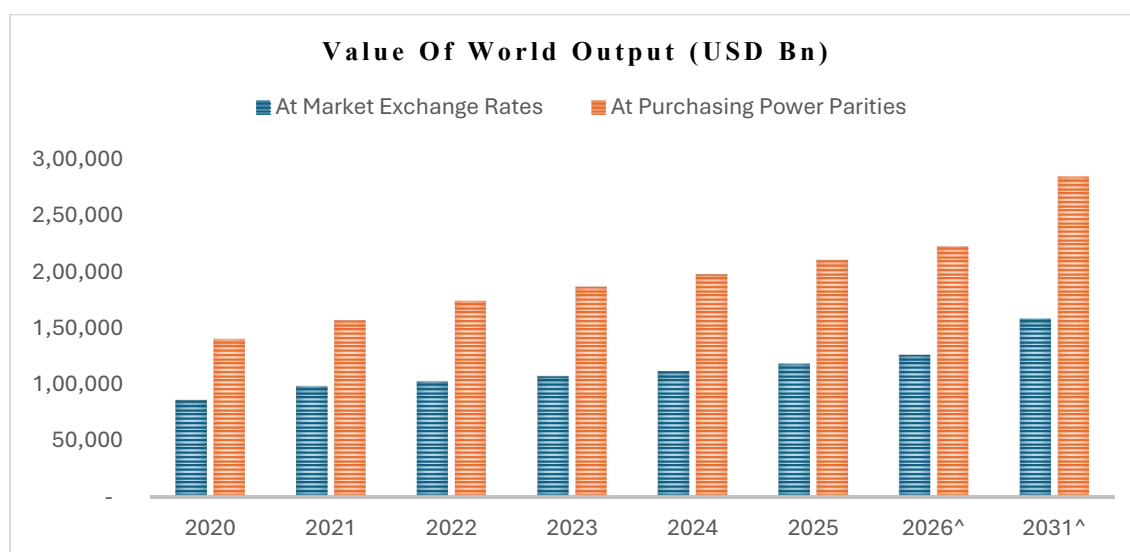
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GLOBAL ECONOMIC REVIEW

Global economic output is projected to reach USD 126.3 trillion at market exchange rates and USD 222.8 trillion at purchasing power parities (PPP) in 2026, reflecting continued growth despite an uncertain global environment. The latest IMF projections as per July 2026 report indicate that global activity has remained more resilient than expected, supported by lower inflation in many economies, easing financial conditions, and stronger-than-expected domestic demand in several major emerging markets.

Growth during 2025-26 has been shaped by a combination of positive and adverse developments. Lower inflation has allowed several central banks to begin reducing interest rates, supporting consumption and investment. At the same time, trade policy uncertainty, including higher tariffs and changes in global trade arrangements, has affected trade and business investment decisions. Ongoing geopolitical conflicts, particularly in the Middle East and Eastern Europe, have disrupted energy markets, increased transport costs, and added uncertainty to the global outlook.

Another feature is the growing contribution of emerging and developing economies to global output. This is reflected in the widening gap between market exchange rate and PPP-based estimates, indicating that these economies continue to account for a larger share of global production and consumption. At the same time, advances in digital technologies and artificial intelligence are supporting investment and productivity in technology-intensive sectors, partly offsetting the impact of weaker global trade and geopolitical risks. Overall, while global output is expected to continue expanding over the medium term, the pace of growth will depend on the evolution of trade policies, geopolitical developments, inflation trends, and the ability of countries to maintain stable macroeconomic conditions.



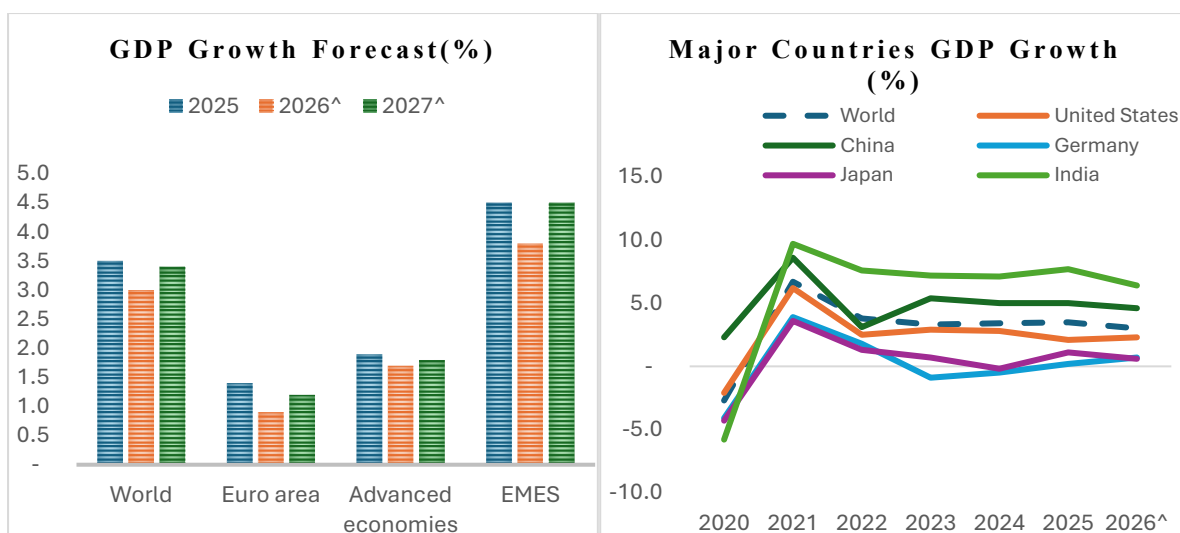
Note: Projections from 2025 onwards

Source: IMF World Economic Outlook Update, July 2026

GDP GROWTH – REGION & COUNTRY WISE

The IMF projects global GDP growth to moderate from 3.5% in 2025 to 3.0% in 2026, before improving to 3.4% in 2027. The slowdown is mainly attributed to weaker global trade, higher trade barriers, continued geopolitical tensions, and policy uncertainty, which have affected investment and business confidence. While easing inflation and gradual reductions in interest rates are expected to support economic activity, growth across advanced economies is likely to remain modest.

Regionally, advanced economies, euro area and EMES all are expected to decline in growth to 1.7%, 0.9% and 3.8% in 2026, reflecting weak manufacturing activity, lower external demand amid uncertain global trade activity.



Note: Data for Calendar year. For India data and forecasts are presented on a fiscal year basis based on GDP at market prices

Source: IMF World Economic Outlook Update, July 2026

Among major economies, the United States is expected to record stable growth supported by private consumption and a resilient labour market, while China's growth is projected to moderate due to continued weakness in the property sector, slower export growth, and structural adjustments in the economy.

The Euro area, led by a modest recovery in Germany, is projected to record gradual improvement, although growth remains constrained by weak industrial activity and lower export demand. Japan is expected to grow at a moderate pace, reflecting subdued domestic demand and demographic challenges.

India is expected to remain the fastest-growing major economy among other countries, with growth of 6.4% in 2026, supported by sufficient domestic demand, public investment, and sustained economic activity. Overall, the projections indicate that emerging economies, particularly India and the ASEAN region, will continue to play an important role in supporting global growth amid a challenging external environment.

GDP Per Capita Comparison

Among country groups, advanced economies are expected to maintain the highest per capita income, rising to USD 66,175 in 2026, while emerging market and developing economies (EMDEs) are projected to reach USD 7,563, reflecting continued income convergence but with a wide gap compared to advanced economies.

Among major economies, the United States continues to record the highest GDP per capita, followed by Germany and the United Kingdom. China's per capita income is projected to rise steadily, reflecting continued economic expansion, while India's GDP per capita is expected to increase from USD 2,675 in 2025 to USD 2,813 in 2026 and further to USD 4,421 by 2031, supported by sustained economic growth. The projections indicate a broad-based rise in global income levels, although the gap between advanced and developing economies is expected to remain substantial over the medium term.

GDP per capita, current prices (in USD)							
Year	2010	2015	2020	2025 ^	2026 ^	2027^	2031 ^
World	9,820	10,433	11,213	14,715	15,679	16,234	18,848
Advanced Economies	42,032	43,032	47,631	62,337	66,175	68,767	78,891
EMED	4,025	4,835	5,208	7,052	7,563	7,857	9,564
Euro Area	36,973	34,016	37,733	50,263	54,178	55,838	63,108
United States	48,586	57,007	64,518	89,991	94,430	98,278	1,12,242
United Kingdom	39,821	45,266	40,844	57,608	61,056	63,704	75,761
Germany	43,220	42,109	47,954	60,439	65,303	67,613	76,426
Japan	45,547	35,711	41,234	35,973	35,703	37,391	43,038

China	4,578	8,173	10,700	13,968	14,874	15,678	19,883
India	1,348	1,567	1,862	2,675	2,813	3,075	4,421

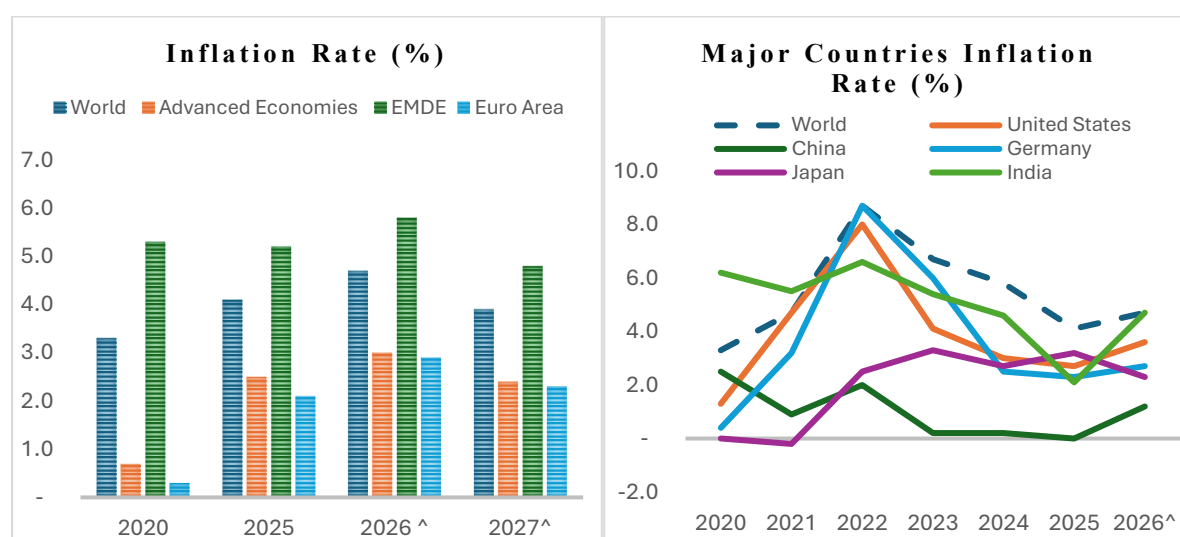
*Notes: Data is for calendar year. For India data and forecasts are presented on a fiscal year basis.
^Estimated by IMF for 2025 2026 and 2031.
Source: <https://www.imf.org/>*

INFLATION RATE – REGION & COUNTRY WISE

Global inflation is projected to remain above pre-pandemic levels in 2026 before easing gradually over the medium term. Global inflation is projected to increase from 4.1% in 2025 to 4.7% in 2026, before easing to 3.9% in 2027 and 3.2% by 2031. The increase reflects the impact of higher trade tariffs, supply chain adjustments, and continued geopolitical tensions, and latest energy crisis which have raised production and import costs in many economies.

Although inflation has moderated from the highs seen during 2022–23, price pressures remain uneven across regions.

Inflation in advanced economies is expected to rise from 2.5% in 2025 to 3.0% in 2026, while emerging market and developing economies (EMDEs) are projected to record higher inflation at 5.8%, reflecting rising domestic demand and higher food and energy prices.



Note: Projections from 2025 onwards.

Source: IMF World Economic Outlook Update, July 2026

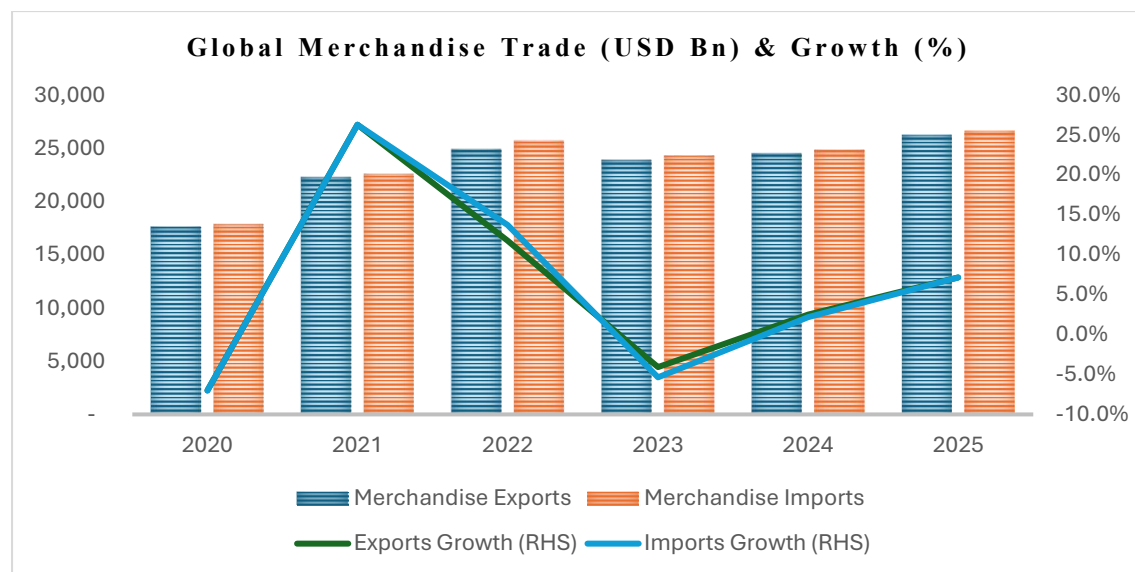
Among major economies, inflation is expected to stay moderate and is projected at 3.6% in the United States, 2.7% in Germany, and 2.3% in Japan in 2026. While China is expected to continue experiencing relatively low inflation at 1.2%. India's inflation is projected at 4.7% in 2026, remaining within the Reserve Bank of India's tolerance band prudent monetary policy, although food price volatility and global commodity prices remain key risks.

GLOBAL TRADE

Global merchandise trade is showing signs of improvement, with exports and imports growing by around 7% in 2025, supported by global demand, changes in supply chain conditions amid US tariff and frontloading activity before tariff implementation, trade deals across countries. Saying that, the future trade is expected to maintain a positive growth path, but the pace of expansion will depend on the strength of the global economic recovery, trade policies and geopolitical developments.

Global merchandise trade continues to be led by Asia, which remains the largest contributor to both exports and imports. In 2025, Asia's merchandise exports have reached USD 9,770 billion, while imports at USD 8,730 billion, reflecting its central role in global manufacturing, supply chains, and consumption. The Euro area and G-7 economies have also maintained a major share of global trade, driven by advanced manufacturing and high-value

goods. Among major economies, China remains the largest merchandise exporter, supported by its manufacturing base and integration into global supply chains, while the United States continues to be one of the largest import markets.



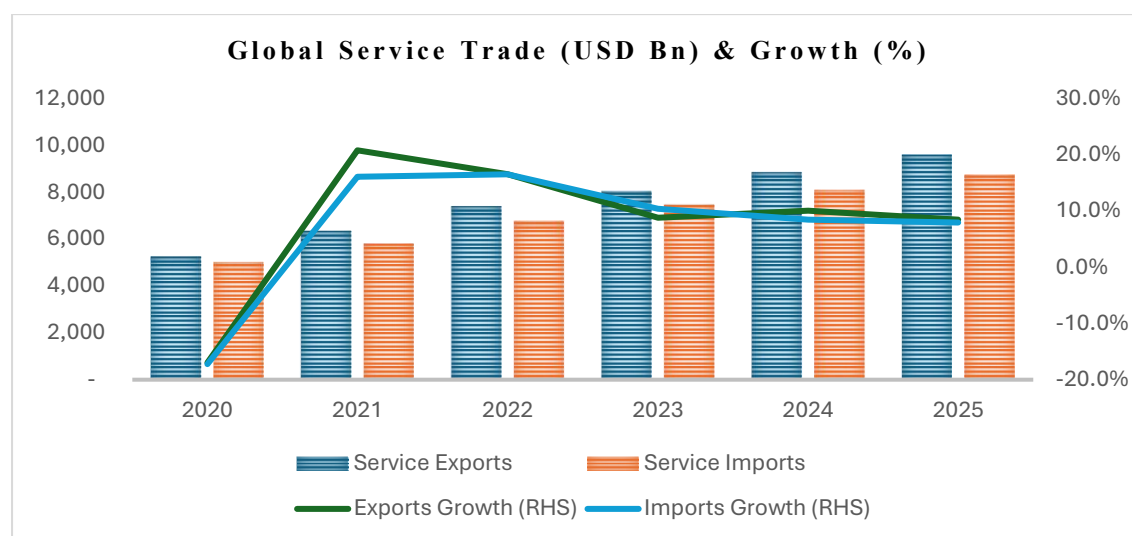
Source: WTO Trade Stats, B2K analytics

Merchandise Exports & Imports					
Merchandise Exports (USD Bn)			Merchandise Imports (USD Bn)		
Region/Year	2020	2025	Region	2020	2025
Asia	6,682	9,770	Asia	6,084	8,730
Euro Area	4,555	6,332	Euro Area	4,265	6,090
G-7	5,228	7,208	G-7	6,282	8,786
United States	1,425	2,185	United States	2,407	3,507
China	2,590	3,772	China	2,066	2,583
Germany	1,383	1,764	Germany	1,172	1,543
Japan	641	738	UK	638	949
Netherlands	675	989	Netherlands	595	870
India	276	445	India	373	754

Source: WTO Trade Stats, B2K Analytics

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Global services trade continues to expand, supported by the recovery of international travel, business services, digital services, and technology-related activities. Service exports are projected to reach around USD 9.6 trillion in 2025, while imports are expected to reach USD 8.7 trillion, reflecting continued growth in cross-border services activity.



Source: WTO Trade Stats, B2K analytics

Advanced economies, particularly the G-7 and Euro area, remain the largest participants in global services trade such as from financial services, professional services, and technology-intensive activities. The United States continues to be the leading services exporter, supported by its dominant position in digital, financial, and business services. Asia is also gaining importance, with rising contributions from economies such as China and India, supported by growth in information technology, outsourcing, and other knowledge-based services. Overall, the expansion of digitalisation and demand for knowledge-based services is expected to remain a key driver of services trade.

Global Service Exports & Imports					
Service Exports (USD Bn)			Service Imports (USD Bn)		
Country/Year	2020	2025	Country	2020	2025
World	5,257	9,594	World	4,993	8,716
G-7	2,028	3,446	G-7	1,607	2,908
Euro Area	1,789	3,097	Euro Area	1,735	2,788
Asia	1,259	2,376	Asia	1,370	2,383
United States	717	1,212	United States	438	885
United Kingdom	395	713	China	378	621
Ireland	332	565	Germany	324	597
Germany	329	512	Ireland	404	536
China	278	506	United Kingdom	223	445
India	203	412	India	153	278

Source: WTO Trade Stats, B2K Analytics

Trade Outlook

According to the World Trade Organization's (WTO) Global Trade Outlook and Statistics report for March 2026, world trade is set to slow in 2026 after a better-than-expected performance in 2025. In 2025, the combined value of goods and services trade reached USD 34.65 trillion, up 7% from the prior year. For 2026, the baseline scenario projects merchandise trade volume growth declining sharply from 4.6% in 2025 to 1.9%, before recovering to 2.6% in 2027. Services trade growth is forecasted to ease from 5.3% to 4.8% in 2026, rising to 5.1% in 2027.

Risks are tilted to the downside. The ongoing Middle East conflict threatens critical transport corridors. Traffic through the Strait of Hormuz has collapsed from 138 commercial vessels per day to near zero, while disruptions have cancelled over 40,000 flights and raised transport

and insurance costs. Persistently elevated energy prices could lower merchandise trade and services trade growth by 0.5 and 0.7 percentage points respectively in 2026. On the upside, AI-related investment contributed to nearly half of goods trade growth in 2025 and up to 70% of productive investment in some regions. Continued momentum in AI spending could support trade above baseline forecasts. On balance, though, risks remain centred on energy prices and geopolitical tensions, and with a swift resolution to the conflict looking increasingly unlikely, growth may fall below WTO forecasts.

INDIA ECONOMIC REVIEW

India's GVA grew by 7.9% in FY2026, supported by growth in the services and industrial sectors. The services sector, which contributes more than half of total GVA, is expected to grow by 9.7%, driven by financial services, IT, professional services, and trade-related activities.

The industry sector is projected to grow by 7.6%, with manufacturing and construction supporting overall growth through investment and domestic demand. The agriculture sector is expected to grow by 3.3%, depending on rural demand and weather conditions. The economic growth is expected to be supported mainly by services and industry activity.

India GVA and its Components: YoY Changes at 2022-23 prices				
Sectors	FY2024	FY2025 (FRE)	FY2026 (PE)	Share in GVA (FY2026)
Agriculture, Livestock, Forestry & Fishing	2.7%	4.1%	3.3%	17.71%
Industry	9.7%	8.5%	7.6%	28.98%
Mining and quarrying	0.9%	13.5%	7.1%	2.10%
Manufacturing	10.7%	10.0%	8.8%	15.59%
Electricity, gas, water supply & other utility services	11.7%	2.8%	2.1%	2.34%
Construction	9.7%	6.6%	7.2%	8.95%
Services	8.0%	7.5%	9.7%	53.31%
Trade, Hotels, Transport, Communication & Services related to Broadcasting, Storage	10.1%	8.4%	11.3%	14.65%
Financial, Real Estate, IT, Professional Services & Ownership of Dwelling	5.5%	10.7%	10.5%	26.25%
Public administration, defence and other services	6.8%	6.6%	6.3%	12.42%
Total GVA	7.4%	7.1%	7.9%	100.0%
<i>Source: MoSPI, B2K Analytics</i>				

GDP Growth

India's economy remained resilient to external adversities supported by domestic demand, investment activity, and steady performance across major sectors.

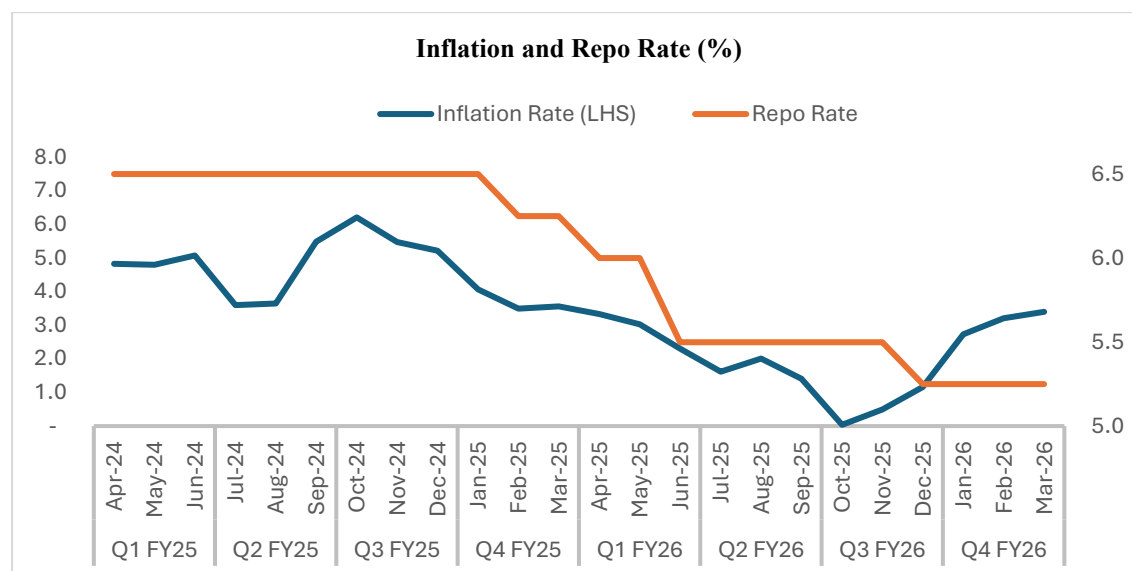
- Recent provisional estimates for GDP growth projects that Real GDP grew by 7.8% during FY2026, with Private Final Consumption Expenditure (PFCE) improving by 7.2% and remaining an important driver of growth.
- Gross Fixed Capital Formation (GFCF) continues to support economic activity, with growth reaching 8.0% in FY2026, reflecting continued investment in infrastructure, capacity expansion, and business activity.
- Government Final Consumption Expenditure (GFCE) has also contributed positively, though growth moderated in FY2026 from 6.6% in the last year to 5.9%.

India's growth outlook remains supported by a combination of consumption and investment demand, with private consumption and capital formation expected to remain key contributors to economic expansion.

Inflation

India's inflation has moderated during FY2026, moving below the Reserve Bank of India's target of 4% for most of the year. Headline inflation declined from 3.3% in April 2025 to 1.2% in December 2025 but has increasing slightly to 3.4% by March 2026. The moderation in inflation was mainly due to lower food prices and easing supply-side pressures.

With inflation remaining under control, the Reserve Bank of India (RBI) reduced the repo rate from 6.5% in January 2025 to 5.3% by December 2025, maintaining the rate through August 2026. Core inflation remained stable at around 3.3% in the final quarter of FY2026, indicating that underlying price pressures were contained. Overall, the inflation and interest rate trends provided a supportive environment for consumption and investment.



Source: RBI, MoSPI, B2K Analytics

Trends in Merchandise and Services Trade

India's total trade balance remained in deficit during FY2026, mainly due to a rise in merchandise imports. Merchandise exports remained broadly stable, while imports increased widening the merchandise trade deficit to USD 333.6 billion. The increase in imports reflects higher domestic demand and purchases of key items such as crude oil, electronics, machinery, and gold. In contrast, the services sector continued to support the external sector with trade surplus widened to USD 21669 billion, led by IT, business, financial, and professional services.

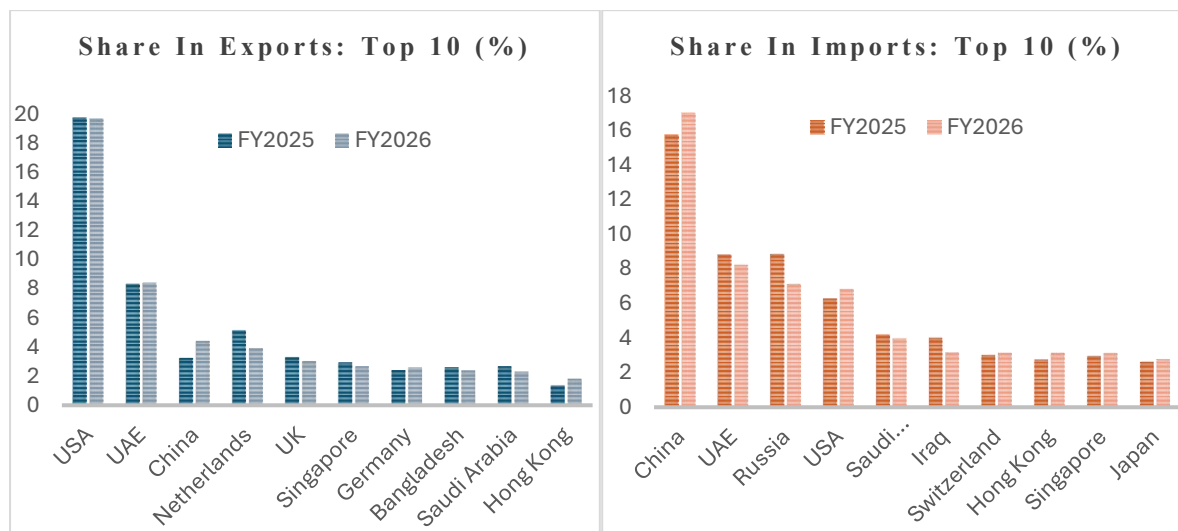
This helped offset part of the merchandise trade deficit, although it was not sufficient to eliminate the overall trade gap despite amid an uncertain global environment, geopolitical challenges and the tariff rates imposed by the US.

India's Total Trade Balance (USD Bn)				
Items	FY24	FY25	FY26	YoY
Trade: Merchandise				
Merchandise Exports	437.12	438.01	442.03	0.92%
Merchandise Imports	678.35	720.27	775.68	7.69%
Trade Balance: Merchandise	-241.22	-282.26	-333.65	18.21%
Trade: Services				
Service Exports	341.062	387.553	421.292	8.71%
Service Imports	178.311	198.717	204.677	3.00%
Trade Balance: Service	162.75	188.84	216.62	14.71%
Total Trade Balance	-78.47	-93.42	-117.03	-

Source: CMIE, B2K Analytics

The United States continue to remain India's largest export destination in FY2026, although its share decreased slightly to 19.7% from 19.8% in FY2025. Exports to UAE, China, Germany and Hong Kong improved while exports to the Netherlands, UK, Singapore, Bangladesh and Saudi Arabia declined during FY2026.

On the import side, China remains to be India's largest import partner, with its share rising to 17.0% in FY2026 from 15.8% in FY2025. The shares of imports from the US, Switzerland, Hong Kong, Singapore and Japan also increased, while imports from UAE, Russia, Saudi Arabia, and Iraq declined compared with the previous year. Overall, India's trade pattern remained concentrated among a few major partners, with gradual diversification in few markets.



Source: CMIE, B2K Analytics

Upside and Downside to Economic Growth Outlook

Upside	Downside
• MPC Balancing Act: Extended rate pause has supported growth by maintaining favourable financial conditions. • Benign Inflation Supporting Demand: Medium inflation, GST rationalisation and income tax relief are supporting disposable income simultaneously. • Infrastructure and Manufacturing Push: Higher government capital spending and PLI linked manufacturing capacity is translating into improved industrial activity. • Growth in Digital and Services Sector: Expansion in IT, financial services, and digital businesses is supportive to India's growth momentum. • Favourable Domestic Demand Conditions: Rising consumption, urbanisation, and improving business confidence supporting economic activity.	• Global Trade Policy Uncertainty: Imposition of trade restrictions and changes in tariffs and could affect exports, investment decisions, and supply chains. • Geopolitical Tensions and Energy Prices: Conflicts in key regions could increase crude oil prices and create inflation pressures. • Slower Global Growth: Weak economic activity in major economies could reduce demand for Indian exports. • External Sector Pressure: Higher merchandise imports and a wider trade deficit could exert pressure on the current account balance. • Private Investment Recovery: Delays in private sector investment growth could limit the pace of industrial expansion.

TEXTILE INDUSTRY

Introduction

The textile industry is a broad part of the manufacturing sector and includes entire industry activities, starting from the production of fibre and yarn and moving towards fabric and finished textile products. The industry supplies products for clothing, home textiles, bed sheets, furnishings and other uses. Within the textile industry, textile manufacturing and processing includes the conversion of yarn into different types of fabrics.

Then comes fabrics manufacturing and is mainly classified as woven, knitted and non-woven based on the way they are made. The performance of this segment depends on factors such as yarn prices, raw material availability, labour and power costs, production capacity and demand from customers.

One important product in fabric manufacturing is greige or grey fabric, which is the unfinished fabric obtained after weaving. It can later be dyed, printed or finished according to the needs of the customer. Greige fabric is mainly supplied to companies involved in further textile processing and the production of garments and home-textile products. Major uses include shirting, suiting, bed sheets and other woven fabrics.

In this industry structure, Anil Fashions Limited operates in fabric manufacturing and specifically Woven Greige Fabric segment. The company manufactures greige fabrics used for shirting, suiting, bed sheets and other woven fabric products. It serves garment manufacturers and fashion brands as well as healthcare and institutional buyers, with an expanding export presence. The industry structure is prepared as follows:

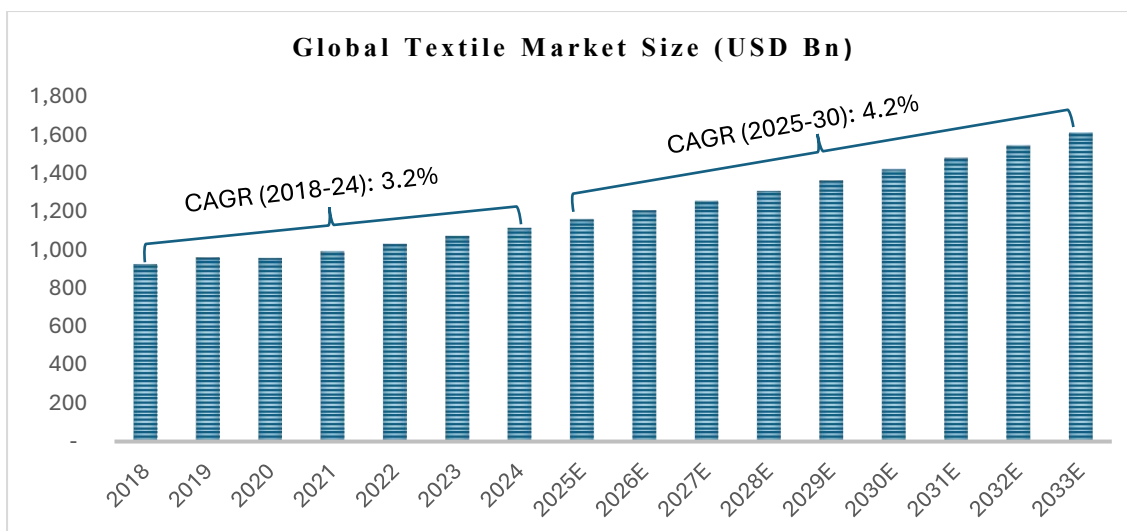


GLOBAL TEXTILE & APPAREL MARKET – A BRIEF

The textile industry describes the industry in which the production, processing, manufacture, and distribution of fabrics occurs. Fabrics are made using raw materials that are transformed into yarns and then knit or woven together.

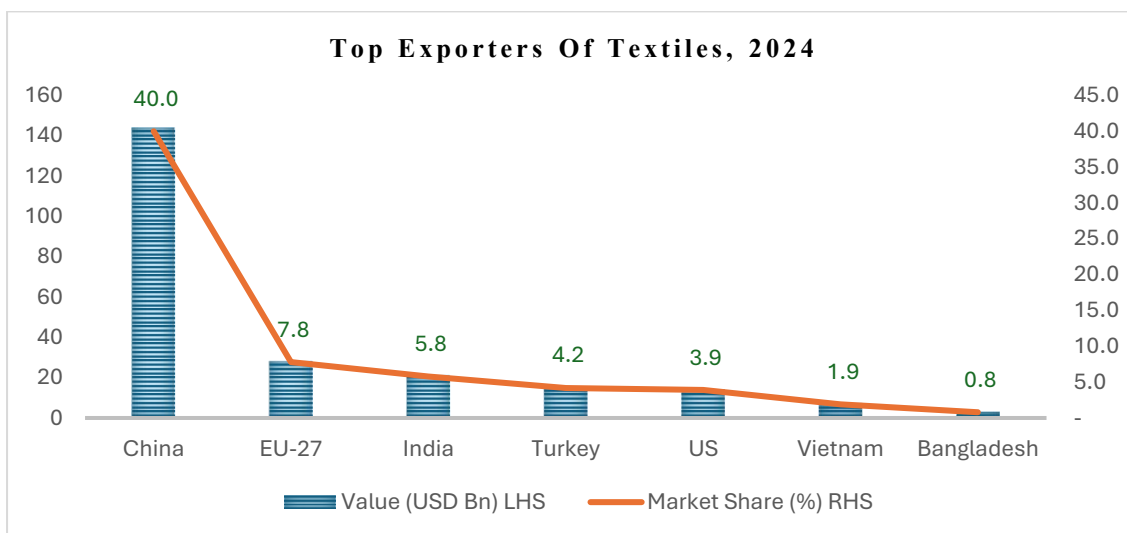
Textile is one of the largest manufacturing and trading sector in the world, covering the production of fibres, yarns, fabrics, garments, and technical textiles. Further the industry is influenced by factors such as raw-material prices, consumer demand, production costs, exports, technology and fashion trends. The industry plays a crucial role in global economic development by generating employment, supporting international trade, and meeting rising consumer demand for clothing and lifestyle products.

The global textile market has shown steady growth, increasing from USD 925 billion in 2018 to USD 1,115 billion in 2024, with slight decline in 2020 due to COVID-19-related disruptions. The market then recovered quickly, driven by the resurgence in apparel demand, expanding technical textile applications, and improving global supply chains. The market is projected to reach USD 1,612 billion by 2033, supported by rising disposable incomes, urbanisation, growing demand for sustainable and functional textiles, and increasing investments in advanced manufacturing technologies.



Source: EMIS, Grand View Research (GVR), B2K Analytics

In 2024, China was by far the world's largest exporter of textiles, with exports valued at USD 144 billion, accounting for 40.0% of global market share. This dominance shows China's extensive production capacity, integrated supply chains, competitive manufacturing costs, and upper hand in global textile trade. The EU-27 ranked second, with exports of USD 28 billion and a 7.8% market share, followed by India at USD 21 billion (5.8%) and Turkey at USD 15 billion (4.2%). These countries have well-established textile industries and major roles in international markets.



Source: EMIS Insights, Wazir Advisors, B2K Analytics

The United States, despite being a major economy, accounted for 3.9% of global textile exports, with exports of USD 14 billion. Among emerging textile exporters, Vietnam recorded USD 7 billion (1.9%), while Bangladesh exported USD 3 billion (0.8%). Although their shares are considerably smaller than China's, both countries are important participants in global textile and apparel supply chains.

In all, India and Turkey have maintained their influential positions, while Vietnam and Bangladesh have developed more specialised export-oriented textile and garment industries.

This indicates a relatively high degree of manufacturing specialisation in these two economies, where textiles and apparel remain important components of industrial production and export-oriented manufacturing.

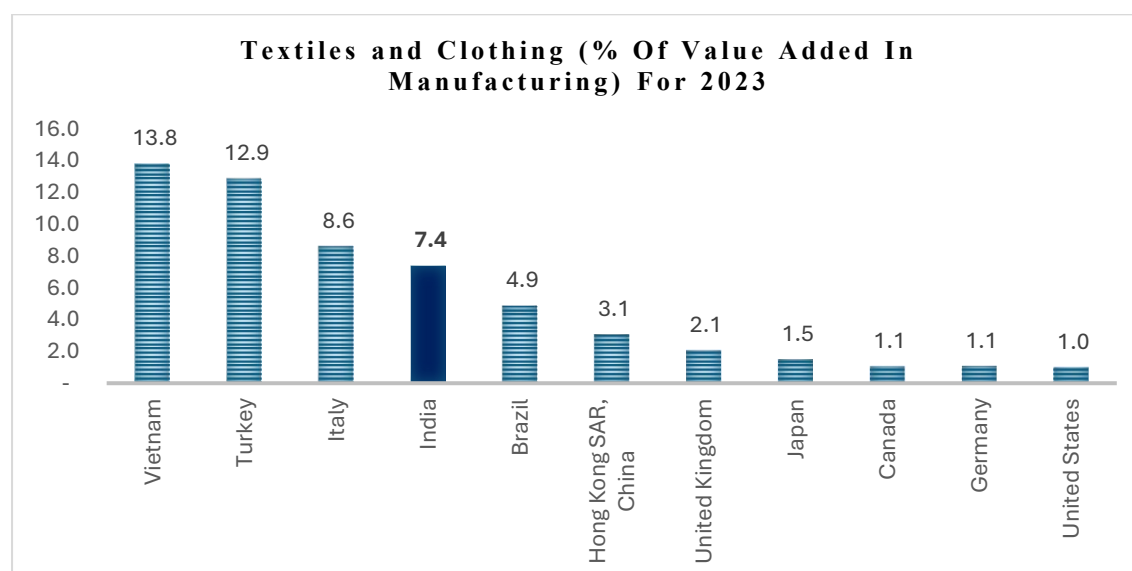
Italy (8.6%) and India (7.4%) occupied the next positions. Italy's relatively high share reflects the continued importance of textiles, apparel, and fashion-related manufacturing within its industrial base. Brazil recorded 4.9%,

placing it in an intermediate position. In contrast, Hong Kong SAR, China recorded 3.1%, while the United Kingdom (2.1%), Japan (1.5%), Canada (1.1%), Germany (1.1%), and the United States (1.0%) recorded substantially lower shares.

A key interpretation is that a higher percentage does not necessarily mean a larger textile industry in absolute terms. The indicator measures textiles and clothing as a proportion of total manufacturing value added. Therefore, the low shares in countries such as the United States and Germany primarily indicate greater manufacturing diversification, rather than an absence of textile production.

Textiles and clothing have a relatively greater role in the manufacturing systems of Vietnam, Türkiye, Italy, and India, while their relative importance is much lower in advanced, highly diversified economies such as the United States, Germany, Japan, and Canada. This distinction is important when assessing textile competitiveness because the indicator captures industrial specialisation, not export performance or the absolute size of the textile sector.

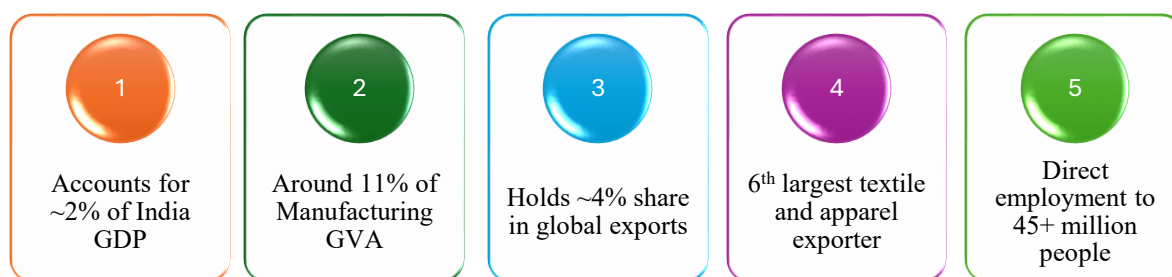
Advanced economies such as the United States, Canada frequently outsource textile and apparel production to developing economies such as India, Vietnam, and Bangladesh. These countries offer lower manufacturing costs and large, readily available workforces, allowing them to manufacture textile and apparel goods at lower prices and making them attractive destinations for outsourcing. Their expansive manufacturing capabilities, spanning yarn production, weaving, dyeing, and garment assembly, further enable production at mass scale while maintaining cost efficiency.



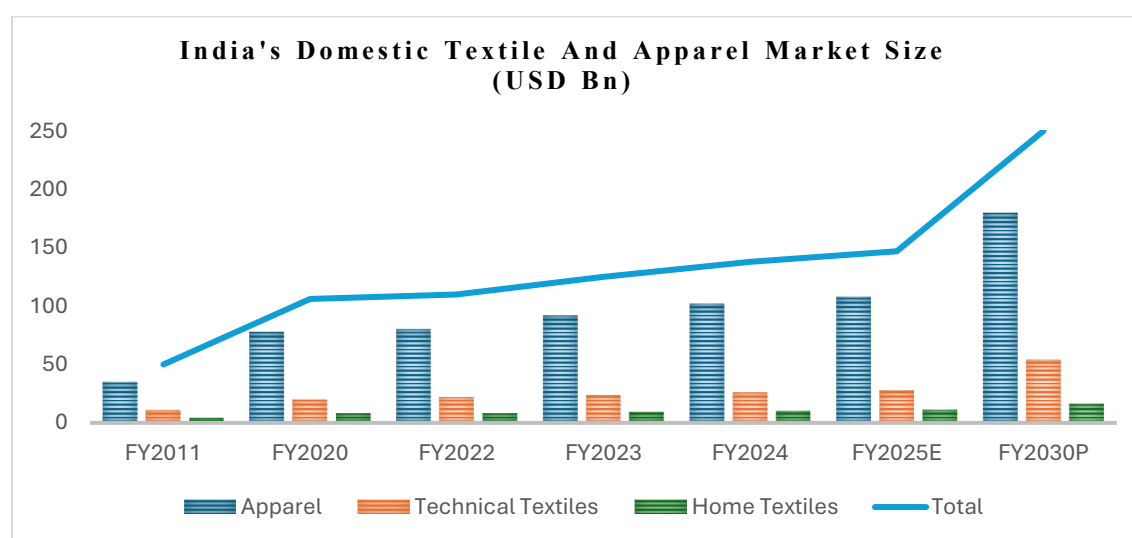
Source: WTO, B2K Analytics

INDIA TEXTILE INDUSTRY

India's textile sector is one of the country's oldest and most diverse industries, with a rich heritage that dates back centuries. It encompasses a wide spectrum, from traditional hand-spun and handwoven clusters to modern, capital-intensive mills, supported by well-established base of fibres and yarns. India is the world's second-largest producer of textiles and garments and the one of the largest exporter, with a broad product portfolio spanning apparel, home textiles, technical textiles, and several other textile products. The industry contributes around 2% to India's GDP and about 11% of manufacturing GVA as of FY2026. The industry is capital intensive as well as one of the largest employers and its employees with over 45 million people engaged and about 22,000 million garments produced annually. By 2030, the textile industry's share in GDP is expected to more than double, reaching close to 5%.



India's FTA agenda was a major progress during 2025–26, with important implications for the textile and apparel sector. The India–EFTA TEPA, India–UK CETA, India–Oman CEPA, India–New Zealand FTA and India–EU FTA are expected to improve preferential market access, reduce tariff disadvantages, support supply-chain integration, and open new opportunities for textiles, apparel, handicrafts and technical textiles. India's domestic textile and apparel market has expanded considerably, from USD 50 billion in FY2011 to an estimated USD 147 billion in FY2025.

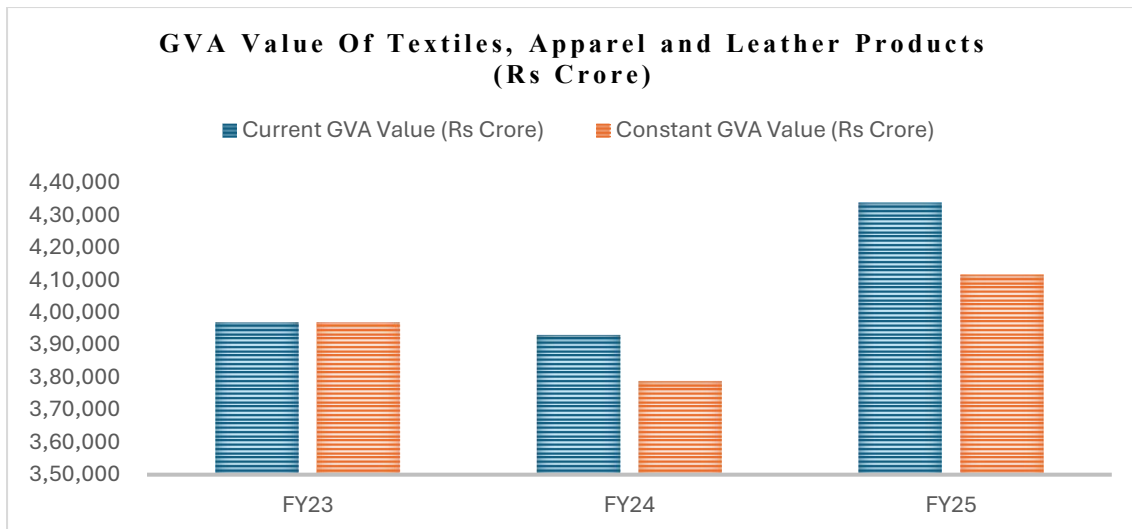


Note: E (estimated), P (projections) Source: EMIS Insights, Wazir Advisors, B2K Analytics

- Apparel remains the largest segment, increasing from USD 35 billion to USD 108 billion and accounting for nearly three-fourths of the market in FY2025 reflecting sustained growth in domestic demand.
- Technical textiles have grown from USD 11 billion to USD 28 billion over the same period, indicating increasing demand for applications beyond conventional clothing.
- Home textiles have expanded more gradually, reaching USD 11 billion in FY2025.

The market is projected to reach USD 250 billion by FY2030, implying a CAGR of around 11.2% from FY2025 to FY2030. Apparel is projected to reach USD 180 billion, while technical textiles are expected to reach USD 54 billion. Technical textiles therefore have the highest projected growth, with their share of the domestic market rising from about 19% in FY2025 to 22% by FY2030.

The GVA of India's textiles, apparel and leather products sector showed a moderate decline in FY24 followed by a strong recovery in FY25. At current prices, GVA decreased from Rs 3.97 lakh crore in FY23 to Rs 3.93 lakh crore in FY24, before rising to Rs 4.34 lakh crore in FY25. In similar trend GVA at constant FY23 prices declined from Rs 3.97 lakh crore to Rs 3.79 lakh crore in FY24, indicating a real contraction of about 4.6%, but recovered to Rs 4.12 lakh crore in FY25, an increase of about 8.7% over FY24. FY25 figures indicated a clear recovery in real economic activity, with the sector moving above its FY23 level in constant-price terms.



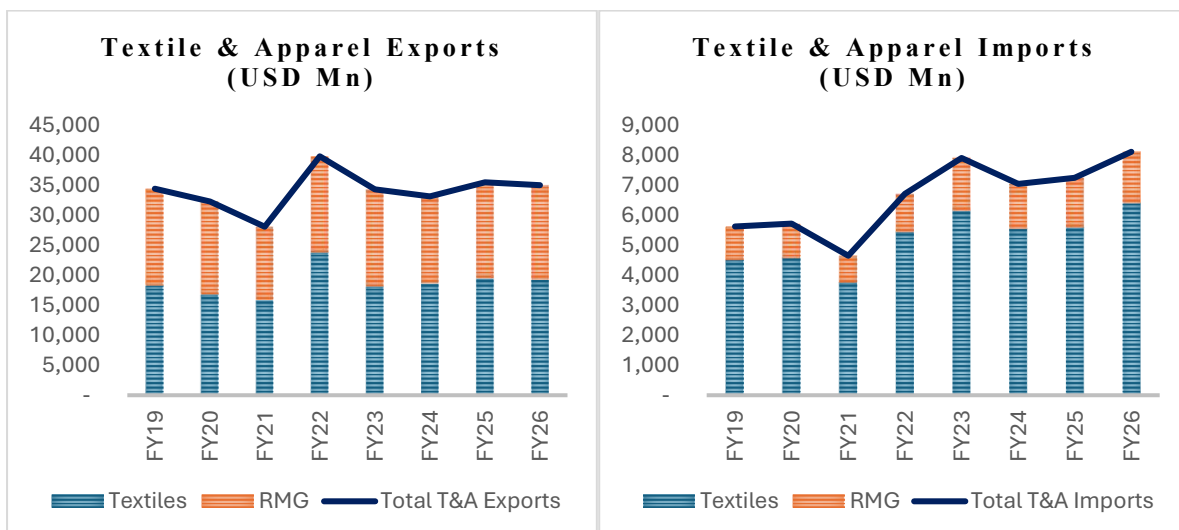
Source: MOSPI, B2K Analytics

India Textile & Apparel Trade

India exports a wide range of products, including fibre, cotton yarn, fabrics, ready-made garments, home textiles, and technical textiles to various markets. The industry benefits from abundant raw materials, a skilled workforce, traditional textile expertise, and a large domestic market. India remained a net exporter of textiles and apparel during the past years, with exports higher than imports in every year. However, export growth was limited over the period. Total T&A (textile & apparel) exports recorded a CAGR of 0.2% for FY19-FY26, compared with 5.4% for imports, indicating that imports grew faster than exports.

Within textiles, imports increased at a 5.1% CAGR, while exports grew by only 0.7%. The RMG segment shows a wider gap: RMG imports grew at 6.4% CAGR, whereas RMG exports declined by 0.3%. This points to increasing imports in the apparel segment alongside limited growth in exports.

Trade performance was highest in FY22, when total T&A exports reached USD 39,823 million and the trade surplus was USD 33,107 million. Exports subsequently moderated and stood at USD 34,999 million in FY26, while imports increased to USD 8,116 million, bringing the trade surplus to USD 26,882 million. India continues to generate a trade surplus in textiles and apparel, but the surplus has narrowed as imports have grown faster than exports. The relatively low growth in RMG exports points to scope for expanding India's presence in higher-value apparel and downstream textile products.



Source: CMIE, B2K Analytics

India Textile & Apparel Trade – Country Wise

- **Exports:** India's textile exports have remained broadly stable over the past years, despite volatility around the pandemic. The key structural change has been a shift in export markets, with the US strengthening its position as the largest destination, while the share of traditional markets such as the UK, UAE, Germany and France has declined in FY26.
- Growth has become more diversified, led by Bangladesh whose share has increased from 4.0% in FY12 to 6.7% in FY26 and several European markets such as the Netherlands and Spain have also experienced similar gain. China remains a weak export market, with exports declining over time compared to imports. The trend indicates greater US dependence alongside improving diversification into newer and faster-growing markets.
- **Imports:** India's textile imports have expanded in recent years, with total imports reaching over USD 8,116 million in FY26. China remains the dominant source, accounting for roughly half of total imports i.e ~50%, while Bangladesh and Vietnam have steadily increased their presence. The rise in imports from these Asian manufacturing hubs indicates growing integration of Indian textile value chains with regional suppliers.

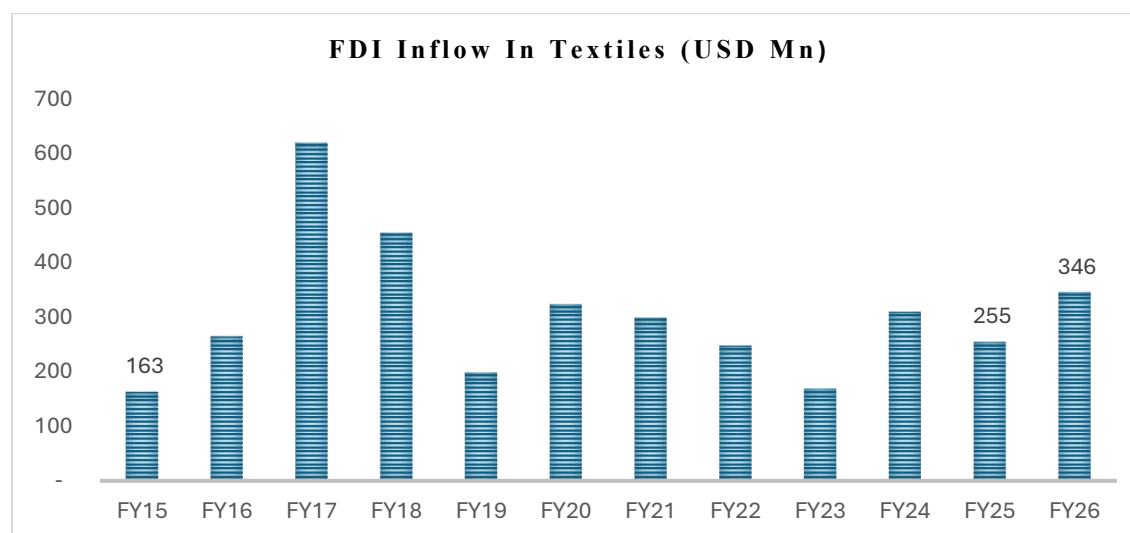
The post-FY21 period shows broad-based growth across several sourcing markets, particularly Bangladesh, Vietnam, Indonesia and Malaysia. At the same time, the share of traditional suppliers such as the US, South Korea and Hong Kong has declined. The import pattern suggests increasing dependence on Asian textile manufacturing ecosystems, with China continuing to be the primary source while alternative sourcing markets are gaining importance. Despite India's sustained position, the sector faces challenges such as outdated technology, intense competition from countries like China, Bangladesh and Vietnam, rising production costs, and the need for sustainable manufacturing practices.



Source: CMIE, B2K Analytics

FDI equity inflows into India's textile sector have fluctuated over the period, rather than following a consistent upward trend. Inflows increased from USD 163 million in FY15 to USD 619 million in FY17, the highest level in the series, before declining in subsequent years. After FY17, inflows remained mostly within the USD 170–350 million range, with some variation. In the latest reported year, inflows stood at USD 346 million, compared with USD 255 million in the preceding entry.

Basically foreign investment in textiles has remained uneven, with slight increase in latest year. The recent increase suggests renewed investor interest, but maintaining higher inflows would depend on improvements in manufacturing capacity, export competitiveness, technology adoption and integration with global value chains.



Source: Ministry of Textiles, B2K Analytics

India's Textile Sector Investments

The data shows new project announcements and the actual project completed have remain uneven over the past few years. While investment activity has expanded, project execution has not kept pace, suggesting increasing conversion and implementation challenges across both government and private ownership. The investment pattern has shown more % share of private players (more than 90%) compared to government (less than 10%) except for the FY21.

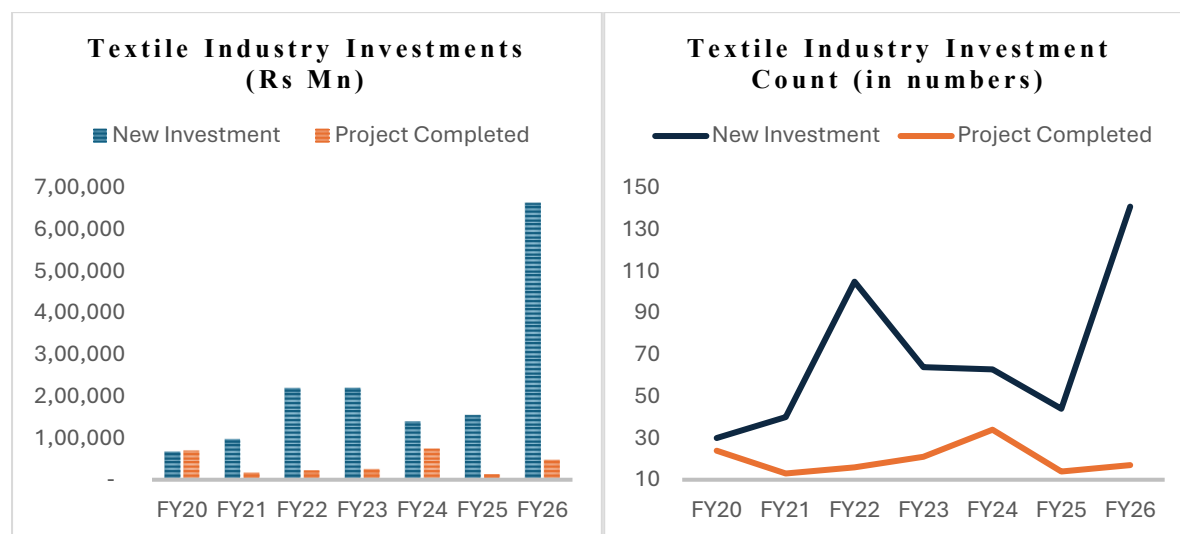
From FY20 to FY26, new investment increased almost tenfold, however, project completions increased much more modestly. This divergence is particularly pronounced in FY26, when new investment reached its highest-ever level, while completed projects remained relatively low. Consequently, the investment gap widened to the largest in the period. The trend becomes particularly visible from FY21 onwards. After FY20, where completed investment marginally exceeded new investment, the system moved into a persistent accumulation phase. The gap rose from FY21 till FY22–FY23, before moderating in FY24.

The subsequent increase in FY25 and a sharp jump in FY26 indicate that the recent surge in investment announcements or approvals has not yet translated into corresponding project execution.

The project count data reinforces this trend. New investment projects increased from 30 projects in FY20 to 141 projects in FY26, with the highest previous level recorded in FY22 at 105 projects. However, completed projects increased only from 24 in FY20 to 17 in FY26, with the number of completions fluctuating considerably during the period. FY24 recorded the highest number of completed projects at 34, while FY26 recorded only 17 completions despite having the highest number of new investment projects.

The data points to a substantial and growing pipeline of investment projects, particularly in FY26. However, the widening gap between new investments and project completions suggests that the pace of execution and commissioning is lagging behind the pace of investment announcements/approvals. The FY26 figures are

particularly notable, with new investment reaching an unprecedented Rs 6,63,398 million across 141 projects, compared with only Rs 47,497 million across 17 completed projects. This indicates the need for closer monitoring of project implementation, execution timelines, and the conversion of announced investments into operational projects.



Source: CMIE, B2K Analytics

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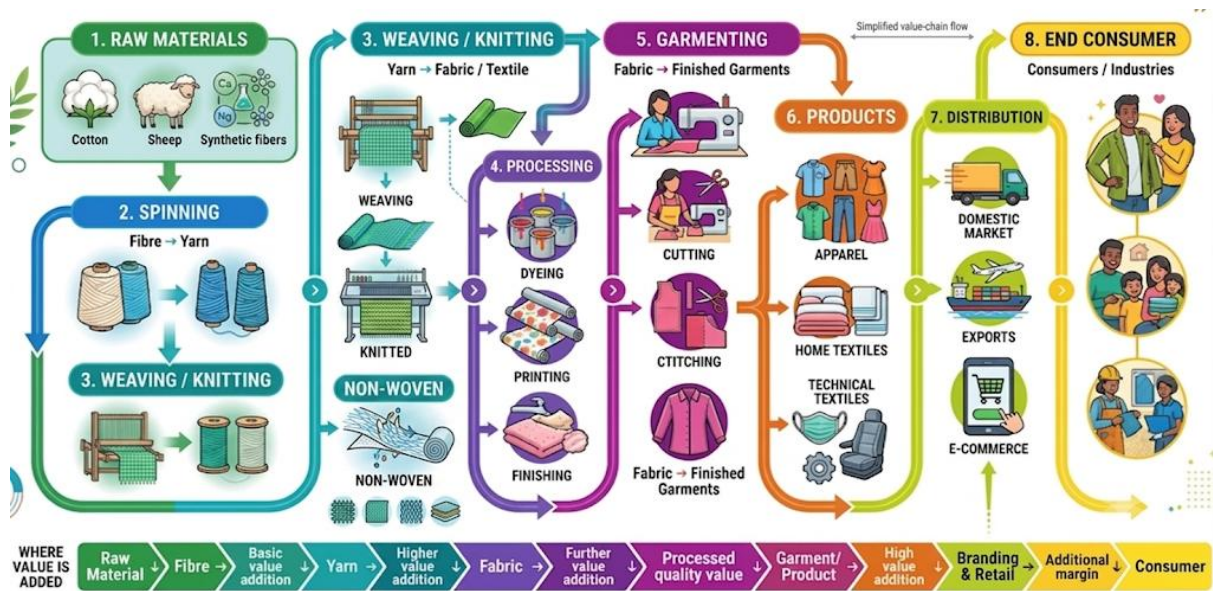
VALUE-CHAIN ANALYSIS

The textile industry value chain consists of multiple stages, starting from raw material production and extending up to the manufacturing and distribution of finished textile products. The value chain begins with the fibre production stage, where natural and man-made fibres such as cotton, wool, silk, polyester, and viscose are produced. These fibres serve as the basic raw materials for the textile industry and are supplied to spinning mills for further conversion.

The next stage is yarn manufacturing, where fibres are processed through spinning techniques to produce different types of yarn, including cotton yarn, synthetic yarn, and blended yarn. Yarn manufacturers play an important role in determining the quality, strength, and characteristics of the final textile product.

Following yarn production, the industry moves into the fabric manufacturing stage, where yarn is converted into fabrics through weaving or knitting processes. This stage includes the production of woven fabrics, knitted fabrics, and grey (greige) fabrics. The fabric manufacturing represents a critical intermediate stage, as the quality, construction, weight, appearance and performance of the fabric directly influence the characteristics and end-use suitability of the final textile product.

Anil Fashions Limited operates at this stage of the textile value chain, with its primary focus on manufacturing woven greige fabrics used for shirting, suiting, and home textile applications.



After fabric manufacturing, fabrics undergo textile processing and finishing, which includes activities such as dyeing, printing, bleaching, and finishing treatments. These processes enhance the appearance, texture, durability, and functionality of fabrics before they are converted into finished products.

The processed fabrics are then supplied to the garment and home textile manufacturing segment, where they are transformed into consumer products such as shirts, trousers, dresses, bedsheets, curtains, and other textile goods. The final stage involves distribution and retail, where finished products reach consumers through domestic markets, exports, brand outlets, wholesalers, and e-commerce platforms.

The textile value chain is interconnected in such a way where each stage adds value to the final product. **Companies such as Anil Fashions Limited are positioned in the intermediate manufacturing segment, supplying woven fabrics to downstream processors and manufacturers rather than directly selling finished textile products to end consumers.**

INDUSTRY SEGMENTATION

Industry segmentation divides a large and diverse industry into smaller groups. It helps in understanding the industry in a more structured way and makes it easier to identify the market size, growth trends, demand drivers, competition, customers and key risks.

Segmentation by Raw Materials

Cotton	A natural fibre obtained from the cotton plant. It is widely used because it is soft, comfortable and suitable for shirts, bed sheets and other clothing products.
Wool	A natural fibre mainly obtained from sheep. It provides warmth and is commonly used for winter clothing, suits, blankets and other warm products.
Silk	A natural fibre produced mainly from silkworms. It is known for its smooth texture and is generally used in premium clothing and decorative products.
Polyester	A man-made fibre made from synthetic materials. It is strong, durable and commonly used in clothing, home textiles and blended fabrics.
Viscose / Rayon	A man-made fibre made from processed plant-based cellulose. It has a soft feel and is often used in clothing and blended fabrics.
Nylon	A synthetic fibre known for its strength and flexibility. It is used in clothing, sportswear, hosiery and industrial textiles.
Blended Fibres	Fabrics made by combining two or more fibres, such as cotton-polyester. Blending is done to combine the benefits of different fibres.

Segmentation by End User

Apparel & Clothing	Fabrics used to make clothing such as shirts, trousers, dresses, suits and uniforms.
Home Textiles	Textile products used in homes, such as bed sheets, curtains, towels, blankets and upholstery.
Technical Textiles	Textiles designed for a specific function rather than mainly for appearance, such as medical, automotive, construction and agricultural textiles.
Industrial Textiles	Textiles used in industrial activities, such as filtration fabrics, conveyor materials, protective fabrics and packaging materials.
Institutional Textiles	Textiles supplied to organisations such as hotels, hospitals, schools and other institutions, including uniforms, bed linen and towels.
Others	Textile products used for other purposes that do not fall into the above categories, including certain decorative and specialty textile products.

For Anil Fashions Limited, segmentation is important because the company does not operate across the entire textile value chain. It is mainly associated with the woven greige fabric segment, with products used for shirting, suiting, bed sheets, other woven fabric applications and non-woven textile. Therefore, focusing on the specific segment helps assess the factors that directly affect the company's business, such as yarn and raw-material prices, fabric demand, production, customer and competition. It also helps understand companies operating in similar fabric segments rather than with companies from unrelated areas such as fibre production or garment manufacturing.

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TEXTILE MANUFACTURING & FABRIC SOLUTIONS

Textile manufacturing and fabric solutions cover the production of fabrics from yarn and the processes used to make them suitable for different end uses. It transforms raw materials such as cotton, polyester, viscose, and other fibres into finished fabrics that are used across apparel, home textiles, and industrial applications. The manufacturing process includes activities such as spinning, weaving, knitting, dyeing, printing and finishing, depending on the type of textile product each step creates value addition.

Types of textile manufacturing process			
Yarn manufacturing	Fabric manufacturing	Garment manufacturing	Technical textile

Fabric solutions includes developing fabrics with specific requirements related to quality, strength, comfort, appearance, durability and performance so as to meet the changing requirements of domestic and international markets.

This processing solutions are also particularly important as they enhance the functional and aesthetic characteristics of fabrics through activities such as bleaching, dyeing, printing, washing, and finishing. Advancements in textile processing technologies, including automation, digital printing, sustainable dyeing methods, and resource-efficient production systems, are enabling manufacturers to improve operational efficiency while meeting increasing demand for environmentally responsible products. The shift towards sustainable textiles, shorter fashion cycles, and customised fabric solutions has further increased the importance of integrated manufacturing and processing capabilities.

However, the sub-sector’s will continue to face challenges such as volatility in raw material prices, energy cost for running the factory, compliance costs, environmental regulations, and increasing competition from low-cost manufacturing destinations. Companies with strong technical expertise, efficient production processes, sustainable practices, and the ability to provide differentiated textile solutions are better positioned to capture growth opportunities in the changing global textile market.

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FABRIC MANUFACTURING OPERATING SUB-SECTOR

The word fabric comes from “fabrique” of French origin. This word refers to meaning “to build, make, construct, create, etc.” In Textile, fabric refers to something that helps to cover our body or another thing. In general, that which helps to cover or cover an object is called fabric. Further, weaving in the textile industry is used for converting separate sets of yarn or thread into structured, cohesive sheets of fabric or cloth. Approximately 95% of the weaving sector in India is unorganized in nature.

The decentralised power loom and hosiery sector contributes 85% of total fabric production. Fabric can broadly be classified as :-

1. Natural

- **Cotton** - Soft, breathable and highly versatile; widely used in apparel, home textiles and bed linen
- **Linen** - Derived from flax; known for its strength, breathability and natural texture
- **Wool** - Provides warmth and insulation; commonly used in winter apparel and home textiles
- **Silk** - Lightweight and smooth with a natural lustre; primarily used in premium apparel and furnishings
- **Jute** - Sturdy and biodegradable; used mainly in packaging, furnishings and certain technical applications

2. Synthetic

- **Polyester** - Durable, lightweight and wrinkle-resistant; extensively used in apparel, home textiles and industrial fabrics
- **Nylon** - Strong, abrasion-resistant and flexible; used in apparel, sportswear, industrial fabrics and technical textiles
- **Acrylic** - Lightweight and wool-like; commonly used in sweaters, blankets and upholstery
- **Polypropylene (PP)** - Lightweight, moisture-resistant and chemically resistant; used in nonwovens, industrial textiles and technical applications
- **Elastane/Spandex** - Highly stretchable; generally blended with other fibres for sportswear, activewear and fitted garments

3. Regenerated / Man-made Cellulosic

- **Viscose/Rayon** - Produced from cellulose; soft, breathable and known for its good drape.
- **Modal** - A soft regenerated fibre with good moisture absorption, commonly used in apparel and home textiles.
- **Lyocell** - Known for its softness, strength and relatively lower environmental impact compared with conventional viscose production.
- **Acetate** - Smooth and lustrous fibre used in apparel, linings and decorative fabrics.

4. Blended

- **Cotton-Polyester** - Combines the comfort of cotton with the durability and easy-care properties of polyester.
- **Polyester-Viscose (PV)** - Offers a balance of durability, softness and drape.
- **Cotton-Linen** - Combines the comfort of cotton with the strength and texture of linen.
- **Wool-Polyester** - Combines the warmth of wool with the durability and easy-care properties of polyester.

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Segmentation by Production Type of Fabric

Woven Fabric

- Made by interlacing two sets of yarns, called warp and weft. It is commonly used for shirts, trousers, suits, bed sheets and other products.

Knitted Fabric

- Made by forming loops of yarn and joining them together. It is generally softer and more flexible and is used for T-shirts, sportswear and hosiery.

Non-Woven Fabric

- Made by joining fibres together through methods such as heat, chemicals or mechanical processes instead of weaving or knitting. It is used in medical products, filters, hygiene products and packaging.

Greige / Grey Fabric

- Unfinished fabric obtained after weaving or knitting. It has not yet gone through processes such as dyeing, printing or finishing and is supplied for further processing.

Finished Fabric

- Fabric that has undergone processes such as dyeing, printing, bleaching or finishing and is ready for use in making textile products.

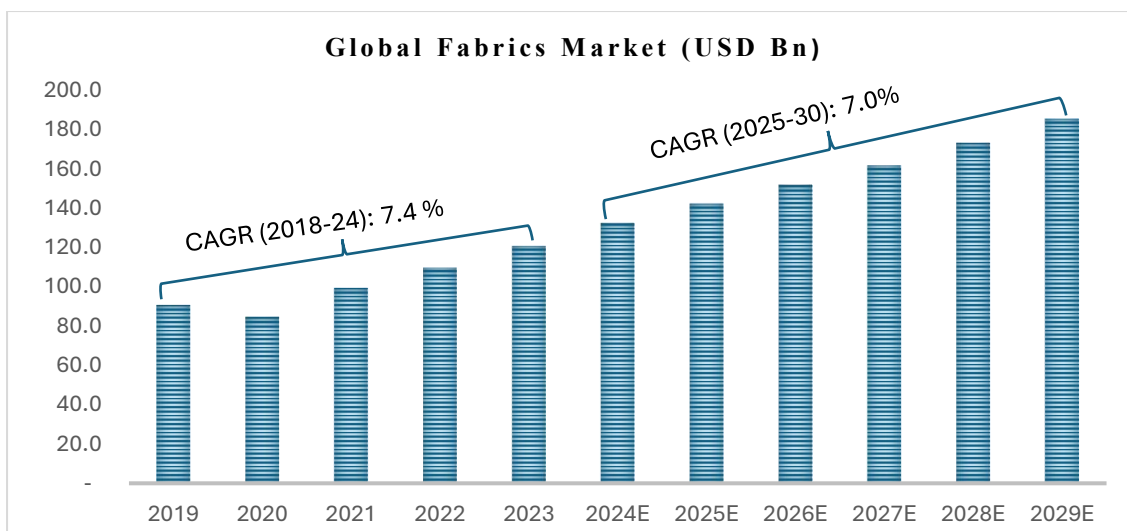
Manufacturers may produce unfinished fabrics such as greige fabric, which are further processed through dyeing, printing or finishing, or supply finished fabrics that are ready for use in final products. **For Anil Fashions Limited.**, this segment is directly relevant as the company is primarily engaged in the manufacture of woven greige fabrics, which are used for shirting, suiting, bed sheets and other textile applications. Thus, fabric manufacturing forms the key operating area of the company.

The company has a meaningful manufacturing base comprising Tsudokama Airjet Looms, supporting both wider and narrower fabric production. The **company has invested in a substantial weaving setup** comprising 24 Tsudokama Airjet Looms of 360 cm width and 28 Tsudokama Airjet Looms of 190 cm width. This provides the company with the ability to manufacture fabrics across different widths and specifications.

It also has **diverse product portfolio** with manufacturing capabilities include denim fabrics, cotton fabrics, polyester fabrics and blended fabrics, including products using cotton, polyester, viscose and tencel yarns. Allows them to **target different consumer** segments and provides them with manufacturing flexibility.

The global fabrics market has shown consistent growth, expanding from USD 90.8 billion in 2019 to USD 120.9 billion in 2023, despite a temporary decline in 2020. The market is expected to continue growing at around 7% annually, reaching approximately USD 185.5 billion by 2029. The sustained outlook reflects rising global demand for textiles, apparel and technical fabrics, supported by population growth, changing consumer preferences and increasing industrial applications. The market presents a healthy long-term growth opportunity, with growth expected to remain steady rather than being driven by short-term spikes.

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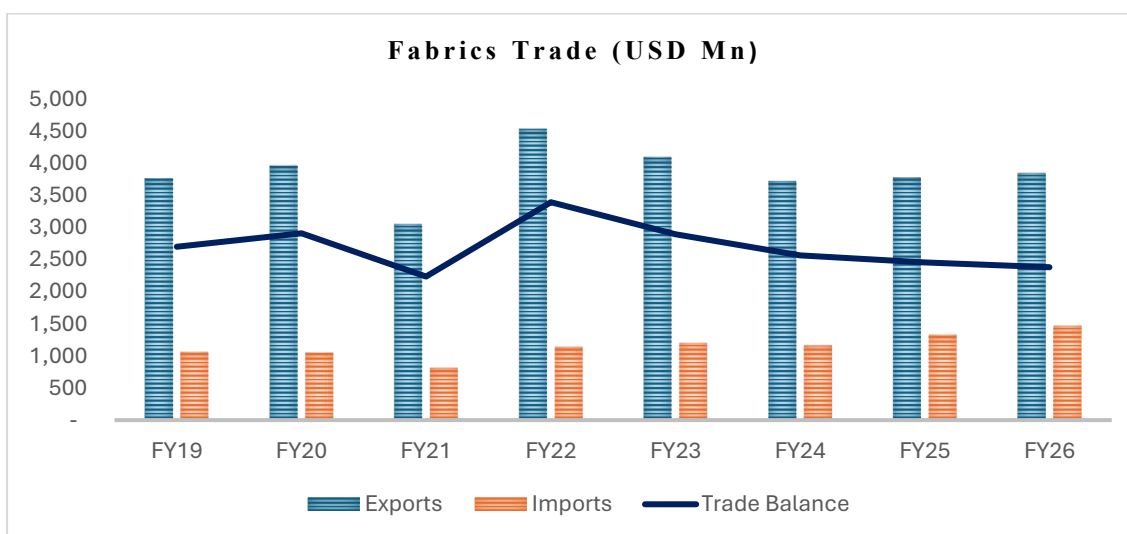
Source: EMIS, TRBC, B2K Analytics

India Fabric Exports & Imports

The sector continues to maintain a healthy trade surplus, largely because of the strong performance of woven fabrics. However, the surplus has gradually narrowed in recent years as exports have remained relatively subdued while imports have increased. Total fabric exports increased from USD 3,765 million in FY19 to USD 3,853 million in FY26, while total imports increased from USD 1,063 million to USD 1,467 million. Despite the rise in imports, exports remained substantially higher throughout the period.

The sector recorded its strongest export performance in FY22 and since then, exports have moderated, while imports have continued to increase. By FY26, the trade surplus had declined to USD 2,386 million, its lowest level since FY21. The deterioration in the aggregate surplus is particularly noteworthy because it is occurring despite the sector continuing to generate considerably higher exports than imports.

The underlying issue is therefore not an immediate loss of trade competitiveness, but rather slower export growth combined with faster import growth. Additionally, the composition of the trade balance is also important. The large surplus generated by woven fabrics more than offsets the persistent deficit in knitted or crocheted fabrics. This means that the positive position of the fabrics sector hides weakness in the knitted segment.



Source: CMIE, B2K Analytics

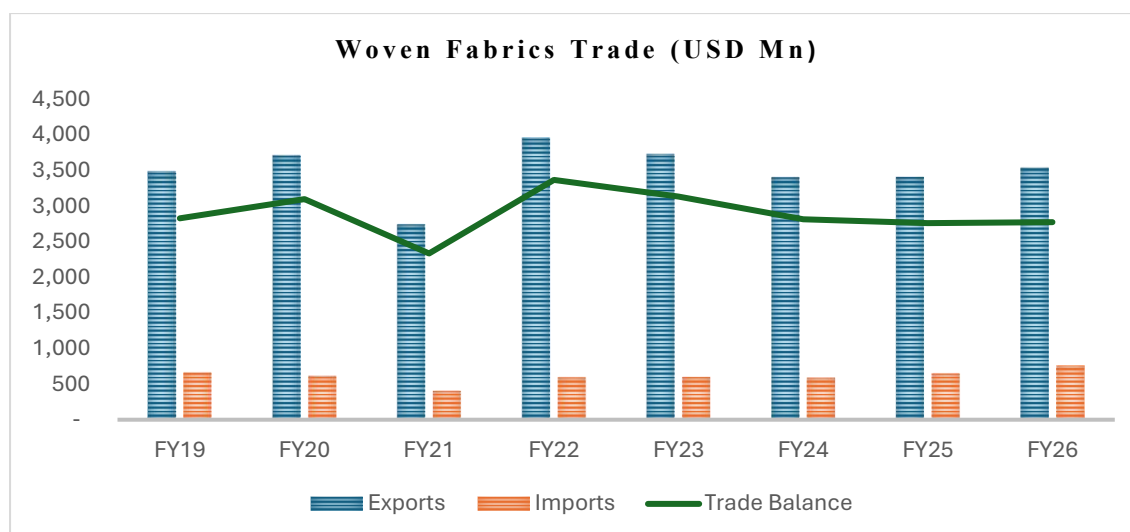
Fabric classification by method of production: The segment mainly includes woven, knitted and non-woven fabrics, which are supplied to industries such as apparel, home textiles, automotive, healthcare and other sectors.

Woven and knitted textiles are two major categories of fabrics based on the method used to convert yarn into fabric. From an industry perspective, the woven and knitted textile segments serve different end uses and have different production processes, machinery, raw-material requirements and customer preferences. Woven fabrics are generally more suitable for structured clothing and home textiles, while knitted fabrics are preferred where comfort, flexibility and stretch are important.

WOVEN FABRICS

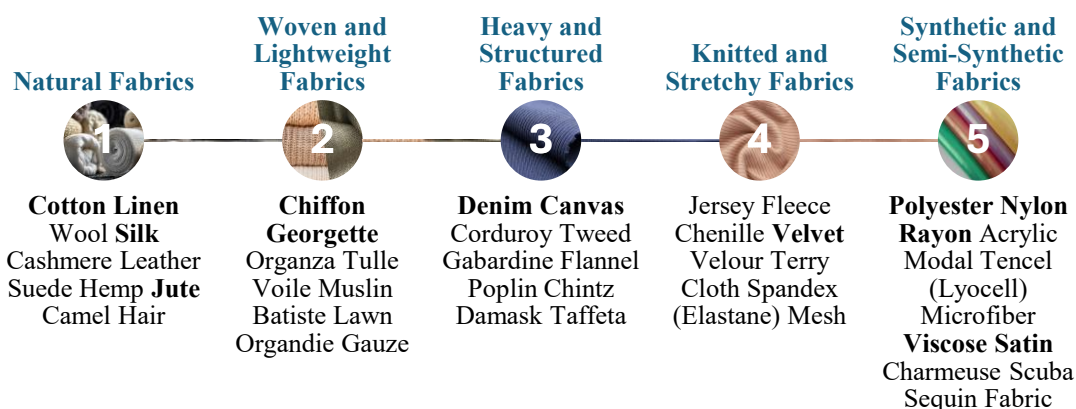
Woven textiles are made by interlacing two sets of yarns, called warp and weft, at right angles. They generally have a firm structure and good shape retention and are widely used for shirts, trousers, suits, uniforms, bed sheets and other home-textile products.

Woven fabrics remain the main strength of the fabric trade, consistently generating a substantial trade surplus. Exports increased from USD 3,487 million in FY19 to USD 3,534 million in FY26, while imports rose from USD 660 million to USD 7601 million over the same period. Export performance has shown some volatility, with a recovery around FY22 followed by moderation in subsequent years. At the same time, imports have gradually increased but are on steady pathway, particularly in the latest year, indicating some rise in domestic dependence on imported inputs/products. The segment remains highly export-oriented, but maintaining competitiveness and moving towards higher-value woven products will be important to sustain the surplus in long term.



Source: CMIE, B2K Analytics

There are multiple ways in which fabrics can be classified



Note: this list is not exhaustive

Within the woven fabric segment, the report focuses specifically on selected fabric categories and their respective sub-types, with particular emphasis on Greige, Cotton, and Denim fabrics.



Greige Fabric (Also Known as Grey Cloth Fabrics)



Cotton Fabrics



Denim Fabrics

GREIGE FABRICS (ALSO KNOWN AS GREY CLOTH FABRICS)

Woven fabrics can also be produced as , which is unfinished fabric that can later be dyed, printed or finished according to customer requirements. It is the most popular kind of fabric all over the world is cotton gray fabric. It is generally mistaken for being a color rather than being a fabric. Greige fabric manufacturers are closely linked to both upstream yarn suppliers and downstream textile processors and garment manufacturers. **For Anil Fashions Limited**, segment is relevant as the company focuses on woven greige fabrics used for shirting, suiting, bed sheets and other applications. Greige fabric occupies a midstream position in the textile value chain, serving as the link between yarn manufacturing and finished fabric production. The value chain broadly moves from fibre → yarn → weaving/knitting → grey fabric → processing → finished fabric → garments/home textiles → retail and exports.



Greige Plain Cotton



Greige Sheeting



Greige Voile



Greige Drill



Greige Denim



Greige Flannel



Greige Linen-Cotton Blend



Greige Polyester-Viscose (PV/TR) Fabric



Note: this list is not exhaustive

The industry is characterised by a highly decentralised manufacturing structure, with a large number of small and medium-sized weaving units operating alongside larger and more organised manufacturers. At the same time, the fragmented nature of the sector can result in intense competition, limited pricing power and variations in technology and productivity across manufacturers.

COTTON FABRICS

India is one of the world's leading producers and manufacturers of cotton textiles, with a long-standing tradition of cotton cultivation, spinning, weaving, dyeing, and fabric processing. Indian cotton fabric is widely valued for its comfort, breathability, durability, versatility, and suitability for both traditional and contemporary clothing.

India offers a diverse range of cotton fabrics for apparel, home textiles, furnishings, and industrial applications. Specifically are suitable for manufacturing shirts, dresses, trousers, kurtas, sarees, children's clothing, uniforms, bedsheets, pillow covers, curtains, table linen, bags, and various other textile products.

Manufacturers across the country produce a wide range of cotton fabrics, including plain cotton, poplin, muslin, voile, cambric, twill, canvas, slub cotton, satin, denim, khadi, and handloom fabrics, catering to different quality, weight, texture, and design requirements.



Note: this list is not exhaustive

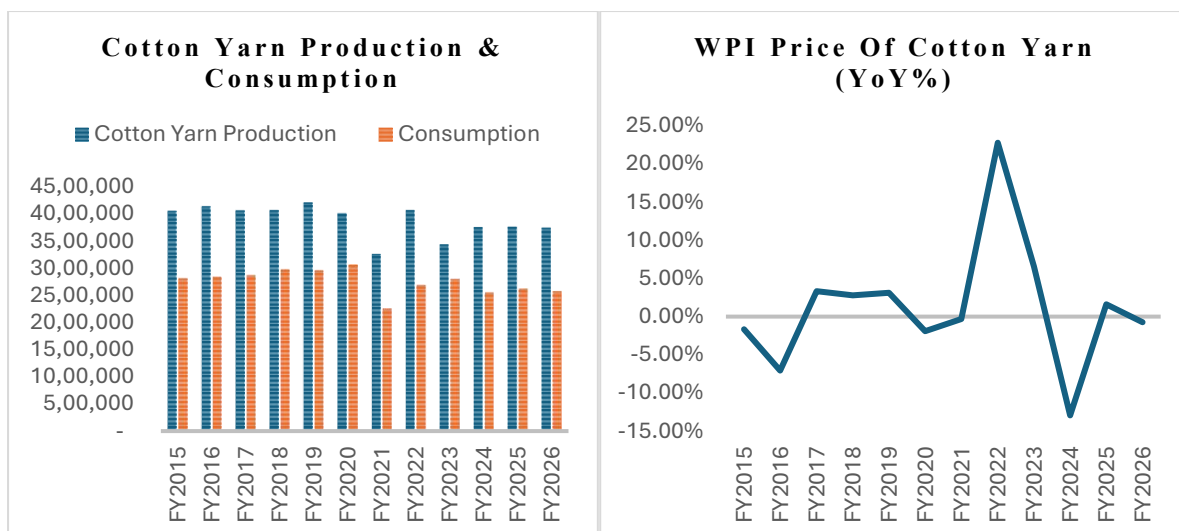
Indian textile manufacturers also offer a wide variety of dyed, printed, embroidered, finished, and customised cotton fabrics to meet the specific requirements of brands, wholesalers, retailers, garment manufacturers, and international buyers. Traditional techniques such as handloom weaving, block printing, and artisanal dyeing continue to add distinctive value to Indian cotton textiles, while modern machinery enables large-scale production with consistent quality and precision.

Additionally, Indian cotton fabric industry is also moving toward more sustainable and responsible textile production. Organic cotton, recycled fibers, natural and low-impact dyes, water-efficient processing, and environmentally conscious manufacturing practices are becoming increasingly important in the industry.

Cotton yarn data helps understand and predict the quality, performance, and cost of cotton fabrics because yarn is the basic building block of fabric. Cotton Yarn production stayed range-bound for most of the years. Post-pandemic recovery in FY2022 was strong but not sustained, as the sector entered a correction phase from FY2023 onwards due to weaker global demand and cost pressures. Domestic consumption has grown slowly over time, but it is not the main growth engine for yarn. Demand is largely downstream-driven (apparel and fabric), and recent moderation reflects inventory corrections and cautious buying rather than structural weakness.

Prices (WPI) show that profitability in the sector is highly input sensitive. Volatility since FY2022 reflects that margins are not just demand-led but heavily influenced by cotton price cycles and global commodity trends.

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Source: CMIE, B2K Analytics

Imports remain structurally insignificant, reinforcing India's position as a net exporter of cotton yarn. However, the brief spike in FY2023 highlights that even a small cost disadvantage can temporarily open import windows in downstream segments. Exports have been the key swing factor for the industry rather than domestic demand. FY2022 marked a peak due to strong global restocking and supply chain shifts, but FY2023 exposed India's price competitiveness issues when cotton costs spiked. The partial recovery in FY2024 and FY2025 reflects normalisation, but demand remains uneven and highly sentiment driven.

India Import and Export of Cotton Yarn (tonnes)		
Year	imports of Cotton Yarn	Exports of Cotton Yarn
FY2015	6,226	12,55,993
FY2016	5,662	13,09,230
FY2017	7,750	12,05,338
FY2018	6,552	10,99,609
FY2019	5,336	12,60,833
FY2020	5,543	9,59,016
FY2021	4,103	10,11,547
FY2022	4,454	13,89,095
FY2023	21,738	6,64,471
FY2024	8,040	12,15,901
FY2025	7,746	11,51,237
FY2026	9,305	11,82,814

Source: CMIE, B2K Analytics

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India Production of Fabrics

Cotton Knitted Fabrics Production (tonnes) <table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Production (tonnes)</th> </tr> </thead> <tbody> <tr><td>FY17</td><td>1,600,000</td></tr> <tr><td>FY18</td><td>1,550,000</td></tr> <tr><td>FY19</td><td>1,650,000</td></tr> <tr><td>FY20</td><td>1,600,000</td></tr> <tr><td>FY21</td><td>1,850,000</td></tr> <tr><td>FY22</td><td>1,950,000</td></tr> <tr><td>FY23</td><td>1,200,000</td></tr> <tr><td>FY24</td><td>1,100,000</td></tr> <tr><td>FY25</td><td>950,000</td></tr> <tr><td>FY26</td><td>900,000</td></tr> </tbody> </table>	Fiscal Year	Production (tonnes)	FY17	1,600,000	FY18	1,550,000	FY19	1,650,000	FY20	1,600,000	FY21	1,850,000	FY22	1,950,000	FY23	1,200,000	FY24	1,100,000	FY25	950,000	FY26	900,000	Cotton knitted fabric production increased steadily until FY22, when it reached its peak, but has been on declining trend thereafter. By FY26, production had fallen to around 91,900 tonnes, below the FY22 level. This sustained decline indicates weakening production momentum in cotton knitted fabrics, with the segment facing greater pressure compared with blended fabric production.
Fiscal Year	Production (tonnes)																						
FY17	1,600,000																						
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Cotton Woven Fabrics Production (000 Run Mt) <table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Production (000 Run Mt)</th> </tr> </thead> <tbody> <tr><td>FY17</td><td>4,500,000</td></tr> <tr><td>FY18</td><td>4,500,000</td></tr> <tr><td>FY19</td><td>4,300,000</td></tr> <tr><td>FY20</td><td>4,000,000</td></tr> <tr><td>FY21</td><td>2,300,000</td></tr> <tr><td>FY22</td><td>3,700,000</td></tr> <tr><td>FY23</td><td>3,700,000</td></tr> <tr><td>FY24</td><td>3,800,000</td></tr> <tr><td>FY25</td><td>3,600,000</td></tr> <tr><td>FY26</td><td>3,600,000</td></tr> </tbody> </table>	Fiscal Year	Production (000 Run Mt)	FY17	4,500,000	FY18	4,500,000	FY19	4,300,000	FY20	4,000,000	FY21	2,300,000	FY22	3,700,000	FY23	3,700,000	FY24	3,800,000	FY25	3,600,000	FY26	3,600,000	Cotton woven fabric production has been steady over the period, with a particularly sharp disruption in FY21. Although production recovered thereafter, it has remained slightly below pre-pandemic levels and stood at around 3,68,142 thousand running metres in FY26. The trend suggests continued pressure on traditional cotton woven fabric production, potentially reflecting changing demand and greater competition from other blended and synthetic fabrics.
Fiscal Year	Production (000 Run Mt)																						
FY17	4,500,000																						
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Polyester/Viscose Blended Fabrics Production (000 Run Mt) <table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Production (000 Run Mt)</th> </tr> </thead> <tbody> <tr><td>FY17</td><td>90,000</td></tr> <tr><td>FY18</td><td>90,000</td></tr> <tr><td>FY19</td><td>95,000</td></tr> <tr><td>FY20</td><td>90,000</td></tr> <tr><td>FY21</td><td>80,000</td></tr> <tr><td>FY22</td><td>1,050,000</td></tr> <tr><td>FY23</td><td>1,150,000</td></tr> <tr><td>FY24</td><td>1,250,000</td></tr> <tr><td>FY25</td><td>1,350,000</td></tr> <tr><td>FY26</td><td>1,300,000</td></tr> </tbody> </table>	Fiscal Year	Production (000 Run Mt)	FY17	90,000	FY18	90,000	FY19	95,000	FY20	90,000	FY21	80,000	FY22	1,050,000	FY23	1,150,000	FY24	1,250,000	FY25	1,350,000	FY26	1,300,000	Polyester/viscose blended fabrics (can be both woven and non-woven), have shown the highest growth among the three categories. After some volatility during FY17–FY21, production increased to around 1,31,289 lakh thousand running metres in FY26. This indicates a growing shift toward blended fabrics, supported by their versatility, cost advantages and suitability for a wider range of applications.
Fiscal Year	Production (000 Run Mt)																						
FY17	90,000																						
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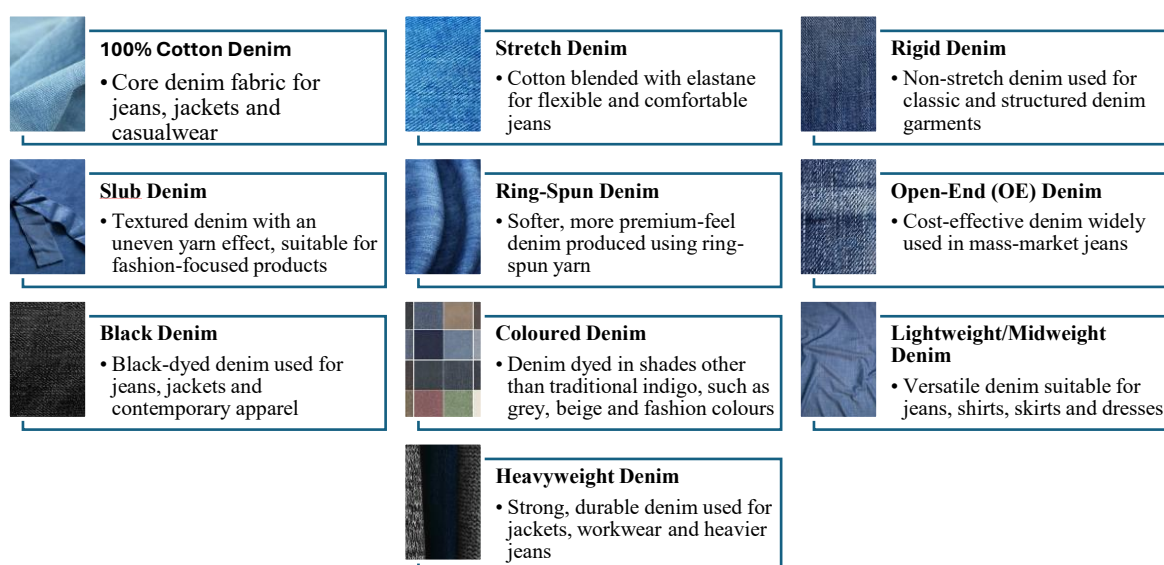
Source: CMIE, B2K Analytics

Thus, cotton fabric is highly **relevant to Anil Fashions** because cotton is one of the principal natural fibres used across its textile and home-textile product range. The company's offerings include white cotton fabric, cotton dyed fabric and other cotton-based textiles, while its broader product portfolio includes cotton and poly-cotton fabrics and bed linen. Cotton therefore represents an important product category for the company, supporting applications ranging from apparel and shirting to bedsheets and other home-textile products.

DENIM FABRICS

India has emerged as a producer and manufacturer of denim fabrics, supported by a well-established textile industry, skilled workforce, advanced manufacturing facilities, and availability of cotton and other textile raw materials.

Indian denim is widely recognized for its durability, versatility, distinctive texture, and ability to adapt to changing fashion trends. Denim manufacturers in India produce a broad range of denim fabrics, including rigid denim, stretch denim, comfort stretch, slub denim, lightweight denim, heavy-weight denim, coloured denim, and various specialty finishes.



These fabrics are available in different weights, constructions, colours, and finishes to meet the requirements of fashion brands, garment manufacturers, wholesalers, and international buyers. Denim fabric manufactured in India is extensively used for jeans, jackets, shirts, skirts, dresses, shorts, workwear, uniforms, bags, footwear, and other fashion and lifestyle products. Manufacturers offer a variety of treatments and finishes, including washed, stone-washed, enzyme-washed, acid-washed, vintage, coated, and distressed effects, allowing brands to create different looks and textures.

India's combination of traditional textile expertise and modern weaving, dyeing, finishing, and processing technologies enables manufacturers to deliver denim fabrics with consistent quality, attractive designs, and customized specifications. This makes Indian denim suitable for both mass-market apparel and premium fashion collections.

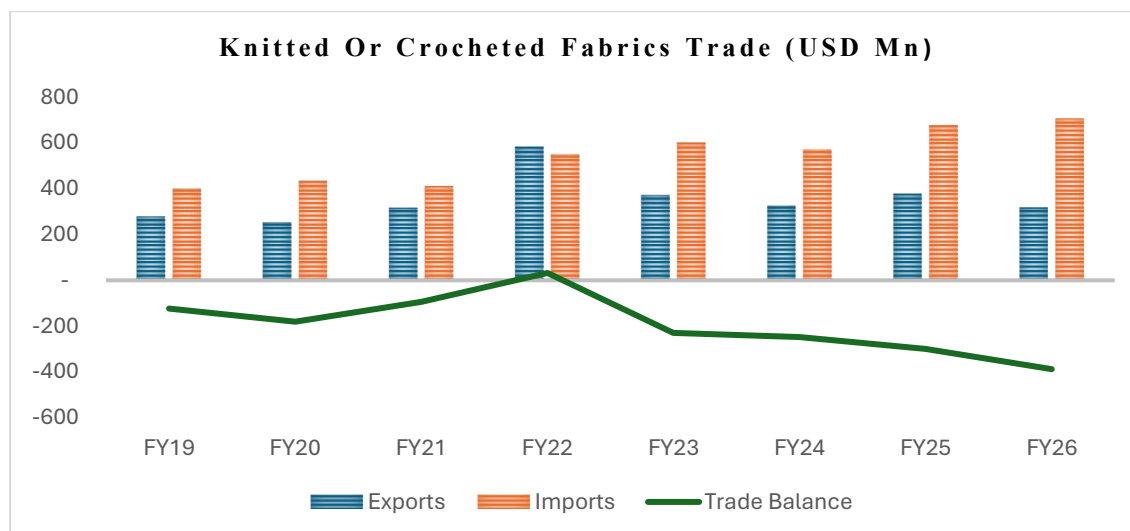
Denim fabric is relevant to **Anil Fashions as a specialised fabric category** within its broader textile portfolio and provides exposure to the apparel segment, particularly casual and fashion-oriented products. Among the company's offerings such as stretch denim, stretchable denim, striped denim and denim suit fabric indicate that denim is not merely a raw-material category but also a finished fabric/product offering. Its presence enables the company to cater to customers seeking durable, versatile and fashion-oriented fabrics for garments and related applications.

KNITTED FABRICS

Knitted textiles, on the other hand, are made by forming and joining loops of yarn. This makes knitted fabrics generally more flexible, stretchable and comfortable than woven fabrics. They are commonly used in T-shirts,

sportswear, sweaters, innerwear, socks and other casual clothing. Knitted fabrics can be produced through different techniques depending on the required stretch, thickness and appearance.

The knitted fabrics segment presents a different trade pattern from woven fabrics. Unlike woven fabrics, this segment records trade deficit in most years, indicating a greater dependence on imports. Exports increased to USD 319 million in FY26, but this growth while imports increased much faster to USD 707 million over the same period.



Source: CMIE, B2K Analytics

The segment briefly moved into a positive trade position in FY22, however this improvement was not sustained and exports have subsequently declined and the trade deficit has widened to USD 388 million in FY26. This trend suggests a structural competitiveness gap in knitted or crocheted fabrics. The relatively limited growth in exports, combined with rapidly increasing imports, indicates that domestic demand may be increasingly served by imported fabrics. The sector therefore has considerable scope for import substitution as well as export development, particularly through investment in modern knitting capacity, product diversification, quality enhancement and integration with downstream apparel manufacturing.

NON WOVEN FABRICS

Non-woven textiles are fabrics made by joining fibres together without weaving or knitting them into yarn-based structures. The fibres are bonded using methods such as heat, chemicals, pressure or mechanical processes to form a sheet or fabric. Depending on the method used, non-woven textiles can be designed to provide properties such as strength, softness, water resistance, filtration and durability.

Non-woven textiles are used across a wide range of industries because they can be produced for specific purposes and are often cost-effective. Major applications include medical products such as masks and surgical gowns, hygiene products such as diapers and sanitary products, filtration materials, packaging, automotive products, construction materials, agriculture and household products.

The demand for non-woven textiles is supported by their wide range of uses and their ability to provide specific functional properties.

EMERGING TRENDS / DEVELOPMENTS IN FABRICS

The most relevant trends would be recycled and sustainable fibres, blended fabrics, low-impact processing, digital printing, circular textile practices and performance-oriented fabrics. These trends can provide opportunities to companies move towards higher-value products while reducing dependence on conventional, price-sensitive fabric segments.

Innovative Eco-Friendly Materials: Growing use of recycled polyester (rPET), recycled nylon, organic cotton and biodegradable materials to reduce environmental impact.	Circular Economy: Increasing focus on textile-to-textile recycling, fabric waste recovery, reuse and designing fabrics for longer life and recyclability.	Plant-Based Innovations: Adoption of fibres derived from bamboo, hemp, banana, pineapple leaves and other renewable or agricultural waste sources.	Advanced Fibre Technologies: Rising use of Tencel (Lyocell), modal, recycled fibres and bio-based fibres offering a combination of comfort, performance and sustainability.
Next-Generation Materials: Development of emerging materials such as algae-based textiles, mycelium-based materials and bio-based polymers as alternatives to conventional materials.	Digital & 3D Printing: Use of digital and 3D technologies for customised designs, smaller production runs and reduced material wastage.	Sustainable Printing: Shift towards digital, pigment and water-efficient printing to reduce water and chemical consumption.	Smart & Functional Fabrics: Growth in fabrics offering properties such as moisture management, antimicrobial protection, UV resistance and temperature regulation.
Technical & Performance Fabrics: Increasing demand for specialised fabrics with water resistance, flame resistance, filtration, insulation and high-strength properties.	Resource-Efficient Processing: Adoption of low-water dyeing, energy-efficient machinery and sustainable finishing techniques to reduce resource consumption.	Traceability & Certifications: Greater emphasis on tracking raw-material sources and obtaining sustainability certifications to meet brand and export-market requirements.	Customisation & On-Demand Production: Growing use of digital technologies to enable customised fabrics, shorter production cycles and lower inventory and waste.

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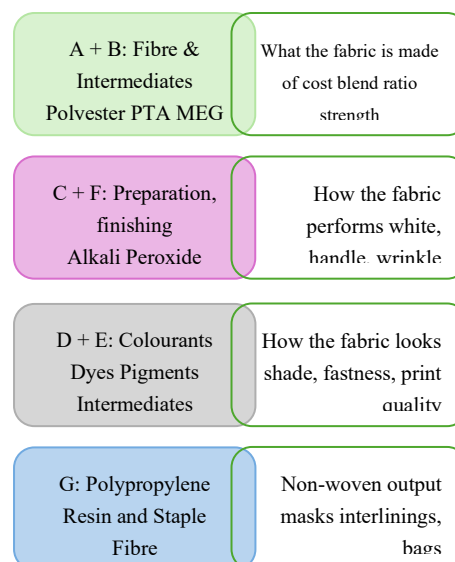


TEXTILE CHEMICALS & PROCESSING SOLUTIONS

Textile chemicals and processing solutions refer to the chemicals and processes used to improve the appearance, feel, quality, durability and performance of textile fabrics. They are essential in various stages of textile production.

Different chemicals are used at different stages to give fabrics the required colour, texture, strength, shrinkage control and other properties. Textile processing solutions are important because the quality of the final fabric depends not only on the chemicals used yarn and weaving process but also on how the fabric is processed and finished.

The India textile chemicals market is growing steadily and is expected to increase upto Rs 180.8 billion by 2030. Growth will be supported by rising textile exports, increasing adoption of technical textiles, modernisation of processing facilities, and growing demand for sustainable and specialty chemical solutions.



Source: EMIS, Netscribes, B2K Analytics

The Ministry of Chemicals & Fertilizers' annual report shows various chemical categories, in that caustic soda and hydrogen peroxide are particularly relevant due to their direct application in scouring, mercerisation and bleaching, while soda ash and chlorine support broader processing and dyeing activities.

Key Takeaways - Chemical Linkage with Textiles

- Caustic soda and soda ash (8.53% and 10.20% YoY) is positive for the textile industry, as these chemicals used in cotton scouring, mercerisation and reactive dyeing.
- Hydrogen peroxide, an important bleaching chemical for textiles, recorded a 6.96% CAGR over FY21-25, despite a 2.66% YoY decline in FY25, indicating continued long-term demand from textile processing.
- Formaldehyde and ethanolamines noted 10.06% and 10.08%, CAGRs (FY21-25) These chemicals are used in textile finishing and chemical formulations, supporting the growing textile-processing segment.
- FY25 growth in aniline, nitrobenzene, PNCB and ONCB showed increased production of key dye and pigment intermediates, which can improve the domestic supply chain for textile dyes.
- The expansion in key chemical capacities is supportive for company as better domestic availability of textile-processing chemicals can improve supply security, procurement flexibility and production continuity. However, product-specific production declines and chemical-price volatility remain key factors that could influence the company's processing costs and margins.

Production and Installed Capacity -Textile Chemicals				
Product	Installed Cap (FY25)	Production (FY25)	YoY	CAGR (FY21-25)
Group: Alkali Chemicals				
Caustic Soda	4,673.65	3,926.65	8.53%	7.28%
Soda Ash	3,714.00	3,279.27	10.20%	5.59%
Liquid Chlorine	3,555.61	2,731.80	3.46%	5.87%
Group: Inorganic Chemicals				
Hydrogen Peroxide	221.29	183.12	-2.66%	6.96%
Titanium Dioxide	82.50	52.34	-3.11%	0.54%
Sodium Chlorate	22.32	21.47	-0.09%	4.62%
Group: Organic Chemicals				
Acetic Acid	165.51	167.77	2.10%	2.04%
Formaldehyde	413.78	359.02	14.66%	10.06%
Ethyl Acetate	564.26	484.86	10.29%	1.71%
Ethanolamines	27.00	24.52	9.37%	10.08%
Acetic Anhydride	135.15	66.12	-4.24%	-3.13%
Aniline	35.00	36.59	20.60%	2.21%
Nitrobenzene	102.45	106.01	28.95%	8.64%
PNCB	48.40	51.51	20.80%	7.28%
ONCB	30.00	29.62	16.48%	6.22%

Source: Ministry of Chemicals and Fertilisers, B2K Analytics

Production and Installed Capacity- Other Chemicals				
Product	Installed Cap (FY25)	Production (FY25)	YoY	CAGR (FY21-25)
Group: Dyes				
Reactive Dyes	278.03	163.68	19.83%	5.50%
Disperse Dyes	90.38	68.77	5.20%	7.35%
Acid & Direct Dyes (non-azo)	46.00	22.51	-9.38%	2.72%
Azo Dyes	18.06	6.00	-7.26%	-2.43%
Sulphur Dyes (Sulphur Black)	13.20	8.38	5.67%	13.27%
Vat Dyes	3.34	2.17	25.43%	2.19%
Solvent Dyes	1.20	0.53	-3.64%	4.76%
Optical Whitening Agents	65.28	20.50	4.17%	3.05%
Organic Pigment	101.70	49.67	-7.90%	-7.30%
Inorganic Pigments	18.65	20.09	13.63%	8.23%

Pigment Emulsion	11.02	9.14	0.44%	1.53%
Group: Fibre				
Polyester Filament Yarn	2,655.27	2,744.70	9.45%	8.26%
Polyester Staple Fibrefill	69.00	36.11	3.32%	-2.71%
Nylon Industrial Yarn/Tyre Cord	176.79	119.92	5.85%	7.35%
Acrylic Fibre	108.00	69.31	-9.05%	-2.60%
Nylon Filament Yarn	64.74	39.21	1.34%	4.19%
Polyester Staple Fibrefill	69.00	36.11	3.32%	-2.71%
Polypropylene Staple Fibre	29.73	23.25	3.75%	10.96%
Polyester Industrial Yarn	27.40	19.70	34.65%	12.36%
Elastomeric/Spandex Filament Yarn	28.50	20.03	15.71%	31.99%
Polypropylene Filament Yarn	3.60	2.04	6.25%	-1.53%
Group: Intermediate				
Purified Terephthalic Acid (PTA)	4,020.00	3,415.31	8.15%	3.32%
Mono Ethylene Glycol (MEG)	2,335.60	1,935.31	14.95%	-0.59%
Polyester Chips/PET Chips	2,586.30	1,505.76	43.55%	5.64%
Paraxylene (PX)	3,919.70	993.93	-29.87%	-21.48%
Caprolactam	120.00	81.82	-28.62%	0.44%
Acrylonitrile (ACN)	24.00	7.73	-	-
Group: Auxiliary				
Ethylene Oxide (EO)	135.00	356.07	8.10%	6.25%
Linear Alkyl Benzene (LAB)	586.79	467.00	-2.50%	0.54%
Polypropylene (PP)	4,933.80	5,873.59	9.35%	4.53%
<i>Source: Ministry of Chemicals and Fertilisers, B2K Analytics</i>				

Other various chemicals included in the later stages of textile industry are as follows:

- Reactive dyes remain the key dye category for cotton textiles as they are important for cotton dyeing and colour consistency in apparel manufacturing. Sulphur and vat dyes witnessed healthy long-term growth supporting applications in dyed cotton fabrics, particularly darker shades.
- Disperse dyes growth supported by growing use of polyester-based fabrics.
- The fibre segment remains favourable, healthy growth in polyester filament yarn, polyester industrial yarn and spandex filament yarn. The upward trend in demand for synthetic, stretch and performance-oriented fabrics support textile product.
- PTA and MEG, are the key raw materials for polyester production. The growth in polyester/PET chips indicates healthy downstream polyester capacity and supply.
- Polypropylene production is supported by the broader synthetic-fibre and textile ecosystem. However, declines in acrylic fibre and certain intermediates indicate that growth remains uneven across individual fibre categories.
- The trends shows sufficient domestic textile chemical and synthetic-fibre environment, which is positive for companies through better availability of dyes, fibres and textile intermediates. The increasing growth of polyester and spandex also highlights an opportunity for the company to benefit from the industry's shift toward blended, synthetic and value-added fabrics.

For Anil Fashions Limited, the most relevant chemical segment is fabric preparation, which includes scouring, bleaching and mercerisation of cotton and other fabrics before subsequent dyeing, printing and finishing. Given the company's exposure to cotton and greige fabrics, where chemical pre-treatment is essential to remove natural impurities, improve absorbency and whiteness, and prepare the fabric for uniform colouration.

**Anil Fashions Limited:
Textile Chemicals &
Processing Solutions**

- Textile dyes and auxiliaries
- Processing chemicals
- Fabric finishing solutions
- Customised textile treatment service

TECHNICAL TEXTILES

Technical textiles are textile products designed mainly for their function and performance rather than appearance. They are made using different types of fibres, yarns and fabrics to provide specific properties such as strength, heat resistance, water resistance, durability, filtration or protection. Unlike regular textiles that are mainly used for clothing and home products, technical textiles are developed to meet the requirements of specific industries and applications.

Technical textiles are used across several sectors, including automobiles, healthcare, agriculture, construction, infrastructure, sports, defence and packaging. For example, medical textiles are used in masks, surgical gowns and wound-care products, while agricultural textiles are used for crop protection and irrigation. Similarly, automotive textiles are used in products such as airbags, seat fabrics and insulation materials. The demand for technical textiles is supported by the growing need for products that are lightweight, durable and designed for specific uses. Technical textiles can be broadly grouped based on their end use, such as medical textiles, agro-textiles, geotextiles, automotive textiles, protective textiles, sports textiles and industrial textiles.

By product type, **woven textiles** remain the dominant segment with ~65% market share throughout driven by their extensive usage across automotive, construction, and industrial applications. The company has established weaving base in this segment. Nonwoven textiles are expected to witness the fastest growth with a CAGR of 6.3% during 2025-30 due to increasing adoption in healthcare, filtration, and hygiene products. This suggests that while traditional weaving capabilities remain valuable, the industry is gradually moving towards specialised manufacturing technologies and higher-value textile applications. While composites continue to grow steadily across high-performance applications.

Global Technical Textiles Market Size - By Product Type (USD Bn)						
Year	2020	2030 E	CAGR (2020-24)	CAGR (2025-30)	% Share 2020	% Share 2030
Woven	133.4	219.9	4.6%	5.6%	65.9%	66.4%
Composites	40.7	61.5	3.7%	4.6%	20.1%	18.6%
Nonwoven	28.2	49.9	5.4%	6.3%	13.9%	15.1%
Global Technical Textiles Market Size - By Material Type (USD Bn)						
Synthetic polymer	112.6	173.3	3.9%	4.9%	55.7%	52.3%
Natural Fiber	46.2	86.3	5.9%	6.9%	22.8%	26.0%
Regenerated Fiber	26.2	41.8	4.3%	5.2%	13.0%	12.6%
Mineral	17.3	29.9	5.1%	6.1%	8.6%	9.0%
Global Technical Textiles Market Size - By Application (USD Bn)						
Mobiltech	50.5	83.4	4.3%	5.9%	25.0%	25.2%
Indutech	37.0	64.9	5.2%	6.2%	18.3%	19.6%
Sporttech	28.8	47.9	4.3%	6.1%	14.2%	14.5%
Buildtech	18.2	28.9	4.1%	5.2%	9.0%	8.7%
Others	67.8	106.2	4.5%	4.7%	33.5%	32.1%
<i>Source: EMIS, Technavio, B2K Analytics</i>						

In terms of material type, synthetic polymers occupy the dominate position within the global technical textiles market with a 52.3% market share by 2030 a majority share because of their durability, flexibility, and resistance properties. The segment is expected to maintain a decent CAGR as industries increasingly prefer lightweight and performance-oriented materials.

Natural fibres are expected to grow at a faster pace, growth with a CAGR of 6.9% during 2025–30, increasing their market share from 22.8% in 2020 to 26.0% in 2030. This reflects growing interest in sustainable and bio-based materials, along with demand for alternatives to conventional synthetic fibres.

Regenerated fibres are also projected to grow steadily at a CAGR of 5.2%, driven by increasing adoption of eco-friendly and recycled materials, while mineral-based textiles are expected to register a strong CAGR of 6.1% owing to growing applications in construction, insulation, and industrial safety products.

Among applications, Mobiltech and Indutech remain the largest segments, together accounting for more than 40% of the market by 2030. The relatively higher projected growth of Indutech and Sporttech indicates a gradual shift in demand towards high-performance, functional and application-specific textile products.

Buildtech is also expected to expand steadily, driven by the increasing use of technical fabrics in construction, infrastructure and related applications. The growth across these segments highlights the increasing importance of textiles beyond conventional apparel and fashion, with performance characteristics such as strength, durability, resistance and functionality becoming key drivers of demand.

SUSTAINABLE TEXTILES

Sustainability is becoming an increasingly important theme across the global textile value chain, driven by growing environmental concerns, changing consumer preferences and increasing pressure on manufacturers to reduce resource consumption. The focus is gradually shifting from conventional textile production towards responsible sourcing, lower water and energy consumption, reduced chemical usage, recycled and preferred fibres, waste reduction and greater supply-chain transparency.

In India, the transition towards circular and sustainable textiles is also receiving policy support, with the Ministry of Textiles highlighting recycled fibres, textile-to-textile recycling, resource efficiency, safer products and responsible waste management as key areas for the sector. **As per India textile ministry 2026 report**, ~7.8 million tonnes of textile waste managed annually, over 90% is sourced from domestic pre-consumer (factory scrap) and post-consumer waste. More than 70% of the total textile waste is currently recovered and channelled into recycling, upcycling, downcycling or reuse.

This ecosystem supports nearly 40-45 lakh livelihoods, with women from marginalised communities playing a major role in collection, sorting and redistribution.

For Anil Fashion, sustainability is particularly relevant given its presence across grey and finished fabrics and bed linen products, where material selection, manufacturing efficiency and downstream processing can influence the environmental footprint of its products. The company's opportunity lies in gradually increase **usage of recycled polyester, recycled cotton, tencel, organic cotton, lower-impact dyes, energy-efficient production and sustainable finishing processes**. While improving energy efficiency, minimising fabric waste and working with processors that follow responsible water and chemical-management practices.

Sustainability can also become a product differentiation opportunity, allowing the various companies to cater to customers and export markets that increasingly seek environmentally responsible fabrics rather than competing solely on price. Over time, certifications and traceability could further strengthen the credibility of its sustainability claims and improve access to higher-value customers. However, the shift would require investment in sustainable raw materials, process improvements, testing and certifications, and therefore should be viewed as a gradual value-enhancement and market-access strategy rather than merely a compliance requirement.

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DEMAND & SUPPLY DYNAMICS

The demand for textile products is influenced by several factors that affect both apparel and home-textile consumption. Key demand drivers include:

Demand Drivers and Key Success Factors

Population Expansion and Urbanisation :	• A growing population with the World Bank projecting that India's urban population will reach approximately 600 million people (40% of the population) by 2036 and rapid urbanisation and changing lifestyles support demand for ready-made garments, branded clothing, modern home textiles and other textile products.
Rising Income and Seasonal Demand:	• Growing disposable income strengthens the consumers purchasing power enabling them to buy more higher-quality textile products. Demand further increases during festivals, wedding seasons, winter and other periods when consumers purchase more clothing and home-textile products.
Organised Retail and E-commerce:	• Industrialisation, digitalisation and automation are shifting retail toward efficient, organised formats and helping manufacturers scale quality, while rising internet penetration extends market reach well beyond local markets.
Export opportunities and global presence:	• India is a leading textile exporter amid its cost-effective and high-quality products. Growth in international demand for Indian textiles and garments creates more demand for domestic textile manufacturers.
Advanced Technologies and expanded use:	• Company can new advancements in technology allow for improvements in manufacturing efficiency and new products such as smart textiles which include temperature-regulating, antimicrobial, odour-resistant and self-cleaning fabrics. AI-integrated operations detect defects, raise quality and optimise output, cutting cost and production time.
Growing Shift towards sustainability:	• Demand is moving toward sustainable, biodegradable materials, plant-based dyes and inputs such as Tencel, recycled polyester and organic wool, rewarding manufacturers that have invested in these capabilities.
Fast fashion and consumer preferences:	• Rapid style turnover keeps demand continuous, with consumers repurchasing frequently to stay current with trends.

ANIL FASHIONS LIMITED

For Anil Fashions Limited., the most important success factors are fabric quality, efficient loom utilisation, control over yarn and power costs, low production wastage, product consistency, timely delivery and efficient customer relationships. As the company operates in the woven greige fabric segment, its ability to produce quality fabric at a competitive cost and meet customer requirements is particularly important for maintaining its position in the market.

The key success factors in the textile industry include maintaining consistent product quality, controlling production costs, ensuring regular availability of raw materials, using efficient machinery and technology, and maintaining high production efficiency. Companies also need to offer products that match changing customer preferences and fashion trends while ensuring timely delivery and healthy customer relationships. Effective inventory and working capital management are important due to the industry's high raw-material and production requirements.

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Restraints and Challenges

Raw Material & Power & Energy Fluctuation:	• Dependence on critical inputs like cotton exposes cost of producing greige fabric and may put pressure on profit margins. Fabric manufacturing requires continuous use of power for looms and other machinery. Higher electricity costs can increase production expenses
Dependence on Downstream Industries:	• Demand for Anil Fashions' greige fabric depends on customers involved in fabric processing, garments and home textiles. Lower demand from these industries can affect orders and capacity utilisation
Demand & Market Volatility:	• Changes in apparel and home-textile demand can affect orders and production levels, which may impact capacity utilisation and revenue
Fragmented market & Tough Competition:	• A large share of the sector is still small-scale and informal with hundreds of textile manufacturers, and this limits the market. Lower-cost foreign rivals such as China, Vietnam, Bangladesh hamper from cheaper production
Export & Global Market Risks	• Changes in global demand, exchange rates, trade policies and competition from other textile-producing countries can affect the overall industry and indirectly impact manufacturers

Porter's Five Forces Analysis

Threat of New Entrants	Easy availability of raw materials like cotton and low-cost labour creates low entry barriers for new players. However, they face challenges in establishing distribution networks, a brand presence and a customer base. Expanding scale of production, especially in textile chemicals or technical capitals requires significant capital and skilled labour.
Bargaining power of suppliers	Abundant cotton supply and many suppliers dilute individual supplier power. But in specialized segments such as high-end or organic yarns, dyes and finishing chemicals, suppliers can have more leverage due to lower availability of other suppliers or brand quality.
Bargaining power of buyers	E-commerce gives domestic and global buyers many options, forcing competition on price, quality and delivery, with small-scale domestic supply adding further pressure.
Intensity of Competitive Rivalry	A heavily fragmented domestic base of small, medium and large players competes on price and quality, with exporters also facing Bangladesh, China and Vietnam.
Threat of substitute Products	There is no substitute for clothing itself, keeping the threat low for textile products. For textile chemicals the threat is moderate: enzyme-based processing, plasma and laser finishing, and waterless dyeing can replace specific chemical steps, though full substitution remains limited by cost, performance and scale.

GOVERNMENT INITIATIVES, POLICIES AND REGULATION

PM-MITRA:	Launched in 2021 to develop seven integrated textile parks across India, covering the textile value chain from spinning and weaving to processing and garmenting. The scheme has an outlay of Rs 4,445 crore up to FY2028 and aims to reduce costs and improve industry competitiveness.
Production Linked Incentive (PLI) Scheme:	Introduced in 2021 to promote MMF apparel, fabrics and technical textiles. The scheme provides incentives based on incremental sales, with an outlay of Rs 10,683 crore for FY2026–FY2030.
National Technical Textiles Mission:	Launched in 2020 to support research, innovation, technology development and exports in technical textiles and specialty fibres.
SAMARTH:	A skill-development scheme focused on training and employment in the textile sector. As of March 2026, around 5.95 lakh people had been trained, with over 4.64 lakh gaining employment.
Tex-RAMPS:	Approved in 2025 with an outlay of Rs 305 crore for FY2026–FY2031 to promote research and innovation in areas such as smart textiles, sustainability, process efficiency and new technologies.
Foreign Direct Investment (FDI):	The government allows 100% FDI through the automatic route in the textile sector, supporting foreign investment and industry expansion.
Trade Agreements:	India's FTAs with countries and regions such as the UK, Oman, New Zealand and the EU aim to improve market access and reduce duties on Indian textile exports.

Regulatory and Policy Framework

Ministry of Textiles:	• Develops policies and guidelines for the textile industry, including regulations related to textile production, standards and quality.
Bureau of Indian Standards (BIS):	• Sets quality and safety standards for textile products to ensure compliance with required standards.
Labour Regulations:	• Laws and codes such as the Code on Wages, 2019 and the Occupational Safety, Health and Working Conditions Code, 2020 cover wages, worker safety and working conditions.
Environmental Regulations:	• Laws such as the Water Act, 1974 and Air Act, 1981 regulate pollution and waste from textile units and encourage better practices in water use, waste management and emission control.

COMPETITIVE LANDSCAPE

The industry is highly fragmented. Small, medium and large manufacturers compete across public, private and government-owned enterprises, and success tends to come down to certain factors such as how well a firm uses its machinery, labour and raw material, the strength of its processing and finishing capability, and how close it sits to established manufacturing clusters in states such as Gujarat, Tamil Nadu and Punjab.

Player Universe and Mapping

As the industry is so fragmented, its output is spread across many different levels of scale. The larger players, though, tend to stand apart. They operate across multiple product categories and control a greater share of the value chain, reaching backward into chemicals and processing and forward into higher-value technical textiles, as they build scale and more advanced manufacturing capability.

Segment	Positioning	Key Differentiations	Peers
Apparel, accessories and luxury goods manufacturers	Manufacture of finished consumer products such as clothing and accessories like shirts, bed sheets, etc.	Cost, brand recognition, delivery structure, quality and credit terms	Duke Fabrics (India) Limited, Parasnath Techgarments Private Limited, Radhika Collection Private Limited
Textiles Production	Manufacture of raw/ intermediate textile products like fabrics, fibers, technical textiles and value-added textiles.	Raw material, manufacturing process, brand recognition, cost, quality and usefulness of technical textile products	Shikhar Prints Private Limited, Vera Synthetic Ltd., Shree Om Shirtings Private Limited

Source: EMIS, B2K Analytics

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Anil Fashions Limited Overview

Anil Fashions Limited is headquartered in Gujarat and is a diversified and vertically integrated textile enterprise formed through the merger of three entities, Anil Fashions Private Limited, Sanchem Fabrics Limited, and Gray Solutions Private Limited. This brings capabilities and resources across fabric and non-woven / technical textiles together onto a single entity.

Formed via a three-entity merger

Consolidates manufacturing capabilities, infrastructure, client base and business experience into one entity, enhancing scale and sales potential.

Ahmedabad base

located in one of India's densest textile-and-chemicals clusters, Ahmedabad, Gujarat. The state has a large number of cotton ginning and pressing mills, spinning mills, and textile processing units providing the firm with access to raw material, processing infrastructure, ports and skilled labour.

Vertically integrated platform

- Manufacturing capabilities span textile manufacturing, technical textiles and value-added fabrics allowing the company to internalise all steps of the manufacturing process, including finishing supporting quality control and faster product development.

Diversification in clients

- Sells products to a diverse client base including garment manufacturers, fashion brands, healthcare & institutional supply segments. The company plans to expand its international customer base to diversify revenue away from domestic sources.

Infrastructure and operational strength

- Has access to modern textile production facilities, advanced processing units, a skilled technical workforce and an efficient vendor & distribution network. They ensure product quality through quality testing systems. High quality of final product then matches customer specifications.

Investing in manufacture capability

- Investing in automation and advanced machinery to improve quality and workflow. They are also focusing on innovation in sustainable, value-added and technical textiles to capture a greater market share in this growing sub-industry.

Competitive positioning

- The company competes in multiple product categories: traditional textile products and apparel; technical textiles and value-added fabrics and surgical and non-woven products such as masks.

Addressable Market Opportunity

Traditional fabrics generate revenue, as steady demand from apparel, home furnishings and fast fashion keeps volumes high and cash flowing. But the biggest growth opportunity now lies in technical textiles, the high-performance products used across medical, automotive, construction, packaging and protective sectors, from sutures and airbags to conveyor belts and bulletproof vests. The technical textiles segment is still relatively uncrowded compared to the broader industry, allowing it to generate higher profit margins for participants.

The policy backing through the National Technical Textiles Mission, while India's new trade deals widens domestic manufacturers access to export markets. There are challenges, however, including cotton price volatility, rising compliance and sustainability costs, and higher entry barriers demanding capital, certification and technical know-how. Even so, given how fast it is growing, technical textiles represent a valuable opening for manufacturers with the capability to enter this sector.

Peer Comparison

Anil Fashions Limited: The company's sales and profit have improved across 2024 - 2026. Sales increased from Rs.38.30 crore in FY2024 to Rs.127.27 crore in FY2026, while net profit increased from Rs.0.50 crore in FY2024

to Rs.9.97 crore in FY2026. The net profit margin also improved from 1.30% to 7.83%, showing better profitability.

However, the debt-equity ratio declined from 2.64 in FY2024 to 1.29 in FY2025 and then further to 1.11 in FY2026, which means the company is carrying less debt compared with the previous years. Current assets and liabilities both increased, but liabilities grew faster, causing the current ratio to fall from 1.68x to 1.50x. Working capital turnover also fell from 6.95x in FY2024 to 6.73x in FY2025 and 6.19x in FY2026, showing that working capital efficiency has reduced slightly.

Nandan Denim Limited: The company's financial position has improved, as debt has reduced materially and the current ratio has increased. The debt-equity ratio fell from 0.62 in FY2024 to 0.21 in FY2026, however, the business performance has also weakened in FY2026. Sales fell by 23.49% after growing strongly in FY2025. Also, the EBITDA margin fell from 7.61% to 3.63%, showing lower profit from the main business. Working capital turnover also fell from 13.53x to 8.59x.

Varvee Global Limited: The company's financial position has improved a lot, with the debt-equity ratio falling sharply from 16.33x in FY2024 to 0.04x in FY2026. This shows that the company has almost cleared its debt. However, the current ratio is still low at 0.62x, which means short-term payment ability remains weak.

The business performance has improved over the years, as the company moved from a net loss of Rs. 44.62 crore in FY2024 to a net profit of Rs. 12.45 crore in FY2026. Sales also increased by 47.93% in FY2026. However, profit margin fell from 43.68% in FY2025 to 19.82% in FY2026, and EBITDA margin also dropped from 117.79% to 40.03%.

Financial Details of Anil Fashions Limited (FY2024 to FY2026)											
Particulars	Sales in Rs.crores	Total Income in Rs.crores	Net Profit in Rs.crores	Net Profit %	Sales Growth %	ROA %	Employee Cost to Sales %	EBITDA Margin %	Debt Equity Ratio	Current Ratio	Working Capital Turnover
2026											
Anil Fashions Limited	127.27	129.13	9.97	7.83%	19.07%	12.94%	0.69%	10.81%	1.10x	1.5x	6.19x
Nandan Denim Limited	2,871.87	2,886.07	33.13	1.15%	-23.49%	3.21%	3.06%	3.63%	0.21x	2.25x	8.59x
Varvee Global Ltd.	62.80	82.57	12.45	19.82%	47.93%	6.78%	6.93%	40.03%	0.04x	0.62x	-2.08x
2025											
Anil Fashions Limited	106.89	107.69	3.58	3.35%	#	47.30%	1.52%	4.51%	1.29x	1.68x	6.73x
Nandan Denim Limited	3,546.68	3,554.30	33.48	0.94%	43.32%	2.63%	2.48%	3.83%	0.44x	1.49x	13.53x
Varvee Global Ltd.	42.45	182.36	18.54	43.68%	-49.89%	9.07%	12.46%	117.79%	2.64x	0.26x	-0.48x
2024											
Anil Fashions Limited *	38.30	38.92	0.50	1.30%	16.95%	2.21%	0.84%	6.76%	2.64x	1.41x	6.95x
Nandan Denim Limited	2,010.09	2,044.68	44.97	2.24%	-0.99%	3.80%	3.69%	7.61%	0.62x	1.46x	9.61x
Varvee Global Ltd.	84.73	91.33	-44.62	-52.66%	-67.53%	-10.18%	13.85%	-29.04%	16.33x	0.7x	-1.02x
Note: For peer comparison, standalone financial statements have been considered.											
* The FY2024's financials pertain to the consolidated parent company, Sanchem Fabrics Ltd.											
# Revenue growth cannot be calculated on a standalone basis, as the comparable standalone revenue for FY2024 is not available.											
Source: EMIS, Anil Fashions Limited, B2K Analytics											

Basis of Calculation:

1. Sales: Net sales of the company.
2. Total income: Total of net sales of the company and other income of the company.
3. Net profit: Net profit divided by net sales revenue of the company.
4. Sales growth: Net sales of current financial year divided by net sales of previous financial year of the company.
5. ROA: Net profit divided by assets of the company.
6. Employee cost to sales: Salaries and employee benefits divided by net sales of the company.
7. EBITDA margin: EBITDA divided by net sales of the company. EBITDA is earning of the company before interest, taxes, depreciation and amortisation.
8. Debt equity ratio: Debt divide by equity of the company.
9. Current ratio: Current ratio divided by current liabilities of the company.
10. Working capital turnover: Net sales divided by net of current assets and current liability of the company.
11. Data for financial year ending March 31st.

SWOT ANALYSIS

Strength	Weaknesses	Opportunities	Threats
Manufacturing Infrastructure: A weaving setup of 24 Tsudakoma airjet looms (360 cm) and 28 (190 cm) lets AFL produce varied fabric widths while controlling scheduling, quality, delivery and cost. In-house finishing and supporting equipment reduce dependence on outside parties Diverse Product Portfolio: AFL can manufacture denim, cotton, polyester and blended fabrics across cotton, polyester, viscose and Tencel yarns, giving reach across segments and manufacturing flexibility Diversification into Surgical and Non-Woven Products: The non-woven line (3-ply, N95, caps) extends AFL beyond woven fabric into healthcare-linked segments Synergy through Business Consolidation and improved business ecosystem: The three-company merger improves asset utilisation, financial management, shared clients and bargaining power	Exposure to Raw-Material Price Fluctuations: Reliance on critical raw materials like cotton, polyester, viscose and Tencel leaves revenue exposed to price swings Commodity-Driven Competition: With a limited value-added mix, AFL competes mainly on price, credit and delivery. Differentiating itself will require greater investment in technical and value-added textiles	Export Market Expansion: New trade deals expand market access in foreign countries. AFL plans to expand customer base to Europe, UK, Middle East, Africa, Southeast Asia and North America Sustainable and Recycled Textiles: Recycled polyester/cotton, organic cotton, lower-impact dyes and efficient processing meet rising demand for sustainable products Technical Textiles and Value-Added Fabric Development: Growth in healthcare, automotive, protective and industrial applications offer diversification. Stretch, performance and functional fabrics can also increase share Surgical and Healthcare Expansion: Existing non-woven infrastructure is a platform for broader healthcare products Private-Label Manufacturing: Serving brands and retailers that outsource production like fashion houses, garment manufacturers, retailers and private labels	Intense Competition: Numerous domestic and international suppliers compete on price, quality, delivery and range Energy Price Increase: Rising power and fuel costs pressure margins, especially in airjet weaving and finishing Changing Fashion Trends: Fast-fashion turnover forces continuous product development Foreign-Exchange Risk: Currency movement affects export revenue, import costs and margins Regulatory and Environmental Requirements: Stricter norms on waste, water, chemicals and worker safety raise compliance costs

INDUSTRY OUTLOOK

The outlook for the Indian textile industry remains broadly stable over the medium term, supported by domestic demand, higher consumer spending on clothing, the growth of organised retail and e-commerce, and increasing demand for Indian textile products in overseas markets. The industry also has a broad manufacturing base, with a large number of small-scale and MSME units accounting for over 80% of India's textile and apparel production capacity. The Economic Survey 2025-26 identifies the small scale and fragmentation of the textile value chain as a key structural characteristic of the sector. To improve the sector's competitiveness and expand its presence in global markets, the government has introduced initiatives such as PLI, PM MITRA and various export support schemes.

Domestic demand is expected to remain an important source of growth, supported by rising incomes, urbanisation and changing consumer preferences. Consumers are increasingly looking for better quality, branded and value-added clothing, creating opportunities for companies such as Anil Fashions to expand their product range and respond to changing market needs. The shift towards organised retail and e-commerce should further support this trend.

Exports also offer room for growth, although competition remains high from countries such as Vietnam, Bangladesh and China. Changes in tariffs and trade policies have also come into focus in recent times and could affect export orders and margins. Companies with a diversified customer base and presence across different markets may be better placed to manage such changes. At the same time, the move towards value-added products such as branded apparel, man-made fibre products, technical textiles and fashion products can help improve sales and reduce dependence on basic textile products.

Alongside growth opportunities, cost management will remain important as companies face changes in raw-material prices, labour and energy costs, as well as working-capital requirements. The industry is also moving towards more sustainable and circular production practices. India's textile heritage, together with resource-efficient production, can support this shift as global buyers increasingly look for products with a lower environmental impact. Overall, the sector offers scope for steady growth, with companies that can balance domestic demand, export opportunities, product development and cost control likely to be better positioned.

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OUR BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “**Forward Looking Statements**” on page no. 19 of this Draft Prospectus for a discussion of the risks and uncertainties related to those statements and also the sections entitled “**Risk Factors**”, “**Industry Overview**”, “**Restated Consolidated Financial Information**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on page nos. 21, 117, 233 and 312, respectively, of this Draft Prospectus as well as financial and other information contained in this Draft Prospectus as a whole, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

In this chapter, unless the context requires otherwise, in relation to business operations, any reference to the terms “we”, “us”, “Anil Fashions Limited”, “Anil Fashions”, “Anil” and “our” refers to our Company. Unless stated otherwise, the financial information in this section is as per our Restated Consolidated Financial Statements prepared in accordance with the Accounting Standard set forth in the Draft Prospectus.

*Our financial or fiscal year ends on March 31 of each calendar year. Accordingly, references to a “Financial Year” or “FY” are to the 12-month period ended March 31 of the relevant year. Unless otherwise stated or the context otherwise requires, the financial information included in this section is for Financial Years 2025-26, 2024-25 and 2023-24, derived from the Restated Consolidated Financial Statements included in this Draft Prospectus. For further information, see “**Restated Consolidated Financial Information**” on page no. 233 of this Draft Prospectus.*

We have also included various operational and financial performance indicators in this Draft Prospectus, some of which have not been derived from our Restated Consolidated Financial Statements. The manner of calculation and presentation of some of the operational and financial performance indicators, and the assumptions and estimates used in such calculation, may vary from that used by other companies and other jurisdictions.

*Unless otherwise indicated, the industry-related information contained in this section is derived from a report titled “**Textile Industry Report**” prepared by B2K Analytics Private Limited, which has been prepared exclusively for the purpose of understanding the industry in connection with the Issue and commissioned and paid for by our Company in connection with the Issue (the “**B2K Analytics Research Report**”). For further information, see “**Risk Factors – Certain sections of this Draft Prospectus contain information from the B2K Analytics Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Issue is subject to inherent risks.**” on page no. 42 of this Draft Prospectus. Also see, “**Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry & Market data**” on page no. 16 of this Draft Prospectus. The data included herein includes excerpts from the B2K Analytics Research Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, all financial, operational, industry and other related information derived from the B2K Analytics Research Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. A copy of the B2K Analytics Research Report is available on the website of our Company at <https://www.anilfashions.com/> from the date of this Draft Prospectus till the Issue Closing Date.*

OVERVIEW

Our Company is operating as a manufacturing entity in the textile sector. Our Company is engaged in the manufacturing and trading of fabrics, supply and trading of textile dyes, chemicals and auxiliaries, and manufacturing and distribution of masks and other personal protective equipment (PPE) products. The Company’s business strategies are focused on manufacturing quality products by execution of quality control, building customer relationships, aiming for operational efficiency and business growth.

Below is a brief on our core business divisions:

- 1. Manufacturing:** We are engaged in the business of manufacturing fabrics. Our manufacturing capabilities include the production of varied types of fabrics such as greige fabric, viscose, shirting fabric, suiting fabric, corduroy, etc. Our fabric manufacturing operations primarily focus on denim and other woven fabrics and are supported by our weaving and finishing infrastructure. In addition to fabrics, our Company also manufactures

masks and PPE products such as 3-ply masks, N95 masks, 3-ply masks with soft-loop elastic, 3-ply tie-on masks, surgeon caps and bouffant caps, subject to applicable product specifications and approvals.

- 2. Trading:** Our Company is also involved in the business of trading fabrics to cater to a broader range of customer requirements and product specifications. We also are in the business of distribution of masks and PPE products which are manufactured by us. Further, we are engaged in the business of supplying textile dyes, chemicals such as vat indigo, bon acid, di methoxy aniline, meta nitro aniline, etc and auxiliaries such as wetting agent, sequestering Agent, dispersing agent binders, thickeners, etc which are essential for textile processing, dyeing, and printing.

Additionally, through our Subsidiary, Anil Organic Private Limited, we are engaged in the business of supplying textile dyes, chemicals such as vat indigo, and auxiliaries such as wetting agent, sequestering agent, dispersing agent binders, thickeners, which are essential for textile processing, dyeing, and printing.

Our customer base includes manufacturers, traders and retailers. Our key raw materials for the manufacture of fabrics include yarn (such as cotton and polyester yarn) and fabric (such as cotton fabric). While non-woven fabrics (such as spun bound fabric and SMS Fabric), nose wire, elastic and other items are used in manufacturing of masks and other PPE products.

In Financial Year 2025-26, our revenue from Manufacturing was ₹ 7,752.15 Lakhs and ₹ 5,335.07 Lakhs, respectively, amounting to 59.23 % and 40.76 %, respectively of our revenue from operations for the same period. For further information, see “*Restated Consolidated Financial Information*” on page no. 233 of this Draft Prospectus.

Details of Incorporation

Our Company was originally incorporated on February 01, 1999, under the name of “Sanchem Colour Limited”, a public limited company under the Companies Act, 1956, pursuant to a Certificate of Incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Thereafter, the name of our Company was changed to “Sanchem Fabrics Limited” in the extra-ordinary general meeting held on January 06, 2011 and a certificate of incorporation dated February 10, 2011, consequent to such name change was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, pursuant to a Scheme of Amalgamation sanctioned by the National Company Law Tribunal, Ahmedabad *vide* its order dated November 20, 2025, Anil Fashions Private Limited and Gray Solutions Private Limited were amalgamated with and merged into Sanchem Fabrics Limited with effect from April 01, 2024, and all the assets, liabilities, rights, obligations and undertakings of the said entities vested in Sanchem Fabrics Limited in accordance with the terms of the Scheme. Thereafter, the name of our Company was changed to “Anil Fashions Limited” in the extra-ordinary general meeting held on February 05, 2026 and a fresh certificate of incorporation dated February 20, 2026, consequent to such name change was issued by the Registrar of Companies, Central Processing Centre.

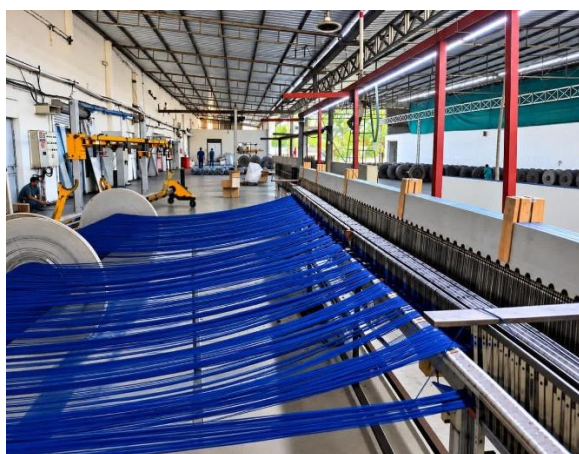
Our Promoters

Our Promoter and Managing Director, Mr. Navin Ramniwas Agarwal manages the daily operations of the Company and guides its strategic decisions, being instrumental in our growth. Mr. Navin Ramniwas Agarwal is the Managing Director of our Company and is associated with us since 1999. He has an extensive experience of about 29 years with a strong understanding in the manufacturing business, and his core expertise lies in manufacturing operations, business management, accounts and finance. He also holds the position of director in our Subsidiary, Anil Organic Private Limited since September 03, 1997. He initially served as the Director of our Company since incorporation till April 01, 2026 and thereafter has been re-designated as the Managing Director from April 01, 2026. Mr. Ashok Ramniwas Agarwal is the Promoter and Non-Executive Director of our Company. He has over 31 years of experience in areas of sales, distribution and possesses extensive technical know-how in the formulation and application of textile chemicals and has played a key role in developing the strategic relationships with chemical manufacturers and suppliers. Mr. Anup Ramniwas Agarwal is the Promoter and Non-Executive Director having an extensive experience of about 29 years in the textile and manufacturing business, his core expertise being in sales and development of business and manufacturing capacity. He has been involved in strengthening our Company’s manufacturing infrastructure through investments in weaving technologies such as rapier looms and airjet technology.

OUR BUSINESS DIVISIONS, PRODUCTS AND PRICING



Presented below are photographs providing a visual overview of certain areas and aspects of our manufacturing operations:



The table sets forth our business division-wise revenue break-up for Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 based on the Restated Consolidated Financial Statements:

Description	FY ended March 31, 2026		FY ended March 31, 2025		FY ended March 31, 2024	
	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue

(₹ in Lakhs)

		from Operations		from Operations		from Operations
Manufacturing	7,752.15	59.23	7,269.71	68.12	1563.55	40.82
Trading	5,335.07	40.77	3,345.29	31.35	2219.39	57.95
Total from Sale of Products	13,087.22	100.00	10,615.00	99.47	3782.94	98.77

As certified by M/s BM Saraf & Co., the Statutory Auditor of our Company, pursuant to their certificate dated September 25, 2026.

1. Manufacturing

We are engaged in the manufacture of woven fabrics and primarily focused on denim and other fabrics based on our customer requirements. Our manufacturing capabilities are supported by our robust weaving and finishing infrastructure.

Our fabric portfolio consists of denim fabrics, cotton fabrics, polyester fabrics and blended fabrics, including, basic denim, denim shirting, rigid/fancy denim, cotton fabrics, greige/RFD/ECRU fabrics as well as other woven constructions, manufactured according to customer specifications and subject to production schedules and seasonal availability. Depending on the product and customer requirement, fabrics may be supplied in greige, processed, finished or other specified forms. Our weaving operations primarily utilize cotton, polyester, viscose and tencel yarns, tailored to the specific requirements of each fabric construction.

In addition to our core manufacturing business of fabrics, we are also engaged in the business of manufacturing masks and other personal and protective equipment (PPE) products since March 2020 with the objective of leveraging our manufacturing capabilities on account of increased demand for protective products. We manufacture a range of protective and hygiene products, including 3-ply disposable masks, N95 masks, 3-ply masks with soft-loop elastic, 3-ply tie-on masks, surgeon caps and bouffant caps.

2. Trading

In addition to our manufacturing operations, we are also engaged in the trading of fabrics. Our trading activities enable us to offer customers a broader range of fabric products beyond the products manufactured by us. The fabrics are sourced from suppliers based on customer requirements, specifications, availability, pricing and delivery requirements and are supplied to customers in the ordinary course of business. Additionally, our Company and Subsidiary are engaged in the supply and trading of textile dyes, chemicals such as VAT Indigo, bon acid, di methoxy aniline, meta nitro aniline, etc and auxiliaries such as wetting agent, sequestering agent, dispersing agent binders, thickeners, etc which are used in textile processing, dyeing and printing. We procure such products from suppliers based on customer requirements and agreed specifications and supply them to customers in the ordinary course of business. The products handled by us are selected based on required specifications, commercial terms and applicable handling and storage requirements. Furthermore, we are also in the distribution of masks and PPE products manufactured by our Company, catering to the requirements of healthcare institutions, industrial users, distributors, traders and other institutional customers.

OUR GEOGRAPHICAL PRESENCE

We have a strong domestic footprint, with our sales operations concentrated in India. We also export our products to our neighbouring countries such as Bangladesh and Sri Lanka. Our revenue of operations is primarily concentrated in the State of Gujarat. However, we have a well-distributed market coverage with a pan-India presence in 10 States.

We also evaluate and undertake international business opportunities based on customer demand, product specifications, commercial viability, logistics and applicable regulatory requirements. We have started exporting as well and in recent period we have made an export of certain shipments to Sri Lanka and Bangladesh.

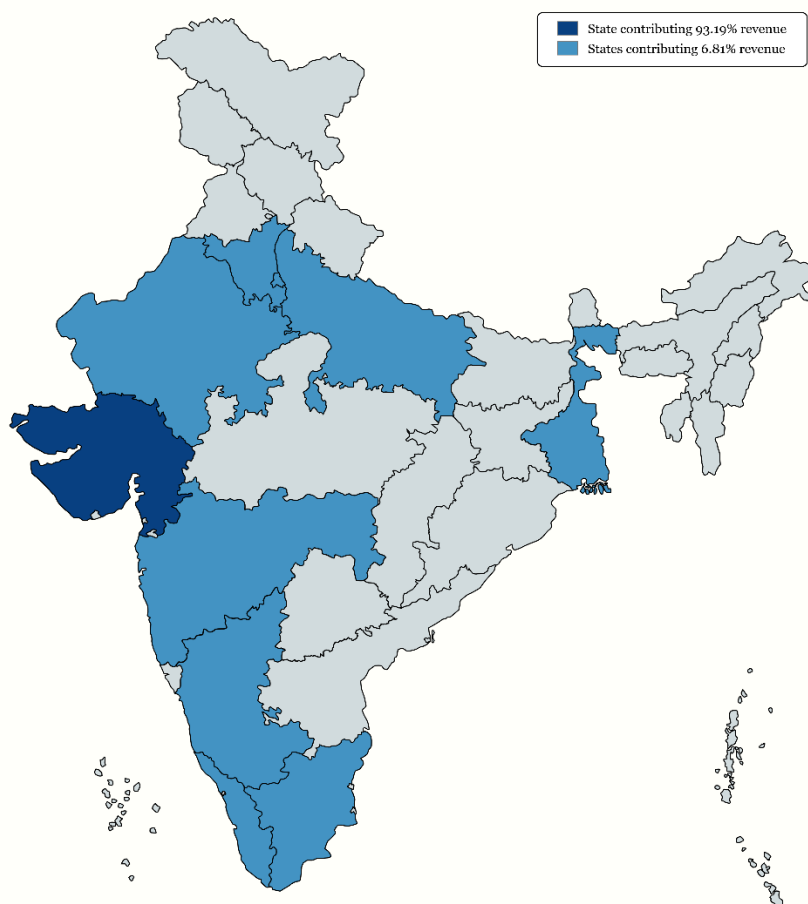
The table below set forth our state-wise revenue break-up for Financial Years ending March 31, 2026, March 31, 2025, and March 31, 2024 as per the Restated Consolidated Financial Statements.

Description	FY ended March 31, 2026		FY ended March 31, 2025		FY ended March 31, 2024	
	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations
Gujarat	12195.79	93.19	10,377.53	97.10	3824.34	99.86
Rajasthan	239.75	1.83	25.27	0.24	-	-
Delhi	206.26	1.58	10.41	0.10	-	-
Maharashtra	201.52	1.54	202.37	1.89	-	-
Karnataka	131.82	1.01	2.68	0.02	-	-
Haryana	68.36	0.52	20.87	0.20	-	-
Uttar Pradesh	16.23	0.12	1.48	0.01	-	-
West Bengal	14.43	0.11	15.48	0.14	-	-
Kerala	11.91	0.09	15.43	0.14	-	-
Tamil Nadu	1.15	0.01			-	-
Bihar	-	-	0.24	0.002	-	-
Madhya Pradesh	-	-	-	-	5.43	0.14
Export	-	-	17.13	0.16	-	-
Total	13087.22	100	10688.91	100	3829.77	100

As certified by M/s BM Saraf & Co., the Statutory Auditor of our Company, pursuant to their certificate dated September 25, 2026.

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Set forth below is a visual representation of the key States in India where we have our presence as on March 31, 2026:



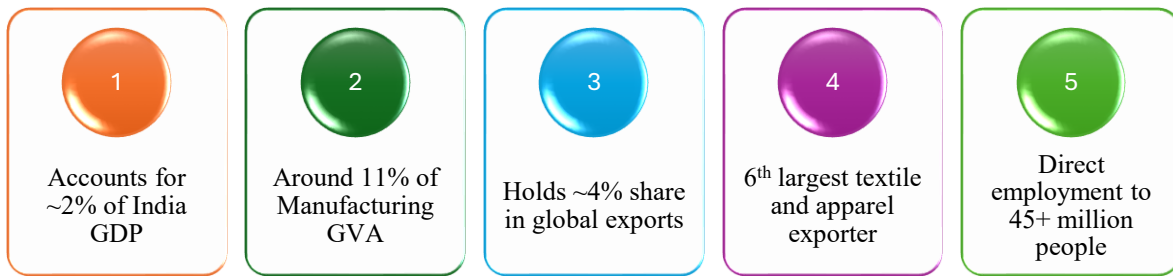
OUR BUSINESS FACILITY

Our Company has a single Business Facility for weaving and finishing activities in Ahmedabad, Gujarat, details of which are set forth below:

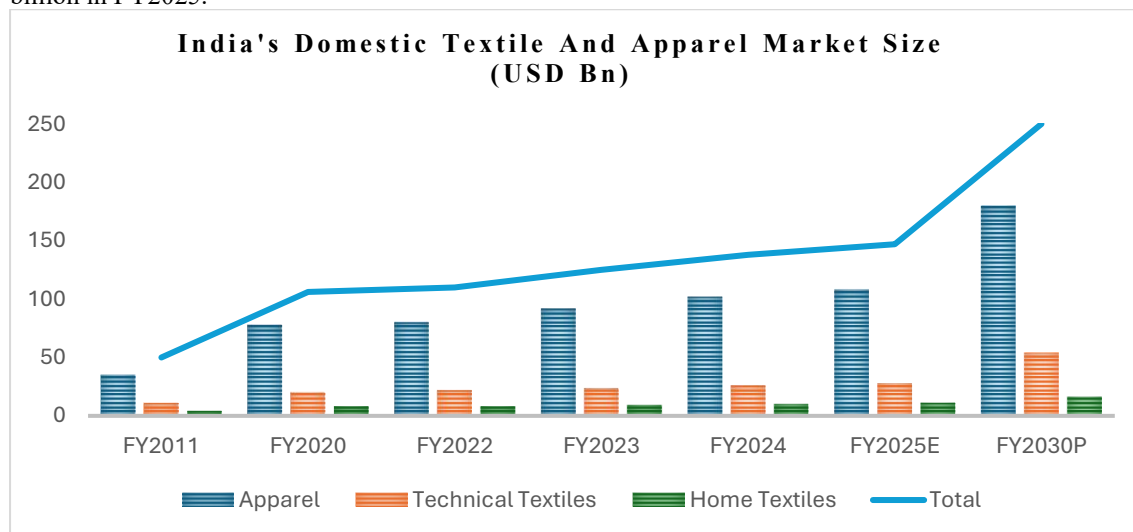
Location	Process Done	Owned/ Rented	Built-up Area
Survey no. 169, Piplej Pirna Road, Opp Bharwad Vaas, Piplej, Ahmedabad, Gujarat, India – 382405.	Weaving and Finishing	Rented	6264.9 sq mtrs.

MARKET OPPORTUNITY *(Source: B2K Analytics Report)*

India's textile sector is one of the country's oldest and most diverse industries, with a rich heritage that dates back centuries. It encompasses a wide spectrum, from traditional hand-spun and handwoven clusters to modern, capital-intensive mills, supported by well-established base of fibres and yarns. India is the world's second-largest producer of textiles and garments and the one of the largest exporter, with a broad product portfolio spanning apparel, home textiles, technical textiles, and several other textile products. The industry contributes around 2% to India's GDP and about 11% of manufacturing GVA as of FY2026. The industry is capital intensive as well as one of the largest employers and its employees with over 45 million people engaged and about 22,000 million garments produced annually. By 2030, the textile industry's share in GDP is expected to more than double, reaching close to 5%.



India's FTA agenda was a major progress during 2025–26, with important implications for the textile and apparel sector. The India–EFTA TEPA, India–UK CETA, India–Oman CEPA, India–New Zealand FTA and India–EU FTA are expected to improve preferential market access, reduce tariff disadvantages, support supply-chain integration, and open new opportunities for textiles, apparel, handicrafts and technical textiles. India's domestic textile and apparel market has expanded considerably, from USD 50 billion in FY2011 to an estimated USD 147 billion in FY2025.



Note: E (estimated), P (projections) Source: EMIS Insights, Wazir Advisors, B2K Analytics

- Apparel remains the largest segment, increasing from USD 35 billion to USD 108 billion and accounting for nearly three-fourths of the market in FY2025 reflecting sustained growth in domestic demand.
- Technical textiles have grown from USD 11 billion to USD 28 billion over the same period, indicating increasing demand for applications beyond conventional clothing.
- Home textiles have expanded more gradually, reaching USD 11 billion in FY2025.

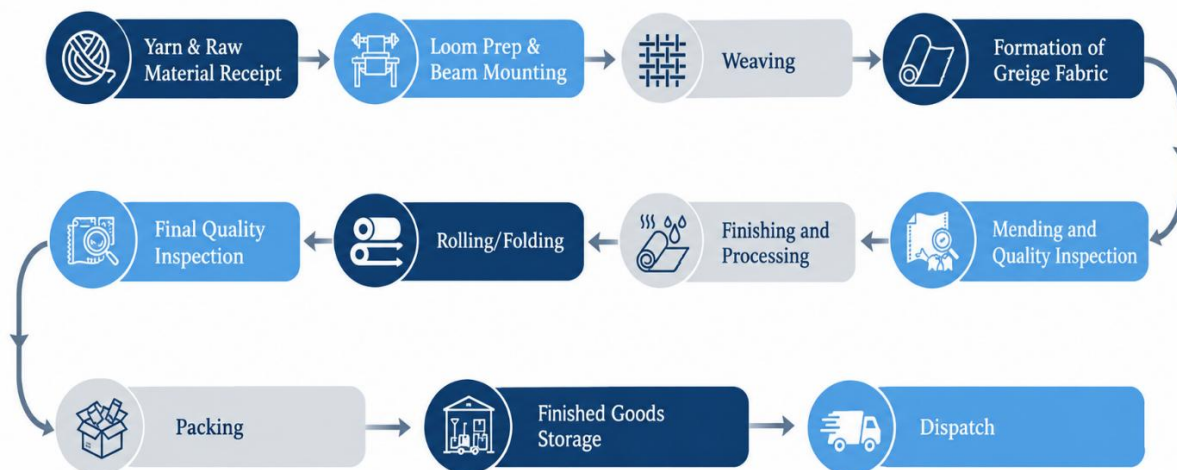
The market is projected to reach USD 250 billion by FY2030, implying a CAGR of around 11.2% from FY2025 to FY2030. Apparel is projected to reach USD 180 billion, while technical textiles are expected to reach USD 54 billion. Technical textiles therefore have the highest projected growth, with their share of the domestic market rising from about 19% in FY2025 to 22% by FY2030.

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OUR PROCESSES

I. *Manufacturing*

A. **Manufacturing fabric**



The various stages of our manufacturing process are described below.

1. **Yarn and raw material receipt:** The principal raw materials used in our fabric manufacturing operations include yarn and fabric-related inputs. Cotton and polyester yarn are amongst the key raw materials which are procured from domestic suppliers from purchase orders as required in the ordinary course of business. The Company undertakes internal quality checks upon the receipt of the raw materials and may reject or return such materials which do not meet our Company's prescribed specifications.

For weaving operations, sized beams along with weft yarn are received and transferred to the weaving section. The specifications of the input material are determined by the requirements of the fabric to be manufactured. The production of fabric is influenced by several technical and commercial parameters, each of which can materially affect the quantity of fabric that can be manufactured using the same machinery and installed capacity. Accordingly, the production capacity is generally assessed with reference to meters of fabric, while the actual production and product mix may vary depending upon the specifications and customer requirements.

Before production, the material is identified and checked against the relevant purchase and production specifications. Appropriate records are maintained for traceability of material and production batches, wherever applicable.

2. **Loom preparation and beam mounting:** The sized beam is prepared for mounting on the weaving machine. The warp yarns contained in the beam are positioned and arranged in accordance with the construction and design of the fabric to be produced.

The warp ends are passed through the relevant weaving components, including the reed and heald arrangement. The reed and associated components determine the positioning and density of the warp yarns and are selected according to the fabric construction. The weft yarn is prepared in suitable packages/bobbins for insertion into the loom.

The objective of this stage is to ensure that the warp and weft yarns are correctly positioned and that the loom is configured in accordance with the required fabric specification.

3. **Weaving** Weaving is the principal manufacturing activity undertaken at our manufacturing facility. During the weaving process, two sets of yarns are interlaced:

- (a) Warp yarn, which runs longitudinally along the length of the fabric; and
- (b) Weft yarn, which is inserted transversely across the width of the fabric.

The sized beam is mounted on the loom, with the warp ends passing through the reed. The weft yarn is inserted horizontally to form the woven fabric. The interlacing of the warp and weft yarns results in the formation of greige fabric. The Company uses Tsudakoma Airjet Looms of different widths for its weaving operations. The installed loom configuration presently comprises:

Particulars of the machineries	Width of the machineries	Number of machineries
Tsudakoma Airjet Looms	360 cm width	24
	190 cm width	28
Total machineries		52

The weaving process is monitored for parameters such as fabric construction, width, yarn breakage, weaving efficiency and visible defects. The operating parameters may vary depending upon the fabric specification and customer requirements.

4. **Formation of Greige Fabric:** The woven fabric emerging from the loom is generally referred to as greige or grey fabric. At this stage, the basic structure of the fabric has been formed through the interlacing of warp and weft yarns. The greige fabric is subsequently subjected to inspection and, where required, further processing or finishing.
5. **Mending and Quality Inspection:** Following weaving, the fabric is transferred to the mending and inspection stage. The greige/dyed fabric is transferred to the mending department, where the fabric is inspected on the mending table. Defective or damaged portions identified during inspection are addressed through the mending process, wherever repairable, and the fabric is subsequently folded and inspected. The inspection process is intended to identify visible defects and deviations from the required fabric specifications. Depending on the product and applicable customer requirements, inspection may cover:
 - Fabric width;
 - Fabric construction;
 - Visible weaving defects;
 - Broken ends and picks;
 - Holes and cuts;
 - Stains and marks;
 - Unevenness;
 - Surface defects; and
 - Other customer-specific quality parameters.

Any fabric not meeting the prescribed specifications may be segregated, repaired, downgraded or otherwise dealt with in accordance with the Company's quality-control procedures.

6. **Finishing and Processing:** After weaving and inspection, the fabric may undergo finishing or other processing depending upon its intended use and customer requirements. The woven greige fabrics/dyed fabrics are sent to third-party finishing partners or are finished through the Company's own equipment, including its sublimation machine. Finishing is undertaken to achieve the desired physical and aesthetic characteristics of the fabric. Depending upon the specific product and process, finishing may be intended to improve or establish characteristics such as:
 - Hand feel;
 - Surface appearance;
 - Dimensional stability;
 - Fabric width;
 - Shrinkage characteristics;
 - Smoothness; and
 - Other customer-specified characteristics.

The Company's own equipment and third-party processing arrangements may therefore be used depending on the nature of the fabric and the processing requirements.

7. **Rolling / Folding:** Following finishing and inspection, the fabric is prepared in a suitable form for storage and dispatch. Depending upon customer requirements, fabric may be rolled or folded. The rolling operation is intended to produce uniform fabric rolls with appropriate winding and handling characteristics. The finished fabric is identified with relevant product, lot/batch and quantity information, wherever applicable, to facilitate inventory management and customer order fulfilment.
8. **Final Quality Inspection:** A final quality inspection is undertaken before finished fabric is released for packing and dispatch. The objective is to ensure that the finished product conforms to the applicable production specifications and customer requirements. The inspection may include verification of:
 - Width;
 - Length;
 - GSM, where applicable;
 - Fabric construction;
 - Visual appearance;
 - Finishing quality;
 - Shrinkage/dimensional characteristics, where applicable;
 - Defect levels; and
 - Customer-specific requirements.
9. **Packing:** After final inspection, approved fabric is packed for storage and dispatch. The folded greige/dyed fabric is packed in the form of bales and that hessian cloth is used for packing. Packing is undertaken to protect the fabric from dust, moisture, handling damage and other external factors during storage and transportation. Depending on the customer and product requirements, the packaging may contain information such as:
 - Product/fabric description;
 - Roll or bale number;
 - Lot/batch number;
 - Quantity/length;
 - Weight;
 - Customer/order reference; and
 - Other dispatch identification details.
10. **Finished Goods Storage:** Packed finished goods are transferred to the designated finished-goods area before dispatch. Inventory is managed with reference to customer orders, product specifications, production lots and dispatch requirements. Proper identification and segregation of finished goods are important to minimise the possibility of mixing different products or lots.
11. **Dispatch:** Following completion of quality inspection, packing and documentation, finished goods are dispatched to customers.

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B. Manufacturing of masks and PPE equipment



The various stages of our manufacturing process are described below.

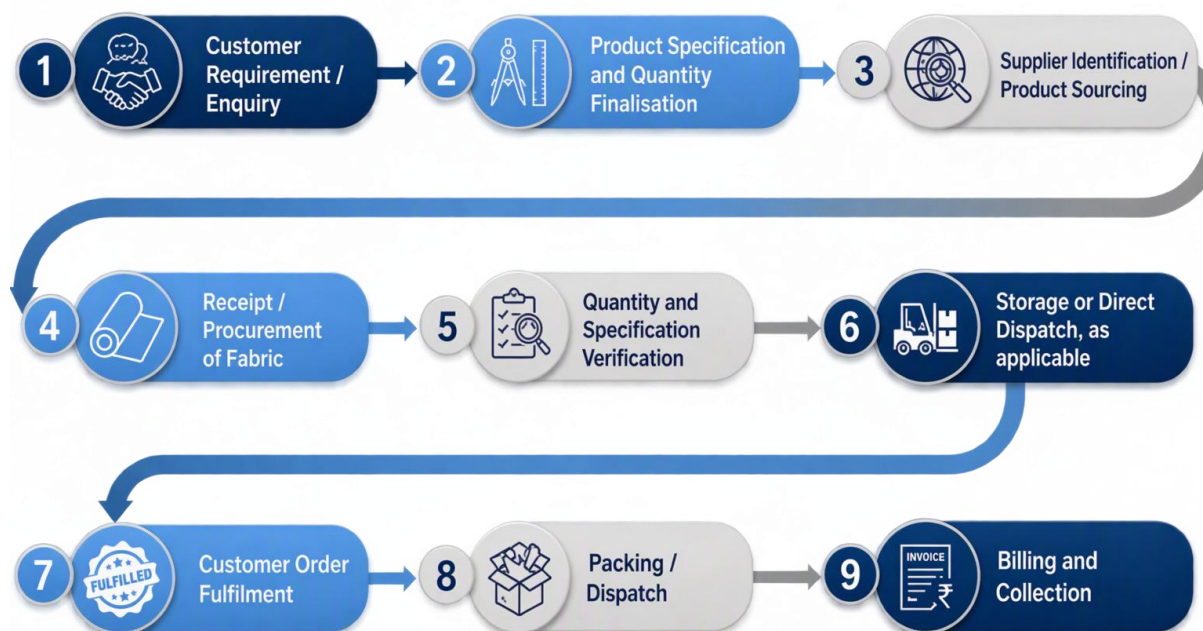
1. **Non-Woven / PPE Raw Materials** The manufacturing process begins with the procurement of non-woven fabric and other raw materials and components required for the manufacture of masks and other PPE products. These materials are received and stored for further processing.
2. **Incoming Inspection:** The raw materials and components received are inspected against the applicable specifications to verify their quality and suitability for use. Materials are checked for any visible defects, damage or deviations before being approved for production.
3. **Manufacturing / Assembly:** The approved raw materials are processed through activities such as cutting, forming and shaping, as applicable, to create the basic structure of the mask or PPE product. The manufacturing process is carried out in accordance with the prescribed production requirements.
4. **Component Attachment:** Components such as nose wires, elastic loops, tie strings and other accessories, as applicable, are attached to the product. This stage ensures that the required components are securely fitted to the mask or PPE product.
5. **In-Process Inspection:** Quality checks are conducted at various stages of production to assess conformity with the prescribed quality parameters. Any defects or deviations identified during these checks are addressed before the product proceeds to the next stage.
6. **Final Inspection:** The completed products undergo a final inspection to assess their quality, dimensions, appearance and conformity with applicable specifications. Products meeting the prescribed requirements are approved for packing.
7. **Packing:** The approved finished products are packed and labelled in accordance with the applicable packaging requirements. This stage ensures that the products are appropriately prepared for storage and subsequent dispatch.
8. **Storage:** The packed finished goods are transferred to designated storage areas pending dispatch. The products are stored in an organised manner to facilitate inventory management, identification and retrieval.
9. **Distribution:** The finished goods are dispatched from the storage facility to customers, distributors or other designated destinations. Dispatch activities include the coordination and movement of products in accordance with the applicable delivery requirements.

II. Trading

A. Trading of Fabrics

Our fabric trading business enables us to cater to customer requirements for fabric specifications, qualities and quantities that may not necessarily be manufactured through our own weaving operations.

The broad fabric trading process is as follows:



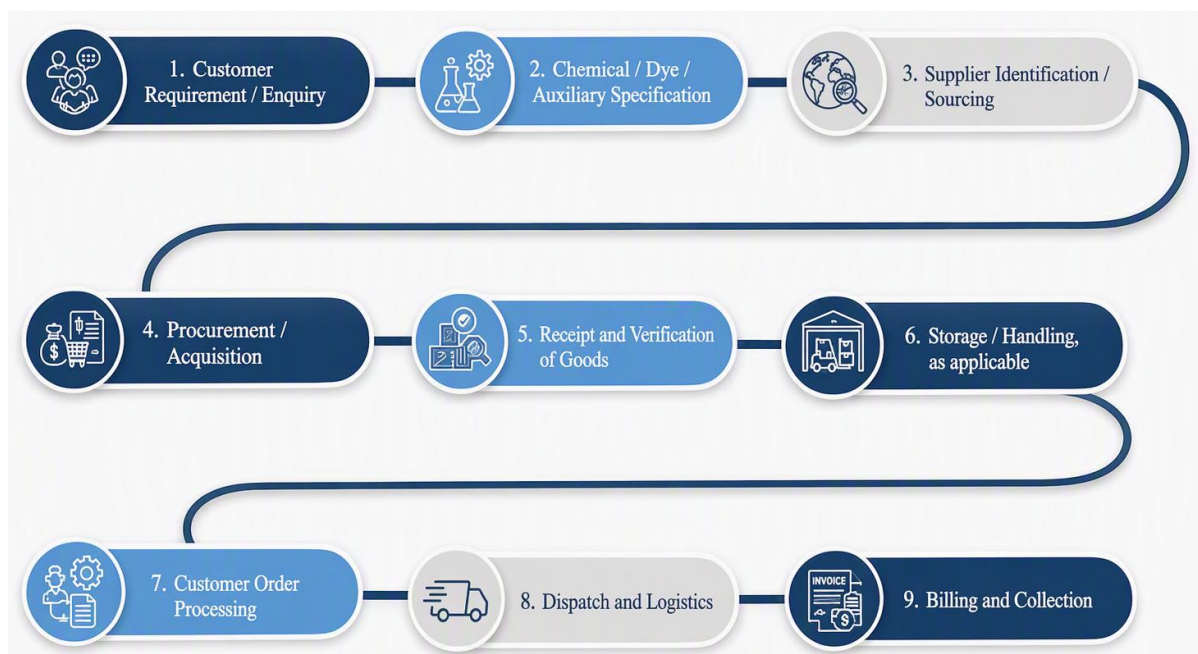
- 1. Customer requirement, product specification and quantity finalisation:** The process begins with receipt of a customer enquiry specifying the required fabric type, construction, quantity, price, delivery schedule and other relevant parameters.
- 2. Supplier identification and procurement:** Based on the requirement, suitable suppliers are identified and fabric is procured in accordance with the Company's procurement practices.
- 3. Receipt and verification:** The purchased fabric is received and checked for quantity and applicable specifications. Where material does not conform to the agreed requirements, the Company may reject or return the material in accordance with applicable commercial terms.
- 4. Storage / Direct dispatch:** Depending upon the customer order and logistics requirements, the traded fabric may either be stored temporarily at the Company's premises or arranged for direct dispatch.
- 5. Customer dispatch and collection:** After order confirmation and completion of applicable documentation, the fabric is dispatched to the customer and the corresponding invoice is raised.

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B. Chemical Supply

We are also engaged in the supply and trading of textile dyes, chemicals and auxiliaries used in textile processing, dyeing and printing. The current draft identifies this as one of the Company's principal business divisions. The chemical supply business primarily operates as a sourcing, supply and distribution activity rather than a manufacturing process, unless otherwise specifically stated for any particular product.

The broad process is:



1. Requirement Identification

Customer requirements are identified based on the type of textile processing, dyeing or printing application and the required chemical or auxiliary specification.

2. Product Sourcing

Products are sourced from suitable suppliers based on the required specifications, quantity, commercial terms and delivery requirements.

3. Receipt and Verification

Materials received from suppliers are checked against the applicable purchase documentation and specifications.

Where applicable, product documentation, batch information and other relevant records are maintained.

4. Storage and Handling

Chemical products, dyes and auxiliaries are stored and handled in accordance with their applicable storage requirements and safety precautions.

The Company should disclose specific storage arrangements, statutory approvals and safety systems only after verification against actual operations and applicable laws.

5. Dispatch

The required chemicals, dyes or auxiliaries are packed and dispatched to customers against confirmed orders.

RAW MATERIALS

The key raw materials used in our operations include yarn (such as cotton and polyester yarn) and fabric (such as cotton fabric). We procure all our raw materials from domestic suppliers based on purchase orders. We do not enter into any long-term agreements and procure materials as and when required in the ordinary course of business. The Company follows internal quality checks upon receipt of materials and may reject or return materials that do not meet prescribed specifications, in accordance with mutually agreed commercial terms.

Sr. No.	List of Raw Materials	Key States of Procurement	Usage
1.	Cotton Yarn	Gujarat & Maharashtra	Cotton yarn is a natural thread spun from cotton fibers, essential for making fabrics through weaving or knitting. It comes in different thicknesses (known as counts) and layers (called ply, which refers to the number of strands twisted together), allowing makers to create specific fabric textures and qualities. Famous for being soft, breathable, and versatile, cotton yarn is a fundamental material for our manufacturing operations.
2.	Cotton Viscose Blended Yarn	Gujarat & Maharashtra	Cotton-viscose yarn combines natural cotton and silky viscose fibers to create a blend that is strong, soft, and drapes beautifully. Excellent at absorbing moisture, this comfortable fabric is a popular choice for textiles.
3.	Polyester Cotton Blended Yarn	Gujarat	Polyester-cotton yarn blends synthetic polyester with natural cotton to bring out the best in both materials. It combines the strength, wrinkle resistance, and shape retention of polyester with the soft, breathable comfort of cotton. Highly durable, easy to wash, and resistant to shrinking, this versatile blend is widely used for clothing, bed sheets, and everyday textiles.
4.	Cotton Fabric	Gujarat	Cotton fabric is a textile material produced by weaving or knitting cotton yarn. Made from natural cotton fibres, it is one of the most widely used fabrics in the textile industry due to its comfort, durability, and versatility. Cotton fabric is known for its soft texture, excellent breathability, and moisture-absorbing properties, making it suitable for a wide range of applications, particularly in textile manufacturing.

Below is the list of our top 10 suppliers along with their contribution to our total purchases of raw materials, stock-in-trade, stores and consumables for the periods indicated:

1. For the Financial Year ended March 31, 2026

(₹ in Lakhs, unless otherwise stated)

Sr. No.	Particulars	Purchases in FY ended March 31, 2026	Percentage of Total Purchases (%)
11.	Supplier 1	2279.33	19.60
12.	Supplier 2	1276.06	10.98
13.	Supplier 3	916.07	7.88
14.	Supplier 4	689.07	5.93
15.	Supplier 5	622.30	5.35
16.	Supplier 6	475.71	4.09
17.	Supplier 7	409.95	3.53
18.	Supplier 8	390.24	3.36
19.	Supplier 9	377.20	3.24
20.	Supplier 10	320.37	2.76

Total Purchases from Top 10 Suppliers	7756.3	66.72
Total Purchases	11,626.44	100.00

As certified by M/s BM Saraf & Co., the Statutory Auditor of our Company, pursuant to their certificate dated September 24, 2026.

2. For the Financial Year ended March 31, 2025

(₹ in Lakhs, unless otherwise stated)

Sr. No.	Particulars	Purchases in FY ended March 31, 2025	Percentage of Total Purchases (%)
11.	Supplier 1	1073.58	12.97
12.	Supplier 2	659.86	7.97
13.	Supplier 3	648.99	7.84
14.	Supplier 4	568.65	6.87
15.	Supplier 5	490.70	5.93
16.	Supplier 6	427.41	5.16
17.	Supplier 7	288.83	3.49
18.	Supplier 8	263.02	3.18
19.	Supplier 9	252.92	3.06
20.	Supplier 10	242.48	2.93
Total Purchases from Top 10 Suppliers		4916.44	59.85
Total Purchases		8,278.72	100.00

As certified by M/s BM Saraf & Co., the Statutory Auditor of our Company, pursuant to their certificate dated September 24, 2026.

3. For the Financial Year ended March 31, 2024

(₹ in Lakhs, unless otherwise stated)

Sr. No.	Particulars	Purchases in FY ended March 31, 2024	Percentage of Total Purchases (%)
11.	Supplier 1	592.53	16.36
12.	Supplier 2	514.58	14.20
13.	Supplier 3	287.47	7.94
14.	Supplier 4	233.66	6.45
15.	Supplier 5	195.50	5.40
16.	Supplier 6	170.88	4.72
17.	Supplier 7	159.54	4.40
18.	Supplier 8	143.09	3.95
19.	Supplier 9	135	3.73
20.	Supplier 10	112.55	3.11
Total Purchases from Top 10 Suppliers		2544.8	70.26
Total Purchases		3,622.70	100.00

As certified by M/s BM Saraf & Co., the Statutory Auditor of our Company, pursuant to their certificate dated September 24, 2026.

USE OF MACHINERIES/EQUIPMENTS IN MANUFACTURING OPERATIONS

The Company's manufacturing operations are supported by a range of specialised textile machinery for its weaving and finishing operations. Our manufacturing unit is equipped with Tsudakoma Airjet Looms, an industrial weaving machine used to manufacture fabrics. The Sublimation cum Finishing Machine is used to achieve the desired requirements in the fabric with respect to surface feel, fabric width, shrinkage etc. and is done by the process of heat transfer from the machinery to the fabric.

Sr. No.	Description of Machinery	Capacity	Rented/Owned	Purpose
1.	Tsudakoma Airjet Looms	80 lac meters	Owned	Weaving of fabric
2.	Sublimation cum Finishing Machine	48 lac meters	Owned	Finishing of fabric

KEY PERFORMANCE INDICATORS

The table below highlights our key performance indicators of our financial performance for the financial years ended on March 31, 2026, March 31, 2025 and March 31, 2024, as approved by resolution of the Audit Committee of our Board dated September 25, 2026.

(₹ in Lakhs)

Particulars	FY 2025-26	FY 2024-25	FY 2023-24
Revenue from Operations	13,087.22	10,688.91	3,829.97
Growth in Revenue from Operations (%)	22.44	179.09	N.A.
Gross Profit	3,129.30	2,289.17	724.76
EBITDA	1,704.53	932.96	187.16
EBITDA Margin (%)	13.02	8.73	4.89
EBITDA Growth Period-on-Period (%)	82.70	398.48	N.A.
EBIT	1,524.70	763.07	119.89
EBIT Margin (%)	11.65	7.14	3.13
RoCE (%)	27.86	26.96	7.55
Current Ratio (times)	1.57	1.77	1.40
Net Cash Flow from / (Used in) Operating Activities	(208.27)	975.58	171.38
Profit After Tax (PAT)	1,143.38	247.54	41.55
PAT Margin (%)	8.74	2.32	1.08
RoNW (%)	40.02	14.58	8.28
Basic and Diluted EPS (₹) (adjusted for bonus issue)	6.68	1.45	0.69

Note:

- Revenue from Operations is as reported in the Restated Consolidated Financial Statements.
- Growth in Revenue from Operations = $[(\text{Revenue from operations for the current year} - \text{Revenue from operations for the previous year}) \div \text{Revenue from operations for the previous year}] \times 100$.
- Gross Profit = Revenue from Operations – (Purchases of stock-in-trade + Cost of raw material consumed + Changes in inventories of finished goods and work-in-progress).
- Gross Margin (%) = $(\text{Gross Profit} \div \text{Revenue from Operations}) \times 100$.
- EBITDA = Restated Profit before Tax + Finance Costs + Depreciation and Amortisation Expense ± Other Income, as presented in the statement of other financial information forming part of the Restated Consolidated Financial Statements.
- EBITDA Margin (%) = $\text{EBITDA} \div \text{Revenue from Operations} \times 100$.
- EBITDA Growth Period-on-Period (%) = $[(\text{EBITDA for the current year} - \text{EBITDA for the previous year}) \div \text{EBITDA for the previous year}] \times 100$.
- EBIT = EBITDA – Depreciation and amortisation expense, i.e. Restated profit before tax + Finance costs – Other income.
- EBIT margin (%) = $\text{EBIT} \div \text{Revenue from operations} \times 100$.
- RoCE (%) = $\text{EBIT} \div \text{Average capital employed} \times 100$. Capital employed = Net worth + Total borrowings (Long-term and short-term). Average capital employed is the simple average of the opening and closing capital employed.
- Current ratio = Current assets / Current liabilities.
- Net cash flow from / (used in) operating activities is as reported in the restated consolidated summary statement of cash flows.
- PAT is the restated profit for the year.
- PAT margin (%) = $\text{PAT} \div \text{Revenue from operations} \times 100$.
- RoNW (%) = $\text{PAT} \div \text{Net worth as at the end of the year} \times 100$. Net worth = Equity share capital + Reserves and surplus.
- Basic EPS = $\text{PAT} \div \text{Weighted average number of Equity Shares outstanding during the year, adjusted for the bonus issue for all periods presented (see "Note on Bonus Issue" above)}$. The weighted average number of Equity Shares (post-bonus) is 1,71,10,583 for FY 2025-26, 1,71,10,583 for FY 2024-25 and 60,23,000 for FY 2023-24. The 5,83,557 Equity Shares allotted in FY 2024-25 under the scheme of amalgamation are included from April 1, 2024. The Company has no potentially dilutive equity shares; diluted EPS is therefore equal to basic EPS.
- Anil Organics Private Limited became a wholly owned subsidiary of the Company on March 5, 2026. The figures for FY 2024-25 and FY 2023-24 are those of the Company alone.

KPI	Explanation
Revenue from operations	Used by the management to track the revenue profile of the business and to assess the overall financial performance and scale of operations of the Company.
Growth in revenue from operations	Indicates the year-on-year growth in the business of the Company.
Gross profit and gross margin	Indicate the profitability of the core manufacturing and trading operations after the cost of goods sold.
EBITDA and EBITDA margin	Indicate the operating profitability of the business before finance costs, depreciation and tax, and excluding other income.
EBITDA growth	Indicates the year-on-year growth in operating profitability.
EBIT and EBIT margin	Indicate the profitability of operations after depreciation but before finance costs and tax, and excluding other income.
RoCE	Indicates how efficiently the Company generates earnings from the total capital (equity and debt) employed in the business.
Current ratio	Indicates the ability of the Company to meet its short-term obligations from its current assets.
Operating cash flow	Indicates whether the Company generates cash from its day-to-day operations, after working capital changes and taxes.
PAT and PAT margin	Indicate the overall profitability of the business after all expenses and taxes.
RoNW	Indicates how efficiently the Company generates profits from shareholders' funds.
EPS	Indicates the profit attributable to each Equity Share of the Company.

GAAP Financial Measures

GAAP financial measures are numerical measures disclosed in accordance with the generally accepted accounting principles applicable to the Company, being the Accounting Standards notified under Section 133 of the Companies Act, 2013. The following GAAP financial measures are presented in the Restated Consolidated Financial Statements:

Particulars	FY 2025-26	FY 2024-25	FY 2023-24
Revenue from operations	13,087.22	10,688.91	3,829.97
Profit after tax	1,143.38	247.54	41.55
Net cash flow from / (used in) operating activities	(208.27)	975.58	171.38
Net cash flow used in investing activities	(288.06)	(327.47)	(61.25)
Net cash flow from / (used in) financing activities	468.36	(835.13)	(112.20)
Cash and cash equivalents at the end of the year	11.89	4.68	5.87
Basic and diluted EPS (₹) (adjusted for bonus issue)	6.68	1.45	0.69

Non-GAAP financial measures

Non-GAAP financial measures are numerical measures of the historical financial performance, financial position or cash flows of the Company that (i) exclude amounts, or are subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with GAAP; or (ii) include amounts, or are subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measure so calculated and presented. The adjustments are based only on audited line items included in the Restated Consolidated Financial Statements. These measures are not defined under the Accounting Standards.

Particulars	FY 2025-26	FY 2024-25	FY 2023-24
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EBITDA	1,704.53	932.96	187.16
EBITDA margin (%)	13.02	8.73	4.89
EBIT	1,524.70	763.07	119.89
PAT margin (%)	8.74	2.32	1.08
Net worth	2,857.26	1,697.52	501.55

CUSTOMER LANDSCAPE

We serve a diverse range of customer base, encompassing garment manufacturers, distributors, dealers and wholesalers. We have a wide customer base, having served 233 customers in FY 2025-26. Our customer segments include:

1. *Manufacturers*

Manufacturers constitute an important segment of AFL's customer base and can be further classified into fabric processing units and garment manufacturers.

- a. **Fabric processing units:** We supply fabrics to fabric processing units, which undertake further processing of the fabrics to achieve the desired characteristics, appearance, finish and performance as required for subsequent applications. Additionally, we also supply them with textile chemicals and auxiliaries which are used by processing units during various stages of fabric processing. These chemicals and auxiliaries may be used for processes such as dyeing, finishing, washing, treatment and other value-added textile processing activities.
- b. **Garment manufacturers:** We supply fabrics to garment manufacturers who use the fabrics as a principal raw material for manufacturing garments and other finished textile products. These fabrics may be utilized for manufacturing various categories of garments depending upon the specifications, composition, weight, width, construction and end-use requirements of the customer. Our ability to supply different types of fabrics enables it to cater to the varying requirements of garment manufacturers.

2. *Traders*

Traders purchase products from us for onward sale and distribution to their respective customers. They can be broadly classified into the following:

- a. **Fabric traders:** Fabric traders purchase fabrics from our Company and further distribute or sell them to garment manufacturers, processors, retailers or other users of textile fabrics. It enables us to reach a wider customer base without directly servicing each individual downstream customer.
- b. **Chemical traders:** Chemical traders purchase textile chemicals and auxiliaries from our Company for onward sale to textile processing units and other industrial customers. Our Company is able to expand its distribution of chemical and auxiliary products across different textile-processing markets.
- c. **Mask and PPE traders:** Mask and PPE traders purchase masks and other PPE-related products from our Company for onward distribution and sale to institutional, commercial, industrial and other customers.

3. *Retailers*

We supply our products to retailers who subsequently sell them to end consumers or other smaller downstream customers. This enables our Company to participate in the final stage of the product distribution chain and provides access to a broader and more fragmented customer base. Depending on the product category, retailers may source fabrics, textile-related products, masks, PPE products or other products offered by us for resale.

Below is the list of our top 10 customers for the Financial Years ended on March 31, 2026, March 31, 2025 and March 31, 2024:

1. **For the Financial Year ended March 31, 2026**

(₹ in Lakhs, unless otherwise stated)

Sr. No.	Particulars	Sales in FY ended March 31, 2026	Percentage of total Sales (%)
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1.	Customer 1	1506.10	11.51
2.	Customer 2	1330.53	10.17
3.	Customer 3	1058.60	8.09
4.	Customer 4	733.82	5.61
5.	Customer 5	609.83	4.66
6.	Customer 6	491.81	3.76
7.	Customer 7	448.11	3.42
8.	Customer 8	439.96	3.36
9.	Customer 9	420.45	3.21
10.	Customer 10	416.39	3.18
Total Revenue from Top 10 Customers		7455.6	56.97
Total Revenue from Operations		13,087.22	100.00

As certified by M/s BM Saraf & Co., the Statutory Auditor of our Company, pursuant to their certificate dated September 24, 2026.

2. For the Financial Year ended March 31, 2025

(₹ in Lakhs, unless otherwise stated)

Sr. No.	Particulars	Sales in FY ended March 31, 2025	Percentage of total Sales (%)
1.	Customer 1	2178.40	20.38
2.	Customer 2	793.09	7.42
3.	Customer 3	706.90	6.61
4.	Customer 4	679.06	6.35
5.	Customer 5	661.69	6.19
6.	Customer 6	574.23	5.37
7.	Customer 7	506.66	4.74
8.	Customer 8	457.71	4.28
9.	Customer 9	438.83	4.11
10.	Customer 10	421.42	3.94
Total Revenue from Top 10 Customers		7417.99	69.39
Total Revenue from Operations		10,688.91	100.00

As certified by M/s BM Saraf & Co., the Statutory Auditor of our Company, pursuant to their certificate dated September 24, 2026.

3. For the Financial Year ended March 31, 2024

(₹ in Lakhs, unless otherwise stated)

Sr. No.	Particulars	Sales in FY ended March 31, 2024	Percentage of total Sales (%)
1.	Customer 1	968.77	25.29
2.	Customer 2	607.39	15.86
3.	Customer 3	474.90	12.40
4.	Customer 4	364.67	9.52
5.	Customer 5	205.22	5.36
6.	Customer 6	156.52	4.09
7.	Customer 7	136.13	3.55
8.	Customer 8	134.13	3.50
9.	Customer 9	71.60	1.87
10.	Customer 10	67.22	1.76
Total Revenue from Top 10 Customers		3186.55	83.2
Total Revenue from Operations		3,829.97	100.00

As certified by M/s BM Saraf & Co., the Statutory Auditor of our Company, pursuant to their certificate dated September 24, 2026.

OUR STRENGTHS

We believe that our operations are supported by manufacturing infrastructure, management experience, quality-control processes, customer relationships and workforce, which contribute to our business strengths as elaborated below:

1. Manufacturing Infrastructure

The Company possesses a manufacturing setup equipped with latest weaving machinery and supporting infrastructure. With installed Tsudakoma Airjet Looms of multiple widths along with advanced accessories and utilities, the Company is capable of producing high-quality fabrics efficiently and consistently. Our installed capacity is 128 Lakhs*, and our capacity utilisation was 68%* in Financial Year 2025-26. The infrastructure enables the Company to cater to diverse customer requirements while maintaining productivity and quality standards.

**As certified by Dinesh P. Jani, Independent Chartered Engineer; pursuant to their certificate dated September 09, 2026.*

2. Quality Control and Production

The Company follows quality control procedures after the stage of processing and finishing. These procedures are intended to identify and address manufacturing defects and deviations from specified product requirements. Continuous monitoring and supervision are undertaken during the manufacturing process.

3. Experienced Management

Mr. Navin Ramniwas Agarwal, Managing Director and Mr. Ashok Ramniwas Agarwal, Non- Executive Director bring in a combined experience of more than 50 years in this sector and provide valuable industry knowledge. Their understanding of the textile industry, market trends, customer expectations, and operational management have played a significant role in the Company's growth and reputation. The relevant experience of our Directors and Key Managerial Personnel is set out in the chapter titled "**Our Management**" on page no. 208 of this Draft Prospectus.

4. Customer Relationships

The Company believes in building long-term relationships with customers through reliability, timely deliveries and customized solutions. This customer-centric approach has helped the Company gain trust and maintain repeat business from various clients across the textile value chain. During the Financial Year 2025-26, 45.49% of our revenue from operations was generated from repeat customers.

OUR STRATEGIES

We have adopted strategies focused on maintaining product quality, managing manufacturing operations, developing customer relationships, undertaking appropriate investments in manufacturing infrastructure and technology, and managing financial and operational resources, as elaborated below:

1. Quality-Focused Manufacturing

The Company's strategy is to maintain product quality and consistency in its manufacturing operations. By utilizing our existing weaving machinery and implementing quality control systems, we ensure that deviations from specified product requirements are identified. The Company intends to maintain and further develop its quality-control processes in accordance with customer specifications and applicable standards.

2. Customer Relationships

We focus on understanding customer requirements and delivering products in accordance with agreed specifications and delivery requirements. The Company seeks to maintain its existing customer relationships through transparent dealings, competitive pricing, prompt service, and consistent product quality. This strategy helps strengthen customer retention and recurring business opportunities.

3. Operational Efficiency

The management monitors production planning, efficient resource utilization, and process improvements to improve operational efficiency. By minimizing wastage, improving productivity, and maintaining cost management, the Company aims to enhance profitability while remaining competitive in the market.

4. Technology and Infrastructure Development

Our Company believes in continuous modernization and upgradation of manufacturing facilities to improve production capabilities and operational performance. Investments in advanced weaving

technology and supporting infrastructure enable us to improve efficiency, maintain quality standards, and cater to evolving market demands.

5. Market Expansion and Business Growth

We aim to expand our market presence by strengthening existing customer relationships and exploring new business opportunities across domestic and international markets. Our Company regularly evaluates opportunities to increase production capacity based on customer demand, utilisation levels, available resources and other relevant business considerations.

INVENTORY MANAGEMENT

Our finished products and raw materials are stored at our Business Facility, where designated areas are maintained for the storage of raw materials and finished products. We produce quantities of finished products based on a combination of confirmed customer orders and internal production requirements.

Inventory levels are monitored and maintained through Excel-based records, which are used to record inward receipts of raw materials, movement of materials through the production process, finished goods generation and outward dispatches. These records are also used for stock reconciliation and preparation of inventory-related reports for operational and accounting purposes. Production planning and stocking of finished goods are undertaken based on confirmed customer orders and internal sales forecasts prepared in the ordinary course of business.

Inventory management covers raw materials, work-in-process, finished goods, traded fabrics, chemicals and PPE products, as applicable. Inventory receipts, movements, consumption, finished goods generation and dispatches are recorded and periodically reconciled with physical inventory. Inventory levels are monitored based on customer orders, production schedules, expected demand and procurement lead times.

SALES AND MARKETING

Our sales and marketing activities are primarily driven through direct customer relationships, repeat orders, references and our network of distributors, dealers and wholesalers. We focus on understanding customer requirements relating to product specifications, quality, pricing, delivery schedules and availability.

For fabric manufacturing, sales are undertaken based on customer requirements and product specifications. Our fabric trading business enables us to offer a wider range of products beyond our manufactured portfolio. In chemicals, we cater to customers requiring textile dyes, chemicals and auxiliaries. For masks and PPE products, we supply products based on customer specifications, quantities and delivery requirements.

QUALITY CONTROL

Quality control is undertaken at relevant stages of our operations, including receipt of raw materials, manufacturing/processing, finished goods inspection and dispatch. In fabric manufacturing, fabric is inspected for defects and deviations from specified requirements during and after weaving and finishing. Mending and inspection activities are undertaken to identify and address defective portions.

For traded fabrics and chemicals, procurement is undertaken against specified product requirements and commercial specifications. Materials may be inspected upon receipt before being supplied to customers.

For masks and PPE products, quality checks are undertaken at relevant stages of manufacturing, assembly and packing to ensure conformity with applicable product specifications and customer requirements

CAPACITY AND CAPACITY UTILIZATION

The Company has developed manufacturing and processing capabilities within its business Facility, to support its production and processing requirements. The following table provides details of the Company's installed capacity and capacity utilization across its business facility:

Sr. No.	Year*	Installed Capacity (Meter)	Actual Production (Meter)	% of actual production to Installed Capacity
4.	2023-24	72,00,000	46,95,685.25	65.21
5.	2024-25	72,00,000	47,35,837.11	65.77
6.	2025-26	1,28,00,000	87,23,098.00	68.14

**For FY 2023-24, pre-merger data of Anil Fashions Private Limited, Gray Solutions Private Limited and Sanchem Fabrics Limited has been taken into effect. From April 01, 2024, post merger data of Anil Fashions Limited has been considered.*

As certified by Dinesh P. Jani, Independent Chartered Engineer, vide certificate dated September 09, 2026.

INFRASTRUCTURE AND UTILITIES

Our Registered Office and Business Facility is equipped with computer systems, internet connectivity, communication tools, security measures, and other essential facilities to ensure the smooth functioning of our Company.

Power

The power requirement of our property is met through power sanctioned by Torrent Power Limited, which is sufficient for carrying out our day-to-day business activities, including manufacturing operations. Details of the power source are set forth below:

Property	Power Supplier	Sanctioned Power
Registered Office and Business Facility	Torrent Power Limited	550 KW

Our Company has also installed a solar power generating system with a capacity of 1000 KWP for its captive use in Radhanpur, Patan, Gujarat. Presented below are photographs providing a visual overview of our installed solar farms:



Water

The water requirement of our property is met through borewell situated within the property, which is sufficient for carrying out our day-to-day business activities, including processing activities.

LOGISTICS

For in-bound logistics, all goods including raw materials are delivered to our facilities by the suppliers.

For outbound logistics, the mode of transportation for delivery of our finished goods varies based on the location and requirements of our customers. For deliveries within Ahmedabad, finished goods are transported through local transporters. For deliveries outside Ahmedabad, the mode of transportation and logistics arrangements are determined based on the customer's preference and requirements.

COMPETITION

The industry is highly fragmented. Small, medium and large manufacturers compete across public, private and government-owned enterprises, and success tends to come down to certain factors such as how well a firm uses its machinery, labour and raw material, the strength of its processing and finishing capability, and how close it sits to established manufacturing clusters in states such as Gujarat, Tamil Nadu and Punjab.

As the industry is so fragmented, its output is spread across many different levels of scale. The larger players, though, tend to stand apart. They operate across multiple product categories and control a greater share of the value chain, reaching backward into chemicals and processing and forward into higher-value technical textiles, as they build scale and more advanced manufacturing capability.

Anil Fashions Limited is headquartered in Gujarat and is a diversified and vertically integrated textile enterprise formed through the merger of three entities, Anil Fashions Private Limited, Sanchem Fabrics Limited, and Gray Solutions Private Limited. This brings capabilities and resources across fabric and non-woven / technical textiles together onto a single entity. (Source: *B2K Analytics Report*)

INFORMATION TECHNOLOGY

The Company uses information technology systems to support its business operations, viz. Tally Software Services for accounting and related business functions. The software is used for maintaining accounting records and supporting financial and statutory compliance-related activities.

The Company also uses computers and other standard hardware and communication facilities, including internet connectivity and email services, for its day-to-day business operations. The Company's use of information technology is primarily focused on supporting its accounting, administrative and operational requirements.

ENVIRONMENT, HEALTH AND SAFETY

Our activities are subject to various environmental laws and regulations which govern, among other matters, air emissions, waste-water discharges, the handling, storage and disposal of hazardous substances and wastes and employee health and employee safety. We continue to ensure compliance with applicable health and safety regulations and other requirements in our operations.

We aim to comply with applicable health and safety regulations and other requirements in our operations and have adopted safety, health and environment policies and procedures that are aimed at complying with legislative requirements, requirements of our licenses, approvals, various certifications and ensuring the safety of our employees and the people working at our manufacturing facilities or under our management. For further details, see chapter "*Government and Other Approvals*" at page no. 329 of this Draft Prospectus.

HUMAN RESOURCES

We believe that our employees are key contributors to our business success and thus we focus on attracting and retaining the best possible talent. The quality of our people is pivotal to our success and competitive edge. We aim towards recruiting the talent that we need, facilitating the integration of our employees into the Company and encouraging the development of skills in order to support our performance and the growth of our operations. As on March 31, 2026, our Company has 25 permanent employees. The department-wise bifurcation of our employees as March 31, 2026, is provided below:

Sr. No.	Department	No. of Employees
1.	Administration	2
2.	Human Resources	2
3.	Management	1
4.	Marketing and Sales	1
5.	Operations	3
6.	Production	16
Total number of Employees		25

The table below sets forth the details of our employees registered with Employee State Insurance and the contributions made thereunder:

Regulator y Authority	August 31, 2026		March 31, 2026		March 31, 2025		March 31, 2024	
	No. of Employee es	Contrib ution	No. of Employee es	Contrib ution	No. of Employee es	Contrib ution	No. of Employee es	Contri bution
Employee State Insurance Corporatio n	4	3,122	1	₹ 601	1	₹ 601	1	₹ 601
Employees Provident Fund*	2	1,25,000	-	-	-	-	-	-

**Our company has officially registered with the Employees Provident Fund Organization on August 15, 2026.*

In addition to our full-time employees, we frequently hire workers on a contractual basis, for certain services at our Business Facility. The number of contractual workers vary from time to time based on the nature and extent of work contracted to independent contractors.

COLLABORATIONS AND JOINT VENTURES

As on the date of filing this Draft Prospectus, we do not have any collaborations, consortiums or joint ventures.

EXPORT AND EXPORT OBLIGATIONS

Our Company while being primarily focused in the Indian markets has also undertaken direct export transactions, subject to verification of export documentation and accounting records. The Company intends to evaluate further international opportunities based on customer demand, product specifications, commercial viability and applicable regulatory requirements.

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INSURANCE

Operating our business involves many risks, which if not insured, could adversely affect our business and results of operations. We maintain insurance coverage that we consider customary in the industry against certain operating risks. Our insurance policies cover risks involving our building, furniture and fixtures, plant and machinery, stock in process, raw materials, semi-finished and finished goods, and stock of civil related construction work. We believe that our current level of insurance is adequate for our business and consistent with industry practice, and we have not historically experienced a loss in excess of our policy limits.

The table below sets forth particulars of our insurance coverage basis as at the dates indicated:

Sr. No.	Type of Policy	Property Covered	Policy Number	Name of Insurer	Period Covered	Sum Insured (₹)	Insured Assets
1.	Chola MS General Insurance – Standard Fire and Special Perils Policy	Registered Office and Business Facility	2130/01999208/00/00	Cholamandalam MS General Insurance Company Limited	Valid up to June 25, 2027	₹58,50,00,000.00	(i) Building (ii) Furniture and Fixtures (iii) Plant and Machinery (iv) Stock in Process and stock if any related to civil construction work.
2.	Chola MS General Insurance – Standard Fire and Special Perils Policy	Floater Policy for Cover of Stock sent for jobwork like yarn sizing/dyeing & fabric finishing/ printing	2130/01999209/00/00	Cholamandalam MS General Insurance Company Limited	Valid up to June 25, 2027	₹7,50,00,000.00	Stocks in process – all type of stocks, stock of raw material, semi-finished goods, finished goods, consumables, stores, spares and any of the material pertaining to the insured's trade – goods held in trust.
3.	Electronic Equipment Insurance Policy	Survey no. 2UM39/P1 239/P2, Village – Radhanpur, TA – Radhanpur, Gujarat, India, 385340.	2101074426580000008	The New India Assurance Co. Ltd.	Valid upto June 04, 2027	₹ 1,00,00,000	Solar power plant
4.	Package Insurance Policy	Survey no. 2UM39/P1 239/P2, Village – Radhanpur, TA – Radhanpur, Gujarat, India, 385340.	2101074626240000018	The New India Assurance Co. Ltd.	Valid upto June 04, 2027	₹ 5,50,00,000	Ground mounted solar power plant
5.	New India Bharat Flexi Sookshma Udyam Suraksha	Survey no. 2UM39/P1 239/P2, Village – Radhanpur, TA –	2101071126870000020	The New India Assurance Co. Ltd.	Valid upto June 04, 2027	₹ 4,25,00,000	1) Plant and Machinery 2) Other content details – wire fencing

		Radhanpur, Dist Patan, 385340.					
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While our insurance coverage is in accordance with industry customs, including the terms of and the scope of the coverage provided by such insurance, our policies are subject to standard limitations, including with respect to the maximum amount that can be claimed.

OUR PROPERTIES

The details of the property utilized by our Company as on the date of this Draft Prospectus is set forth in the table below.

Sr. No.	Location	Purpose of Usage	Ownership	Name of Lessor	Is Lessor a related Party	Term	Built-up Area	Lease rent per month
1.	Survey no. 169, Piplej Pirna Road, Opp Bharwad Vaas, Piplej, Ahmedabad, Gujarat, India – 382405.	Registered Office / Corporate Office	Rented	Motilal Shyamlal Agarwal	No	Nine years commencing from March 01, 2022 to February 28, 2031.	6264.9 square metres	₹ 5,000/-
2.	Land bearing Revenue Survey No. 239/P2, Khata No. 1522 situate lying and being at Village- Radhanpur, Taluka- Radhanpur, District- Patan, Gujarat.	Setting up, operating and maintaining solar power plants	Lease	1) Pujara Manusukhbhai Vaikunthram 2) Pujara Prashantkumar Manusukhbhai 3) Thakkar Popatbhai Mavjibhai 4) Thakkar Manojkumar Popatlal 5) Thakkar Dhirajkumar Parasottamdas 6) Thakkar Vishal Chhotubhai 7) Thakkar Puspaben Chotubhai	No	27 years commencing from July 21, 2025 to July 21, 2052.	Land admeasuring 1027 square meters 0.25 acres	₹55,000/- per acre

INTELLECTUAL PROPERTY

As on the date of this Draft Prospectus, our Company does not have any trademark that is registered or pending registration with the Registrar of Trademarks under the Trademarks Act, 1999.

For risks associated with our intellectual property rights, see “*Risk Factors – Our Company does not own any registered intellectual property rights, and any inability to protect our brand, business processes or proprietary information may adversely affect our business, financial condition and results of operations.*” on page no. 41 of the Draft Prospectus.

DOMAIN DETAILS

As on the date of this Draft Prospectus, the domain used by our Company for its business purposes is listed below:

Sr. No.	Domain Name and ID	Sponsoring Registrar and IANA ID	Registrant Name and Organization	Creation Date	Registry expiry date
1.	anilfashions.com	Wix.com Ltd. IANA ID: 3817	Anil Fashions Limited	May 03, 2025	May 03, 2028

(The remainder of this page is left blank intentionally.)

KEY REGULATIONS AND POLICIES

The following description is a summary of the key statutes, rules, regulations, and policies prescribed by the Government of India and other regulatory bodies, which are applicable to our Company and the business undertaken by our Company. The information detailed in this chapter, is based on the current provisions of Indian law and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The description of the applicable laws has been obtained from publications available in the public domain.

*The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local laws. The following description is an overview of certain laws and regulations in India, which are relevant to our Company. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations set out below are not exhaustive and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice. For details of Government and other statutory approvals and licenses obtained by the Company in compliance with these regulations, please refer to the chapter titled “**Government and Other Approvals**” on page no. 329 of this Draft Prospectus.*

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by our Company:

INDUSTRY RELATED LAWS

The Textiles Committee Act, 1963

The Textile Committee Act, 1963 (the “**Act**”) was enacted in 1963 to provide for the establishment of a committee for ensuring the quality of textiles and textile machinery and for matters connected therewith. The Act prescribes for establishment of a textile committee (hereinafter referred to as the “**Textile Committee**”) with the general objective of ensuring a standard quality of textiles both for internal marketing and export purposes as well as 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 recognising standard specifications for textile and packing materials used in the packing of textiles or textile machinery for purpose of export and internal consumption and affix suitable marks on such standardized varieties of textiles and packing materials, specify the type of quality control or inspection which will be applied to textile or textile machinery, provide for training in the techniques of quality control to be applied to textiles or textile machinery, provide for inspection and examination of textiles, textile machinery and packing material used in the packing of textile and textile machinery, establishing laboratories and test houses for testing of textiles and data collection and such other matters related to the textile industry.

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 liberalising controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment. In furtherance of its objectives, the strategic thrust of the NTP is on technological upgradation, enhancement of productivity, quality consciousness, product diversification, maximising employment opportunities, and so on. The NTP also envisages certain sector specific initiatives, including the sector of raw materials, spinning, weaving, power loom, handloom, jute and textile. NTP also lays down certain delivery mechanisms for the implementation of the policy and to enable the Indian textile industry to realise its full potential and achieve global excellence.

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.

Cotton Control Order, 1986

The Cotton Control Order, 1986 (under Section 3 of the Essential Commodities Act, 1955) empowers the Textile Commissioner to regulate cotton stock-holding limits for manufacturers, ginning factories, pressing factories, combined ginning & pressing units, and non-farmer individuals or entities. It mandates specific quality standards for packing of cotton, with additional specifications on bale dimensions, moisture, and trash content for domestic trade. Moreover, the Cotton Control Order, 1986 enables the Textile Commissioner to inspect premises, seize stock, collect periodic data, and monitor compliance.

Legal Metrology Act, 2009 (“Legal Metrology Act”) and the Legal Metrology (Packaged Commodities) Rules, 2011 (“Packaged Commodity Rules”)

The Legal Metrology Act, 2009 came into effect on January 14, 2010, and has repealed and replaced the Standard of Weights and Measures Act, 1976 and the Standards of weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters incidental thereto. The Legal Metrology Act, *inter alia*, provides for: (a) approval of model of weight or measure; (b) verification of prescribed weight or measure by Government approved Test Centre; (c) exempting regulation of weight or measure or other goods meant for export; (d) nomination of a Director by a company who will be responsible for complying with the provisions of the enactment; (e) empowering the Central Government to make rules for enforcing the provisions of the enactment; and (f) penalty for offences and compounding of offences.

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, wholesale 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 LM Act and the Packaged Commodity Rules.

Bureau of Indian Standards Act, 2016 (“BIS Act”)

The BIS Act 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. It provides for establishment of Bureau of Indian Standards which will formulate, implement and certify certain standards of quality for goods, services, articles, processes and systems. The Government of India, through Ministry of Consumer Affairs, Food & Public Distribution and the Ministry of Electronics & Information Technology, amongst others, regulate manufacturing or storing for sale, import, selling or distribution of goods which do not conform to the Indian Standard specified in the BIS Act, by way of passing orders. The orders can

provide for compulsory registration for undertaking any of the specified activities relating to an identified category of product.

Bureau of Indian Standards Rules, 2018

The Bureau of India Standards Rules, 2018, as amended, have been notified, in supersession of the Bureau of Indian Standards Rules, 1987, in so far as they relate to Chapter IV A of the said rules relating to registration of the articles notified by the Central Government, and in supersession of the Bureau of Indian Standards Rules, 2017 except in relation to things done or omitted to be done before such supersession. Under the Bureau of Indian Standards Rules, 2018, BIS is required to establish Indian standards in relation to any goods, article, process, system or service and shall reaffirm, amend, revise or withdraw Indian standards so established as may be necessary.

Bureau of Indian Standards (Conformity Assessment) Regulations, 2018 (“BIS Regulations”)

The BIS Regulations provide a framework for certifying goods, services, systems, and processes to ensure they meet Indian Standards. The BIS Regulations empower BIS to carry out inspections, testing, and grant licenses or certifications to promote quality, safety, and consumer protection. The conformity assessment is structured under various schemes listed in the schedules of the BIS Regulations.

Schedule II, Scheme II of the BIS Regulations specifically covers the Certification of Conformity for products and services not under mandatory certification. It enables both Indian and foreign manufacturers to voluntarily apply for BIS certification and use the Standard Mark, provided their products meet the applicable Indian Standards. The scheme involves product testing, inspection of manufacturing facilities, and evaluation of quality systems to ensure ongoing compliance.

Drugs and Cosmetics Act, 1940 (“Drugs Act”) and The Drugs and Cosmetics Rules, 1945 (“Drugs Rules”)

The Drugs and Cosmetics Act, 1940 was enacted by the Indian Legislature to regulate the import, manufacture, distribution and sale of drugs and cosmetics within the territory of India. The Act defines the term drug to include all medicines intended for internal or external use in human beings or animals and all substances intended for use in the diagnosis, treatment, mitigation or prevention of disease or disorder. The term cosmetic is defined to include any article intended to be applied to the human body for cleansing, beautifying, promoting attractiveness or altering appearance. The Act prohibits the manufacture, sale or distribution of drugs and cosmetics that are adulterated, misbranded, spurious or substandard in quality. It mandates that manufacturers, importers, wholesalers and retailers obtain appropriate licences from the Central Drugs Standard Control Organization or the State Drugs Control Authorities. The Act empowers inspectors to inspect premises, collect samples and initiate enforcement action in case of non-compliance. It prescribes penalties including imprisonment and fines for violations of its provisions. The Act also provides for the constitution of advisory boards and laboratories to support regulatory functions. The objective of the Act is to ensure that drugs and cosmetics available in the market are safe, effective and conform to prescribed standards of quality, thereby safeguarding public health.

Medical Device Rules, 2017 (“MDR”)

The Indian Government introduced the MDR which came into effect on January 1, 2018. The rules have been drafted with the intention to distinguish medical devices from pharmaceuticals for the purpose of regulation. Only the devices notified by the Government are regulated and fall under the provisions of regulations as per MDR. In tune with the global practice, the 2017 Rules has introduced a risk based classification system for regulation of medical devices including Low risk (Class A) Low Moderate (Class B) Moderate High (Class C) and High-Risk devices classified as (Class D). The Medical Device (Amendment) Rules, 2020 have introduced two changes to MDR. The first is introduction of a new chapter for registration of Newly Notified Medical Devices by their respective manufacturers and importers. The second is an exemption for the 37 categories of already regulated or notified medical devices from the requirement of registration introduced by the new chapter.

Essential Commodities Act, 1955 (“ECA”)

The ECA gives powers to the Government of India to control the production, supply and distribution of certain essential commodities for inter alia securing their equitable distribution and availability at fair prices. Using the

powers under it, various ministries/ departments of the Indian government have issued control orders for regulating production, distribution, trading, quality aspects, movement and prices pertaining to commodities which are essential and administered by them, including for essential commodities such as food grains, edible oils, sugar and drugs. Penalties in terms of fine and imprisonment are prescribed under the ECA for non-compliance of its provisions.

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.

The Environment Impact Assessment Notification, 2006 (“Notification”)

As per the Notification, any construction of new projects or activities or the expansion or modernisation 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 meter and 150,000 square meter, 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 relevant state pollution control board. The Water Act also provides that the consent of the concerned state pollution control board 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 aims to prevent, control and abate air pollution, and stipulates that no person shall, without prior consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area. They also cannot discharge or cause or permit to be discharged the emission of any air pollutant in excess of the standards laid down by the relevant state pollution control board. The Central Pollution Control Board and the state pollution control boards constituted under the Water Act perform similar functions under the Air Act as well. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant.

The Noise Pollution (Regulation & Control) Rules 2000 (“Noise Regulation Rules”)

The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-

compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

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 Municipal Solid Wastes (Management and Handling) Rules, 2000 (“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 Solid Waste Management Rules, 2016 (“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.

The Plastic Waste Management Rules, 2016

Plastic has multiple uses, and the physical and chemical properties lead to commercial success. However, the indiscriminate disposal of plastic has become a major threat to the environment. In particular, the plastic carry bags are the biggest contributors of littered waste and every year, millions of plastic bags end up into the environment vis-a-vis soil, water bodies, water courses, etc. and it takes an average of one thousand years to decompose completely. In view thereof, the Plastic Waste Management Rules, 2016 was enacted (a) to bring in the responsibilities of producers and generators, both in plastic waste management system and to introduce collect back system of plastic waste by the producers/brand owners, as per extended producers responsibility; (b) to introduce collection of plastic waste management fee through pre-registration of the producers, importers of plastic carry bags/multilayered packaging and vendors selling the same for establishing the waste management system; (c) to promote use of plastic waste for road construction as per Indian road congress guidelines or energy recovery, or waste to oil etc. for gainful utilization of waste and also address the waste disposal issue; and (d) to entrust more responsibility on waste generators, namely payment of user charge as prescribed by local authority, collection and handing over of waste by the institutional generator and event organizers.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “Hazardous Waste Rules”), as amended by the Hazardous and Other Wastes (Management and Transboundary Movement) Amendment Rules, 2022 (“Amendment Rules”)

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. A list of hazardous wastes and processes that generate hazardous waste have been specified under the Hazardous Waste Rules. The term “hazardous waste” has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an “occupier”. Every occupier and operator of a facility generating hazardous waste must obtain authorization for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or the like of the hazardous waste from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

CORPORATE AND COMMERCIAL LAWS

The Micro, Small and Medium Enterprises Development Act, 2006

The Act was enacted to facilitate the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority

as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

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

Under the provisions of local shops and establishment legislations applicable in different states, commercial establishments are required to be registered. Such legislation regulates the working and employment conditions of workers employed in shops and commercial establishments and provides for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. The Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019 is applicable to the Company.

Gujarat Fire Prevention and Life Safety Measures Act, 2013

State governments have enacted laws that provide for 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 compliance with fire prevention and life safety measures and impose penalties for non-compliance. The Gujarat Fire Prevention and Life Safety Measures Act, 2013 is applicable to the Company. The Act was enacted to make effective provisions for fire prevention, safety and protection of life and property, in various types of buildings and temporary structures or shamiyana or tents or mandap likely to cause a risk of fire in different areas in the State of Gujarat and for matters connected therewith or incidental thereto.

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.

Consumer Protection Act, 2019 and the rules made thereunder

An Act to provide for protection of the interests of consumers and for the said purpose, to establish authorities for timely and effective administration and settlement of consumers' disputes and for matters connected therewith. The Act establish a council to be known as the Central and State Consumer Protection Council. The Act establish consumer disputes redressal agencies. The Act provides speedy and simple redressal to consumer disputes, a quasi-judicial machinery is sought to be set up at the district, state and central level. These quasi-judicial bodies observe principles of natural justice and have been empowered to give relief of a specific nature and to award, wherever appropriate, compensation to consumers. Penalties for non-compliance of the orders given by the quasi-judicial bodies have also been provided.

Negotiable Instruments Act, 1881 (“Negotiable Instruments Act”)

In India, cheques are governed by the Negotiable Instruments Act, which is largely a codification of the English Law on the subject. The Negotiable Instruments Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheques not being honoured by their bankers and returned unpaid. Section 138 of the Negotiable Instruments Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two years, or with fine which may extend to twice the amount of the cheque, or with both.

The Insolvency and Bankruptcy Code, 2016 (the “Code”)

The Insolvency and Bankruptcy Code, 2016 covers insolvency of companies, limited liability partnerships, unlimited liability partnerships, and individuals. The Code 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.

Companies Act, 2013 (“Companies Act”)

Companies Act deals with laws relating to companies and certain other associations. Companies Act primarily regulates the formation, financing, functioning and winding up of companies. It prescribes a regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitute the main focus of the Companies Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between the set of competing factors, namely, management autonomy and investor protection.

Indian Contract Act, 1872 (“Contract Act”)

The Contract Act is a comprehensive guide that governs contracts and agreements in India. The Contract 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 Contract Act is a comprehensive legal framework that controls all commercial relationships in India. The Contract Act, *inter alia*, lays down the rules and regulations that need to be followed while entering into a contract and also provides remedies for breach of contract.

The Specific Relief Act, 1963 (“Specific Relief Act”)

The Specific Relief Act, 1963 is complimentary to the provisions of the Contract Act and the Transfer of Property Act, 1882 as it applies both to movable property and immovable property. The Specific Relief Act applies in cases where the court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. “Specific performance” means court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

The Sale of Goods Act, 1930 (“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 provisions of the Sale of Goods Act.

The Information Technology Act, 2000 (“IT Act”) and the rules made thereunder

The IT 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 IT 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 IT Act also prescribes civil and criminal liability. Including fines and imprisonment, for computer related offences including those relating to unauthorized access to computer systems, tampering with or unauthorised manipulation of any computer, computer system or computer network and, damaging computer systems and creates liability for negligence in dealing with or handling any sensitive personal data or information in a computer resource and in maintaining reasonable security practices and procedures in relation thereto.

The IT 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**”), in April 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 Digital Personal Data Protection Act, 2023 (“Data Protection Act”)

The Data Protection Act provides for collection and processing of digital personal data by persons, including companies.

According to Data Protection Act companies collecting and dealing in high volumes of personal data will be defined as significant data fiduciaries. These significant data fiduciaries will be required to fulfil certain additional obligations under the Data Protection Act including appointment of data protection officer who will be point of contact between such fiduciaries and individuals for grievance redressal. Further such data fiduciaries will also be required to appoint an independent data auditor who will evaluate their compliance with the Data Protection Act. The Central Government will also establish the Data Protection Board of India (the “DPB”), whose key functions include: (i) monitoring compliance and imposing penalties, (ii) directing data fiduciaries to take necessary measures in the event of a data breach, and (iii) hearing grievances made by data principals.

Public Liability Insurance Act, 1991 (“Public Liability Act”) and the rules made thereunder

The Public Liability Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the Public Liability Act has been enumerated by the Central Government by way of a notification. The owner or handler is also required to obtain an insurance policy insuring against liability under the Public Liability Act. The rules made under the Public Liability Act mandate the employer to contribute towards the environment relief fund, a sum not exceeding the sum equivalent to the amount of premium on the insurance policies, which is payable to the insurer.

Foreign Trade (Development and Regulation) Act, 1992

The FTDRA is the main legislation concerning foreign trade in India. The FTDRA, read along with the Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given wide powers to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. As per the provisions of the FTA, the Government is also authorized to appoint a Director General of Foreign Trade for the purpose of the Act, including formulation and implementation of the Export-Import (EXIM) Policy.

FTA read with the Indian foreign trade policy provides that no export or import can be made by a company without an importer-exporter code number unless such company is specifically exempt. An application for an importer exporter code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is cancelled by the issuing authority. An IEC number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract a penalty under the FTDR.

Foreign Exchange Management Act, 1999 and Rules thereunder

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the FEMA Rules and the Consolidated FDI Policy. In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval for foreign investment under the Consolidated FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

Foreign Direct Investment Policy, 2020

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular. The Reserve Bank of India ("RBI") also issues Master Directions Foreign Investment in India and updates the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who are eligible to make investments in India, for which eligibility criteria are prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including the filing of Form FC-GPR.

LAWS RELATING TO PROPERTY

Transfer of Property Act, 1882

The Transfer of Property Act, 1882 (the "**TP Act**") establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The TP Act also provides for the rights and liabilities of the vendor and purchaser in a transaction of sale of land.

Indian Easements Act, 1882

The Indian Easements Act, 1882 ("**Easement Act**") governs easements in India, including the nature of easements as continuous or discontinuous and apparent or non-apparent. Under the Easement Act, an easement may be imposed by any person in the circumstances and to the extent to which he may transfer his interest in the property. In terms of the provisions of the Easement Act, an owner or occupier enjoys the right to enjoyment without disturbance by any other person. An easement is a right which the owner or occupier of certain land possesses for the beneficial enjoyment of that land and which permits him to do or to prevent something from being done, in or upon, other land not his own. The Easement Act prescribes certain conditions and restrictions to these rights, including confinement of exercise of these rights and liability for damages required to be paid in the event the land being subjected to such easement right is not repaired. Under the Easements Act, a license is defined as a right to use property without any interest in favour of the licensee. The period and incident upon which a license

may be revoked and grounds for the same may be provided in the license agreement entered in between the licensee and the licensor.

State Stamp Duty Laws

The applicable state stamp duty legislation, including the Indian Stamp Act, 1899 as adapted and amended by the state of Gujarat by way of the Gujarat Stamp Act, 1958 govern the levy of stamp duty on instruments. These laws have been enacted, *inter alia*, to regulate and facilitate transactions relating to immovable property and securities within the respective states. Under the applicable stamp laws, stamp duty is levied at prescribed rates on instruments specified in the relevant schedules to such laws, including instruments evidencing the transfer, creation or extinguishment of any right, title or interest in immovable property. Stamp duty is payable on such instruments executed within the relevant state or relating to property situated therein.

Registration Act, 1908

The Registration Act, 1908 is an Indian law that establishes a legal framework for the registration of documents, particularly those concerning immovable property, with the objective of ensuring transparency, preventing fraud, and providing public notice of legal rights and obligations. It mandates compulsory registration of specified documents, such as sale deeds and mortgages, and prescribes the time frame and procedure for their submission to registering authorities. A document once registered attains public status and prevails over prior oral agreements or subsequently registered instruments relating to the same property.

LABOUR AND EMPLOYMENT LAWS

The various labour and employment related legislation that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include, among others, the following: (i) Contract Labour (Regulation and Abolition) Act, 1970; (ii) Relevant state specific shops and commercial establishment legislations; (iii) Employees' Provident Funds and Miscellaneous Provisions Act, 1952; (iv) Employees' State Insurance Act, 1948; (v) Minimum Wages Act, 1948; (vi) Payment of Bonus Act, 1965; (vii) Payment of Gratuity Act, 1972; (viii) Payment of Wages Act, 1936; (ix) Maternity Benefit Act, 1961; (x) Apprenticeship Act, 1961; and (xi) Equal Remuneration Act, 1976. In order to rationalize and reform labour laws in India, the Government has enacted the following codes, which will be brought into force on a date to be notified by the Central Government.

The Industrial Relations Code, 2020

The new Code passed by the Parliament replaces and consolidates three labour legislations, being The Industrial Disputes Act, 1947, The Trade Unions Act, 1926, and The Industrial Employment (Standing Orders) Act, 1946. It aims at consolidating and amending the laws relating to trade unions, conditions of employment in industrial establishments, investigation and settlement of industrial disputes. While it retains several provisions from the existing legal framework regarding retrenchment, lay-off, closure, industrial disputes, trade union recognition, etc., new requirements have been introduced to simplify as well as add more structure to the existing regulations.

Code on Wages, 2019

The Code on Wages regulates and amalgamates wage and bonus payments and subsumes four existing laws namely –the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It regulates, *inter alia*, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonuses to employees. The Central Government has notified certain provisions of the Code on Wages, mainly in relation to the constitution of the central advisory board.

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 Worker's Welfare Cess Act, 1996 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund Organisation 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.

The Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 (Thirteen) old central labour laws including the Factories Act, 1948, Contract Labour (Regulation and Abolition) Act, 1970, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 1946 ("Sexual Harassment Act")

In order to curb the rise in sexual harassment of women at workplace, the Sexual Harassment Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms "sexual harassment" and "workplace" are both defined in the Sexual Harassment Act. Every employer should also constitute an "Internal Complaints Committee" and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986

The Child Labour (Prohibition and Regulation) Act, 1986 prohibits the employment of children below 14 years of age in certain occupations and processes, including hazardous industries. It also regulates the conditions of work of adolescents (aged 14–18 years) to ensure their safety and welfare. The Act aims to safeguard children from exploitation and hazardous working conditions, thereby promoting their education and development. Compliance with this Act is critical for any industrial or commercial establishment to prevent liability and ensure ethical labour practices.

TAX LAWS

Goods and Services Tax

The Goods and Services Tax ("GST") is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST is enforced through various acts viz. Central Goods and Services Act, 2017 ("CGST"), relevant state Goods and Services Act, 2017 ("SGST"), Union Territory Goods and Services Act, 2017 ("UTGST"), Integrated Goods and Services Act, 2017 ("IGST"), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

Income Tax Act, 2025 (the "Income Tax Act")

The Income Tax Act is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the Income Tax Act or rules made thereunder depending upon its "residential status" and "type of income" involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued, or arising in India. Every company assessable to income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. Pursuant to subsequent amendments and the updated framework under the Income Tax Act, 1961 (as amended up to the Finance Act, 2025), domestic companies may opt for concessional tax regimes subject

to prescribed conditions, including the optional tax regimes under sections 115BAA and 115BAB, which provide reduced tax rates subject to foregoing certain exemptions and incentives. Further, the Income Tax Act continues to be subject to periodic amendments through Finance Acts, including rationalisation of tax rates, incentives and compliance requirements.

Gujarat State Tax on Professions, Trades, Callings and Employment Act, 1976

The Gujarat State Tax on Professions, Trades, Callings and Employment Act, 1976 (commonly known as Profession Tax Act) came into force with the object of levying tax on professions, trades, callings and employments. It extends to the whole state of Gujarat.

INTELLECTUAL PROPERTY LAWS

The 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.

In addition to the above, our Company is required to comply with the provisions of the Prevention of Corruption Act, 1988, Bharatiya Nagarik Suraksha Sanhita, 2023, Code of Civil Procedure, 1908 and other applicable laws and regulations imposed by the Central and State Governments and other authorities for its day-to-day operations.

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HISTORY AND CERTAIN CORPORATE MATTERS

BRIEF HISTORY OF OUR COMPANY

Our Company was incorporated on February 01, 1999, under the name of “Sanchem Colour Limited”, a public limited company under the Companies Act, 1956, pursuant to a Certificate of Incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Thereafter, the name of our Company was changed to “Sanchem Fabrics Limited” in the extra-ordinary general meeting held on January 06, 2011 and a certificate of incorporation dated February 10, 2011, reflecting the name change was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, pursuant to a Scheme of Amalgamation sanctioned by the National Company Law Tribunal, Ahmedabad *vide* its order dated November 20, 2025, Anil Fashions Private Limited and Gray Solutions Private Limited were amalgamated with and merged into Sanchem Fabrics Limited with effect from April 01, 2024, and all the assets, liabilities, rights, obligations and undertakings of the said entities vested in Sanchem Fabrics Limited in accordance with the terms of the Scheme. Thereafter, the name of our Company was changed to “Anil Fashions Limited” in the extra-ordinary general meeting held on February 05, 2026 and a fresh certificate of incorporation dated February 20, 2026, consequent to such name change was issued by the Registrar of Companies, Central Processing Centre.

ADDRESS OF THE REGISTERED & CORPORATE OFFICE

Registered & Corporate Office	Survey No. 169, Piplej Pirana Road, Opp Bharwad Vaas, Piplej, NA, Ahmedabad-382405, Gujarat, India.
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CHANGE IN REGISTERED & CORPORATE OFFICE

Except as disclosed below, there has been no change in the registered office of our Company since the date of incorporation:

Date of Change	Shifted From	Shifted To	Reason of Change
November 01, 2007	E-42, Satellite Apartments, Jodhpur Char Rasta, Ahmedabad, Gujarat, India, 380015.	94, Hirabhai Market, Diwan Ballubhai Road, Kankaria, Ahmedabad, Gujarat, India, 380022.	Administrative Purpose
February 01, 2011	94, Hirabhai Market, Diwan Ballubhai Road, Kankaria, Ahmedabad, Gujarat, India, 380022.	Survey No. 169, Piplej Pirana Road, Opp Bharwad Vaas, Piplej, NA, Ahmedabad-382405, Gujarat, India.	Administrative Purpose

MAIN OBJECTS OF OUR COMPANY

The main objects of our Company are as follows:

- To carry on the business of manufacturing, ginning, pressing, spinning, processing, balers, job workers or undertake dyeing, bleaching, sanforising, mercerising, printing or otherwise processing of man-made fibers, cotton fibers, fabrics of cotton, silk, nylon; art silk, polyester, chiffon, acrylic, rayon, wool, shoddy, jute, hemp and other fibres and fabrics or textile products whether on handlooms or power looms or in textile mills or in embroidery machines and the business of manufacturers, twistors, texturisers, crimpers, processors, spinners, doublers, weavers, ginners, balers of industrial fabrics, synthetic yam, synthetic fabrics, cotton, wool, silk, rayon, flex, hemp, twine, of all kinds of whatsoever description like art silk, nylon, polyester, acrylic, viscose, poly propylene, tarelene, linen, canvas and also act as exporters, importers, buyers, sellers, producers, buying agents, selling agents, commission agents, factors, distributors, stockiest, agents, traders and suppliers of and dealers in all classes and kinds textiles, yarns.*
- To carry on the business of manufacturing, processors, trading, dealers or agents or otherwise of kinds of non-woven fabrics, non-woven garments, and materials, packing materials, bags of various kinds and types including but not limited to medical and surgical textiles, textile materials, textile chemicals, chemicals of different kinds and sizes, dyes, sterilized non-woven items, surgical masks, N95 masks, medical gowns, drapes, aprons, caps, shoe covers, bed sheets, and other personal protective equipment (PPE).*

The main object clause and objects incidental or ancillary to the main objects contained in the Memorandum of Association enable our Company to undertake its existing business.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

The following amendments have been made to the Memorandum of Association of our Company since the date of incorporation:

Date of Shareholders' Resolution	Nature of Amendments
January 05, 2011	Clause V of the Memorandum of Association was amended to reflect alteration in authorized share capital of our Company from ₹ 5,00,000 consisting of 50,000 Equity Shares of ₹ 10/- each to ₹ 15,00,000 consisting of 1,50,000 Equity Shares of ₹ 10/- each.
January 06, 2011	Amendments to main objects in Clause III(A) of the object clause of the Memorandum of Association of our Company by replacing Clause 1, 2 and 3 of the main objects by new Clause as Clause 1:- <i>To carry on the business of manufacturing, ginning, pressing, spinning, processing, balers, job workers or undertake dyeing, bleaching, sanforising, mercerising, printing or otherwise processing of man-made fibers, cotton fibers, fabrics of cotton, silk, nylon; art silk, polyester, chiffon, acrylic, rayon, wool, shoddy, jute, hemp and other fibres and fabrics or textile products whether on handlooms or power looms or in textile mills or in embroidery machines and the business of manufacturers, twistors, texturisers, crimpers, processors, spinners, doublers, weavers, ginners, balers of industrial fabrics, synthetic yam, synthetic fabrics, cotton, wool, silk, rayon, flex, hemp, twine, of all kinds of whatsoever description like art silk, nylon, polyester, acrylic, viscose, poly propylene, tarelene, linen, canvas and also act as exporters, importers, buyers, sellers, producers, buying agents, selling agents, commission agents, factors, distributors, stockiest, agents, traders and suppliers of and dealers in all classes and kinds textiles, yarns.</i>
January 06, 2011	Clause I of our Memorandum of Association was amended to reflect the change in our name from 'Sanchem Colour Limited' to 'Sanchem Fabrics Limited'
September 30, 2015	Clause V of the Memorandum of Association was amended to reflect alteration in authorized share capital of our Company from ₹ 15,00,000 consisting of 1,50,000 Equity Shares of ₹ 10/- each to ₹ 35,00,000 consisting of 3,50,000 Equity Shares of ₹ 10/- each.
April 01, 2024	Clause V of the Memorandum of Association stood automatically amended pursuant to the Scheme of Amalgamation and merger of the transferor companies, Anil Fashions Private Limited and Gray Solutions Private Limited into our Company coming into effect altering the authorized share capital of our Company from ₹ 35,00,000 consisting of 3,50,000 Equity Shares of ₹ 10/- each to ₹ 2,70,00,000 consisting of 27,00,000 Equity Shares of ₹ 10/- each.
January 30, 2026	The main object clause of Memorandum of Association was amended to include the following clause in the main objects of the MOA: <i>To carry on the business of manufacturing, processors, trading, dealers or agents or otherwise of kinds of non-woven fabrics, non-woven garments, and materials, packing materials, bags of various kinds and types including but not limited to medical and surgical textiles, textile materials, textile chemicals, chemicals of different kinds and sizes, dyes, sterilized non-woven items, surgical masks, N95 masks, medical gowns, drapes, aprons, caps, shoe covers, bed sheets, and other personal protective equipment (PPE).</i>
February 05, 2026	Clause I of our Memorandum of Association was amended to reflect the change in our name from 'Sanchem Fabrics Limited' to 'Anil Fashions Limited'.
September 01, 2026	Clause V of the Memorandum of Association was amended to reflect alteration in authorized share capital of our Company from ₹ 2,70,00,000 consisting of 27,00,000 Equity Shares of ₹ 10/- each to ₹ 25,00,00,000 consisting of 2,50,00,000 Equity Shares of ₹ 10/- each.

ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY

Our Company has adopted a new set of Articles of Association in accordance with the applicable provisions of the Companies Act 2013, at the Annual General Meeting of the Company held on September 01, 2026.

CORPORATE PROFILE OF OUR COMPANY

For details regarding the description of our Company's activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, entry in new geographies or exit from existing markets, major suppliers, distributors and customers, segment, capacity/facility creation, location of manufacturing facilities, marketing and competition, please refer to the chapters titled ***"Our Business"***, ***"Our Management"*** and ***"Management's Discussion and Analysis of Financial Position and Results of Operations"*** on page nos. 161, 208 and 312 respectively, of this Draft Prospectus.

AWARDS, ACCREDITATIONS AND ACCOLADES RECEIVED BY OUR COMPANY

As on the date of this Draft Prospectus, our Company has not received any awards, accreditations and recognitions.

MAJOR EVENTS AND MILESTONES

The table below sets forth some of the key events, milestones in the history of our Company since its incorporation:

Calendar Year	Events
1993	Anil Fashions Private Limited was incorporated as a private company and became the first major corporate platform associated with the Anil Fashions textile business. It was in the business of ginners, spinners, weavers, manufacturers, knitters, crimpers, texturizers, twistors, sizers, dyers, bleachers, printers, processors, packers and balers of cotton, jute, silk, art silk, rayon, nylon, stretchlon, polyester, polypropylene, man-made synthetic fibres, staple fibres, wool and any other fibrous materials.
1999	Sanchem Colour Limited was incorporated as a public company to carry on the business of manufacturers, importers, buyers and sellers, and dealers of chemicals and to act as distributors-dealers, agents to provide maintenance, repairs and services in all kinds and types of medical, surgical, chemical and pharmaceutical equipments, instruments, machineries, appliances.
2006	Anil Fashions Private Limited made a significant investment in Picanol Second Hand Shuttleless Rapier Weaving Looms for technological upgradation in the weaving division to increase manufacturing capability, product flexibility and fabric quality.
2008	Anil Fashions Private Limited purchased Picanol Rapier Looms of 2800 mm width to reinvest in modern weaving technology and expand its ability to manufacture a wider range of fabrics.
2008	Gray Solutions Private Limited was incorporated as a private company to carry on the business of rendering technical, management and consultancy services in the field of estate and property related solutions and to acquire, build, construct, develop, give or take in exchange or on lease, rent, hire, operate any lease-hold or freehold lands, movable or immovable properties including machineries, plant and stock in trade.
2011	The name of our Company was changed from "Sanchem Colour Limited" to "Sanchem Fabrics Limited"
2011	Sanchem Fabrics Limited invested in Vamatex Leonardo Rapier Looms, strengthening its weaving capacity and complementing the manufacturing capabilities already developed by Anil Fashions Private Limited.
2014	Anil Fashions Private Limited purchased Tsudakoma Airjet Looms of 360 cm width for further technological advancement beyond the earlier rapier-based weaving infrastructure and enhanced capability for high-width woven fabrics.
2016	Our Company (formerly "Sanchem Fabrics Limited") and Gray Solutions Private Limited purchased Tsudakoma Airjet Looms of 360 cm width as a group-wide programme to modernize the weaving infrastructure.

2020	During the COVID-19 pandemic, Sanchem Fabrics Limited, Anil Fashions Private Limited and Gray Solutions Private Limited entered into the business of manufacturing and selling automated 3-ply masks and N-95 masks, surgeon caps and other protective and institutional textile products.
2022	Sanchem Fabrics Limited purchased Tsudakoma Airjet Looms of 190 cm width for greater flexibility in manufacturing fabrics of different widths and specifications.
2024	Amalgamation of Anil Fashions Private Limited and Gray Solutions Private Limited into Sanchem Fabrics Limited")
2025	Sanchem Fabrics Limited completed its first direct export to Sri Lanka.
2025	Sanchem Fabrics Limited participated as an exhibitor at Intex Colombo textile fair.
2026	Sanchem Fabrics Limited") completed 4 direct exports to Bangladesh.
2026	The name of 'Sanchem Fabrics Limited' was changed to 'Anil Fashions Limited'.
	Acquisition of Anil Organic Private Limited.

TIME AND COST OVERRUN

Our Company has not faced any time and cost overrun in setting up the projects, except in the ordinary course of business.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS

There have been no defaults or rescheduling of borrowings with the financial institutions/ banks/ debenture holders. None of our outstanding loans have been converted into Equity Shares.

DETAILS REGARDING MATERIAL ACQUISITION OR DISINVESTMENTS OF BUSINESS / UNDERTAKINGS, MERGERS, AMALGAMATION

Except as disclosed below, our Company has not made any material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years preceding the date of this Draft Prospectus:

- Scheme of Amalgamation of Anil Fashions Private Limited, Gray Solutions Private Limited ("transferor companies") and our Company (transferee):** Our Company (formerly "Sanchem Fabrics Limited"), Anil Fashions Private Limited, Gray Solutions Private Limited and their respective shareholders and creditors had filed a scheme of amalgamation before the National Company Law Tribunal, Ahmedabad under Sections 230 to 232 of the Companies Act, and the rules made thereunder which was sanctioned by the National Company Law Tribunal, Ahmedabad, by way of its order dated November 20, 2025. Anil Fashions Private Limited was engaged in the business of manufacturing, buying, selling, exchanging converting, importing, exporting, processing, twisting, texturizing, crimping, dyeing, sizing, handling or dealing in rayon filament yarn, polyester filament yarn or other allied products, bye-products, or substances or substitutes, for all or any of the yarns for Textiles or other uses. Gray Solutions Private Limited was engaged in the business of textile and chemicals to carry on the business of traders, coordinators, distributors, agents, brokers, commission agents, auctioneers, trustees, forwarders, dressers, weavers in India and abroad of all kinds of apparels, dresses, outfits, garments, fabrics, yarns.

The Scheme of Amalgamation, inter alia, provided for (i) transfer of all properties, rights and powers, as specified in the schedules and otherwise without further act or deed and vesting of the transferor companies into our Company as a going concern with effect from appointed date i.e., April 01, 2024; (ii) transfer of all assets, contracts, licenses, permits, registrations (including with ministries, customs, pollution control boards and state authorities), employees and records of the transferor companies, as on the appointed date, are to vest in or be continued by our Company, generally on a going-concern basis and without interruption; (iii) liabilities of the transferor companies become obligations of our Company, ranking at least pari passu with its existing liabilities, and inter-company loans and obligations between the amalgamating entities cease to accrue interest or charges from the appointed date; (iv) the Scheme preserves encumbrances and security interests over assets, while providing that instruments, deeds and writings stand modified or superseded to the extent necessary to give effect to the scheme, and authorizes our Company to execute documents on behalf of the transferor companies to formalize such effects; and (v) amalgamation of the transferor companies with our Company. The Scheme of Amalgamation became effective from April 01, 2024.

The rationale of the Scheme of Amalgamation inter alia was (i) achieving higher long-term financial returns through consolidation of transferor and transferee entities and better utilization of assets and resources; (ii) providing for amalgamation of the transferor companies with our Company and corresponding adjustments to reserves, together with consequential, supplemental and connected matters.

Pursuant to a Scheme of Amalgamation sanctioned by the National Company Law Tribunal, Ahmedabad on November 20, 2025, Anil Fashions Private Limited and Gray Solutions Private Limited were amalgamated with and merged into Sanchem Fabrics Limited with effect from April 01, 2024, and all the assets, liabilities, rights, obligations and undertakings of the said entities vested in Sanchem Fabrics Limited in accordance with the terms of the Scheme.

2. **Anil Organic Private Limited:** Our Company acquired our Subsidiary, Anil Organic Private Limited in March, 2026 through a share acquisition. It is a wholly owned subsidiary of our Company.

For further details on our Subsidiary, please refer to ***“History and Certain Corporate Matters – Our Subsidiary”*** on page no. 204 of this Draft Prospectus.

REVALUATION OF ASSETS

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves in the last ten years, except as disclosed in the chapter titled ***“Capital Structure”*** beginning on page no. 70, of this Draft Prospectus.

HOLDING COMPANY

As on the date of this Draft Prospectus, our Company does not have a holding company.

SUBSIDIARY OF OUR COMPANY

As on the date of this Draft Prospectus, our Company has the following direct Indian wholly-owned Subsidiary:
(1) Anil Organic Private Limited.

For further details on our Subsidiary please refer to ***“History and Certain Corporate Matters – Our Subsidiary”*** on page no. **Error! Bookmark not defined.** of this Draft Prospectus.

ASSOCIATE OR JOINT VENTURES OF OUR COMPANY

As on the date of this Draft Prospectus, our Company does not have any joint ventures or associate companies.

STRATEGIC AND FINANCIAL PARTNERS

As on date of this Draft Prospectus our Company does not have any strategic and financial partners.

SHAREHOLDERS AND OTHER AGREEMENTS

There are no shareholders and other material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR A DIRECTOR OR PROMOTERS OR ANY OTHER EMPLOYEE OF THE COMPANY

There are no agreements entered into except in the ordinary course of business by a Key Managerial Personnel or Director or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

GUARANTEES GIVEN BY PROMOTERS OFFERING ITS SHARES IN THE OFFER FOR SALE

This is a fresh issue of Equity Shares and our Promoters are not offering their shares in this Issue.

MATERIAL AGREEMENTS

Our Company has not entered into any agreements/ arrangements and clauses / covenants which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in the offer document.

OUR SUBSIDIARY

As on the date of this Draft Prospectus, our Company has one material subsidiary, the details of which is mentioned below:

1. Anil Organic Private Limited

Corporate Information

Anil Organic Private Limited was incorporated on May 21, 1997 under the Companies Act, 1956 as a private limited company with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. The corporate identification number of the Subsidiary is U31300GJ1997PTC032371. Its registered office is situated at Survey No. 169, Piplej Pirana Road, Opp Bharwad Vaas, Piplej, Ahmedabad – 382405, Gujarat, India.

Nature of Business: Anil Organic Private Limited is engaged in the business of ~~producing~~, manufacturing, importing, buying and selling of Chemicals, organic and inorganic heavy and refined medicinal and pharmaceuticals, alkalies, essences, varnishes, compounds, dyestuffs, paints and colour grinders, disinfectants and acting as distributors, agents and dealers to provide maintenance, repairs and other services in surgical, chemical and pharmaceutical equipment, instruments, and appliances.

Capital Structure

The authorised share capital of Anil Organic Private Limited is ₹ 30,00,000 comprising of 3,00,000 equity shares of ₹ 10 each. The issued and paid-up share capital of our Subsidiary is ₹ **Error! Bookmark not defined.** of 2,56,000 equity shares of ₹ 10 each.

Shareholding Pattern

Sr. No.	Name of shareholder	No. of equity shares held	Holding in %
1	Anil Fashions Limited	2,55,999	100
2.	Error! Bookmark not defined.*	1	0
	Total	Error! Bookmark not defined.	100

***Note:** The shareholding in our Subsidiary is held in the capacity of a registered owner for and on behalf of our Company.

Financial Information

The following details are derived from the financial statements of the company for the Financial Years 2025-26, 2024-25 and 2023-24.

(₹ in Lakhs)

Particulars	Financial Year 2026	Financial Year 2025	Financial Year 2024
Revenue from operations	2365.89	1886.85	1342.55
Profit after Tax	55.69	20.78	10.14
Basic earnings per equity share	21.76	8.12	3.96
Diluted earnings per equity share	21.76	8.12	3.96

Net asset value per equity share	16.70	9.92	8.33
Net Profit (%)	2.35	1.10	0.76
Total Borrowings	225.64	169.94	149.15
Net Worth	929.46	773.63	391.71

Note: Based on audited financial statements for three Financial Years.

Board of Directors

As on the date of this Draft Prospectus, the Board of Directors, on the board of our Subsidiary are as follows:

Names of the Directors	Designation	DIN
Ashok Ramniwas Agarwal	Director	01790639
Priti Navin Agarwal	Director	02401762
Poonam Ashok Agarwal	Director	00790653
Navin Ramniwas Agarwal	Director	00790629
Anup Ramniwas Agarwal	Additional Director	01790620

Amount of accumulated profits or losses of the subsidiary not accounted for by the issuer

As on the date of this Draft Prospectus, there are no accumulated profits or losses of our Subsidiary that is not accounted for by our Company.

Interest in our Company

As on the date of this Draft Prospectus, our Subsidiary has business interest in our Company. It historically shared a business relationship arising primarily from the involvement of similar directors and promoter group focused on chemical trading, though our Company held no equity stake in our Subsidiary prior to March 05, 2026. The strategic acquisition of our Subsidiary enabled our Company to directly consolidate its chemicals-related business activities and operational structure under unified ownership. The integration has facilitated enhanced coordination across procurement, sales, customer servicing, and working capital management.

Common Pursuits

As on the date of this Draft Prospectus, our Subsidiary is engaged in business similar to that of our Company, and accordingly there may be common pursuits between our Company and our Subsidiary. However, we do not perceive any conflicts of interest in this regard given our majority shareholding and interest and holding in this entity. Our Company will adopt the necessary procedures and practices as permitted by law to address any situations of conflict of interest, if and when they come.

Other confirmations

Our Subsidiary does not have its securities listed on any stock exchange in India or abroad. Further, our Subsidiary has not been refused listing of their securities by any stock exchange in India or abroad during the last 10 years, nor has our Subsidiary failed to meet the listing requirements of any stock exchange in India or abroad. Our Subsidiary does not have a conflict of interest with the suppliers of raw materials and third-party service providers of our Company.

There is no conflict of interest between the lessors of the immovable properties (which are crucial for operations of the Company) and our Company, Subsidiary, Promoters, Promoter Group, Key Managerial Personnel and Directors.

There is no conflict of interest with third-party service providers (crucial for operations of the Company) and our Company, Promoters, Promoter Group, Key Managerial Personnel, Directors and our Group Entities and its directors except as mentioned in “**Note- 26**” titled “**Related Party Disclosures**” under the chapter titled “**Restated Financial Statements**” beginning on page no. 272, respectively, of this Draft Prospectus.

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, members of the Promoter Group, Key Managerial

Personnel, Directors and Group Entities and its directors, except as disclosed in this Draft Prospectus including in the chapter “***Our Business***” and “***Note 26***” titled “***Related Party Disclosures***” under the chapter titled “***Restated Financial Statements***” beginning on page nos. 161 and 272, respectively.

There are no findings/observations of any of the inspections by SEBI, DGCA or any other regulator which are material, and which needs to be disclosed or non-disclosure involving our Company of which may have bearing on the investment decision of prospective investors.

There are no material clauses of our Articles of Association that have been left out from disclosures having a bearing on the Issue or this Draft Prospectus.

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OUR MANAGEMENT

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act and other applicable rules, Our Company must have not less than 3 and not more than 15 Directors. As on date of this Draft Prospectus, we have six Directors on our Board, including one Managing Director, two Non-Executive Directors and three Non-Executive Independent Directors, one of whom is a Woman Non-Executive Independent Director.

Set forth below are the details regarding our Board as on the date of this Draft Prospectus.

Name, DIN, Date of Birth, Qualifications, Experience, Designation, Address, Occupation, Term, Period of Directorship and Nationality	Age	Other Directorships / Designated Partnerships
Navin Ramniwas Agarwal DIN: 00790629 Date of Birth: September 27, 1973 Qualifications: Higher Secondary School Examination. Experience: 29 years Designation: Managing Director Address: 49, Satyam Bunglow, Opp-Karnavati Club, B/H Anand Niketan School, Satellite, Ahmedabad, Gujarat – 380015, India Occupation: Business Term: Five years commencing from April 01, 2026. Period of Directorship: Director since incorporation. Nationality: Indian	53 years	Indian Companies 1. Anil Organic Private Limited Foreign Companies Nil Limited Liability Partnerships Nil
Ashok Ramniwas Agarwal DIN: 01790639 Date of Birth: December 24, 1966 Designation: Non-Executive Director Qualifications: Intermediate examination Experience: 31 years Address: 14 Satyam Bungalows, Opp Karnavati Club, B/H Ramdevnagar, Off SG Road, Ahmedabad, Gujarat – 380 015, India Occupation: Business	59 years	Indian Companies 1. Anil Organic Private Limited Foreign Companies Nil Limited Liability Partnerships Nil

Period of Directorship: Director since incorporation. Nationality: Indian		
Anup Ramniwas Agarwal DIN: 01790620 Date of Birth: October 25, 1968 Designation: Non-Executive Director Qualifications: Not Available Experience: 29 years Address: 48, Satyam Bungalows, Opp Shalby Hospital, Ahmedabad City, Gujarat-380 015, India. Occupation: Business Period of Directorship: Director since April 10, 2026 Nationality: Indian	57 years	Indian Companies 1. Anil Organic Private Limited Foreign Companies Nil Limited Liability Partnerships Nil
Ajay Govind Agarwal DIN: 11761372 Date of Birth: August 12, 1970 Qualifications: Bachelor of Commerce from H.A. Commerce College under Gujarat University in November 1990. Experience: 10 years Designation: Non-Executive Independent Director Address: Someshwar Complex-2, Tower-A, Flat No. – 22, Satellite Road, Near Jodhpur Char Rasta, Satellite, Ahmedabad City, Gujarat-380 015, India Occupation: Insurance Agent Term: Five years commencing from July 21, 2026, till July 20, 2031. Period of Directorship: Director since July 21, 2026. Nationality: Indian	56 years	Indian Companies Nil Foreign Companies Nil Limited Liability Partnerships Nil
Raghav Sunil Modi DIN: 11767712	26 years	Indian Companies Nil

Date of Birth: July 15, 2000 Qualifications: Bachelor of Technology in Computer Engineering Experience: 4 years Designation: Non-Executive Independent Director Address: 20 Gokul Row House, Shyamal Char Rasta, Near Kenyug Apartment, Satellite Road, Ahmedabad City, Ambavadi Vistar, Gujarat-380 015, India. Occupation: Information Technology Term: Five years commencing from July 21, 2026, till July 20, 2031. Period of Directorship: Director since July 21, 2026. Nationality: Indian		Foreign Companies Nil Limited Liability Partnerships Nil
Ummay Amen Hitawala DIN: 10594350 Date of Birth: April 10, 1993 Qualifications: Bachelors of Commerce and Master's in Business Administration Experience: 10 years Designation: Non-Executive Independent Director Address: 33 Old Fatehpura, Girwa, PO: Udaipur Shastri Circle, Dist: Udaipur, Rajasthan-313 001, India. Occupation: Company Secretary Term: Five years commencing from September 01, 2026, till August 31, 2031. Period of Directorship: Director since September 01, 2026. Nationality: Indian	33 years	Indian Companies 1. Frontline Corporation Limited Foreign Companies Nil Limited Liability Partnerships Nil

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Mr. Navin Ramniwas Agarwal, aged 53 years, is the Promoter and Managing Director of our Company. He is associated with our Company since 1999. He obtained his Higher Secondary School Examination from Mahendra Kanaiyalal Secondary and Higher Secondary School, Ahmedabad in the year 1993. He has extensive experience of about 29 years with a strong understanding in the manufacturing business, and his core expertise lies in manufacturing operations, business management, accounts and finance. He also holds the position of director in our Subsidiary, Anil Organic Private Limited since September 03, 1997. He initially served as the Director of our

Company since incorporation till April 01, 2026 and thereafter was reappointed as the Managing Director from April 01, 2026 for a term of five years.

Mr. Ashok Ramniwas Agarwal, aged 59 years, is the Promoter and Non-Executive Director of our Company. He is the Director of the Company since incorporation. He completed his Intermediate examination from Maharaja Shivaji Rao Higher Secondary School, Indore. He has 31 years of experience in areas of sales, distribution and even and possesses extensive technical know-how, formulation and application of textile chemicals. Mr. Ashok has been key to the operations of our Company by developing strategic relationships with chemical manufacturers and suppliers. He also holds directorship in our Subsidiary Anil Organic Private Limited since its incorporation.

Mr. Anup Ramniwas Agarwal, aged 57 years, is the Promoter and Non-Executive Director of our Company. He has extensive experience of about 29 years in the textile and manufacturing business and his core expertise lies in sales, business development and manufacturing capacity development. Mr. Anup has been actively involved in strengthening our Company's manufacturing infrastructure through investments in weaving technologies such as rapier looms and airjet technology. He is also an Additional Director in our Subsidiary, Anil Organic Private Limited since May 11, 2026. He was appointed as an Additional Director of our Company on April 10, 2026, and was redesignated as the Non-Executive Director on September 01, 2026.

Mr. Ajay Govind Agarwal, aged 56 years, was appointed on July 21, 2026 in the capacity of Additional Director and regularized as Non-Executive Independent Director on September 01, 2026 of our Company. He has completed Bachelor of Commerce from H.A. Commerce College, Gujarat University in 1990, Life Insurance Marketing Course from Institute of Insurance & Financial Sciences Education Research & Training and has also completed Diploma in E.D.P. and Computer Management in 1991. Since the past decade, he has been majorly engaged in general insurance along with the retail business of motor and health. He is working as a Bajaj General Insurance Limited Care Advisor since March, 2024.

Mr. Raghav Sunil Modi, aged 26 years, was appointed on July 21, 2026, in the capacity of Additional Director and regularized as Non-Executive Independent Director on September 01, 2026 of our Company. He holds a Bachelor of Technology degree in Computer Engineering from Charotar University of Science and Technology, Gujarat. He is currently employed with Teamlease Services Limited and has been deputed to Zoetis India Limited since July 2022 where he contributes to the data analytics function in global quality and compliance support. He has also served as an intern at the Indian Space Research Organisation (ISRO) for a span of 6 months.

Ms. Ummay Amen Hitawala, aged 33 years was appointed on September 01, 2026, in the capacity of Non-Executive Independent Director. She has completed her Bachelor of Commerce in 2014 and Master's in Business Administration from Mohan Lal Sukhadia University, Udaipur, State University of Rajasthan and became an associate of The Institute of Company Secretaries of India in May, 2019. She worked as an Assistant Manager at Axis Bank Limited from July, 2016 to December, 2017, post which she joined Bohra Industries Limited as a Company Secretary Trainee from March 2018 to March 2019. Ms. Ummay then worked with Antartica Limited as Company Secretary and Compliance officer from June 22, 2024 till October 17, 2024. Currently she has been appointed as the Company Secretary at Apremeya Engineering Limited, a position which she has held since January 01, 2025. She also holds the position of Independent Directorship at Frontline Corporation Limited.

As on the Date of the Draft Prospectus

- A. None of the above-mentioned Directors are on the RBI List of Wilful Defaulters or Fraudulent Borrowers.
- B. Neither Promoters nor persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- C. None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- D. None of our Directors are/were director of any Company whose shares were delisted from any Stock Exchange(s) up to the date of filing of this Draft Prospectus.
- E. None of Promoters or Directors of our Company are Fugitive Economic Offenders.
- F. None of our Directors are/were Director of any Company whose shares were suspended from trading by Stock Exchange(s) or under any order or directions issued by the Stock Exchange(s)/ SEBI/ other regulatory authority in the last five years.
- G. In respect of the track record of the Directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our Directors have been charge-

sheeted with serious crimes like murder, rape, forgery, economic offence. For further information, kindly refer to chapter titled “*Outstanding Litigation and Material Developments*” on page no. 323 of this Draft Prospectus.

RELATIONSHIP BETWEEN OUR DIRECTORS

Name of Director	Designation	Relation
Navin Ramniwas Agarwal	Managing Director	Brother of Ashok Ramniwas Agarwal and Anup Ramniwas Agarwal.
Ashok Ramniwas Agarwal	Non-Executive Director	Brother of Navin Ramniwas Agarwal and Anup Ramniwas Agarwal.
Anup Ramniwas Agarwal	Non-Executive Director	Brother of Ashok Ramniwas Agarwal and Navin Ramniwas Agarwal.

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Key Managerial Personnel or Directors have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers, or others through which any of the directors were selected as a Director.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation as on date of this Draft Prospectus.

PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY

Except as stated otherwise in this Draft Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in three preceding years, or given or is intended to be paid or given to any of our Company’s officers except remuneration of services rendered as Directors, officers or employees of our Company.

SERVICE CONTRACTS

Other than statutory benefits that the KMPs are entitled to upon their retirement, Directors and the Key Managerial Personnel of our Company have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of Regulation 9(1) of the SEBI Insider Trading Regulations will be applicable to our Company immediately upon the listing of its Equity Shares on BSE SME. We shall comply with the requirements of the SEBI Insider Trading Regulations on listing of Equity Shares on Stock Exchange. Further, the Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons. The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

BORROWING POWERS OF THE BOARD

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. The Board is herein authorized under the Articles to borrow any sum or sums of money for the purpose of the Company and secure the repayment of such sums or sum manner and at such time or times and upon such terms and conditions in all respects as it thinks fit.

TERMS OF APPOINTMENT AND REMUNERATION OF OUR DIRECTORS

The terms and conditions of appointment of our Directors will be governed as per the terms of their appointment approved by the Board. Brief details of the terms and conditions of their appointment are set forth below:

Mr. Navin Ramniwas Agarwal

Basic Salary	₹ 1,00,000 per month
Perquisites	Nil
Term	Director since incorporation. Redesignated as Managing Director of our Company as on April 01, 2026 for a period of five years.
Remuneration in the event of loss or inadequacy of profits	Managing Director shall be paid remuneration by way of salary and perquisites, subject to restrictions, if any, set out in Schedule V read with Section 196 and 197 of the Companies Act, 2013.

Mr. Ashok Ramniwas Agarwal

Basic Salary	Nil
Perquisites	Nil
Term	Non-Executive Director since incorporation.
Remuneration in the event of loss or inadequacy of profits	Nil

Mr. Anup Ramniwas Agarwal

Basic Salary	₹ 1,00,000 per month
Perquisites	Nil
Term	Non-Executive Director since September 01, 2026.
Remuneration in the event of loss or inadequacy of profits	Nil

REMUNERATION DETAILS OF OUR DIRECTORS

The compensation payable to our Directors will be governed as per the terms of their appointment approved by the Board and shall be subject to the provisions of Section 2(54), Section 2(94), Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any, of the Companies Act read with Schedule V to the Companies Act and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, for the time being in force).

(i) Remuneration of our Directors

The aggregate value of the remuneration paid to the Directors for financial year ended on March 31, 2026, is as follows:

(₹ in Lakhs)		
Sr. No.	Name of the Director	Remuneration Amount
1.	Mr. Navin Ramniwas Agarwal	₹ 6.60
2.	Mr. Ashok Ramniwas Agarwal	Nil
3.	Mr. Anup Ramniwas Agarwal*	₹ 4.40

**Mr. Anup Ramniwas Agarwal is the Non-Executive Director of our Company and was appointed as an Additional Director on April 10, 2026, and redesignated as the Non-Executive Director on September 01, 2026. The remuneration paid to Mr. Anup was in his capacity as a Director of Anil Fashions Private Limited which has merged with our Company effective from April 01, 2024.*

(ii) Sitting fee details of our Non-Executive Independent Directors

The aggregate value of the sitting fees paid to the Independent Directors for the financial year ended on March 31, 2026, is as follows:

Sr. No.	Name of the Director	Remuneration Amount
1.	Mr. Ajay Govind Agarwal*	Nil
2.	Mr. Raghav Sunil Modi*	Nil
3.	Ms. Ummay Amen Hitawala #	Nil

*Mr. Ajay Govind Agarwal and Mr. Raghav Sunil Modi have been appointed as Additional Independent Directors on July 21, 2026, and regularised as Non-Executive Independent Director on September 01, 2026, and hence no remunerations have been paid to them in FY 2025-26.

Ms. Ummay Amen Hitawala has been appointed as Non-Executive Independent Director on September 01, 2026, and hence no remuneration has been to her in FY 2025-26.

PAYMENT OR BENEFIT TO DIRECTORS OF OUR COMPANY

Except as disclosed in this Draft Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the executive directors except the normal remuneration for services rendered as a Director of our Company. Additionally, there is no contingent or deferred compensation payable to any of our Directors.

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

Except as stated below, none of our Directors hold any Equity Shares of our Company as on the date of filing of this Draft Prospectus:

Sr. No	Name of the Shareholders	Pre-Issue		Post-Issue	
		No. of Equity Shares	% of Pre-Issue Equity Share Capital	No. of Equity Shares	% of Post-Issue Equity Share Capital
1.	Mr. Navin Ramniwas Agarwal	27,04,764	15.81 %	27,04,764	[●]
2.	Mr. Ashok Ramniwas Agarwal	26,74,478	15.63 %	26,74,478	[●]
3.	Mr. Anup Ramniwas Agarwal	16,54,824	9.67 %	16,54,824	[●]

SHAREHOLDING OF THE DIRECTORS IN OUR SUBSIDIARY

The shareholding of the Directors in our Subsidiary as on the date of the filing this Draft Prospectus is as follows:

Sr. No.	Name of the subsidiary of our Company	Names of Directors	No. of equity shares held	% of equity share capital
1.	Anil Organic Private Limited	Mr. Navin Ramniwas Agarwal	0	N.A.
		Mr. Anup Ramniwas Agarwal	0	N.A.
		Mr. Ashok Ramniwas Agarwal*	1	0.00

*The shareholding in our Subsidiary is held in the capacity of beneficial owner of our Company.

INTEREST OF OUR DIRECTORS

Our Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration see “*Terms of appointment and remuneration of Directors*” above.

Mr. Navin Ramniwas Agarwal, Mr. Ashok Ramniwas Agarwal and Mr. Anup Ramniwas Agarwal are the Promoters of our Company and may be deemed to be interested in the promotion of our Company to the extent that they have shareholding in our Company. Except as stated above, our Directors have no interest in the promotion of our Company other than in the ordinary course of business. Our Directors may also be regarded as

interested to the extent of Equity Shares held by them in our Company, if any, details of which have been disclosed above under the heading “*Shareholding of Directors in our Company*”. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoter, directors, partners, proprietors or trustees or kartas or coparceners or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoter, directors, partners, proprietors, members or trustees, pursuant to this Issue. Except as disclosed in “*Financial Information*” and “*Our Promoters and Promoter Group*” on page nos. 233 and 223 respectively of this Draft Prospectus, our Directors are not interested in any other company, entity or firm.

Except as disclosed in “*Financial Information*” and “*Financial Indebtedness*” on page no. 233 and 320, respectively in this Draft Prospectus, our Directors have not extended any personal guarantees for securing the repayment of the bank loans obtained by our Company.

Except as stated in “*Restated Financial Information – Note-2 – Significant Accounting Policies*” beginning on page no. 292 of this Draft Prospectus, our Directors do not have any other interest in the business of our Company.

INTEREST AS TO PROPERTY

As on date of this Draft Prospectus, our Directors do not have any interest in any property acquired 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.

For further details please refer to the heading “*Our Properties*” in the chapter titled “*Our Business*” at page no. 186 of this Draft Prospectus.

BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS

None of our Directors are a party to any bonus or profit-sharing plan as on the date of this Draft Prospectus.

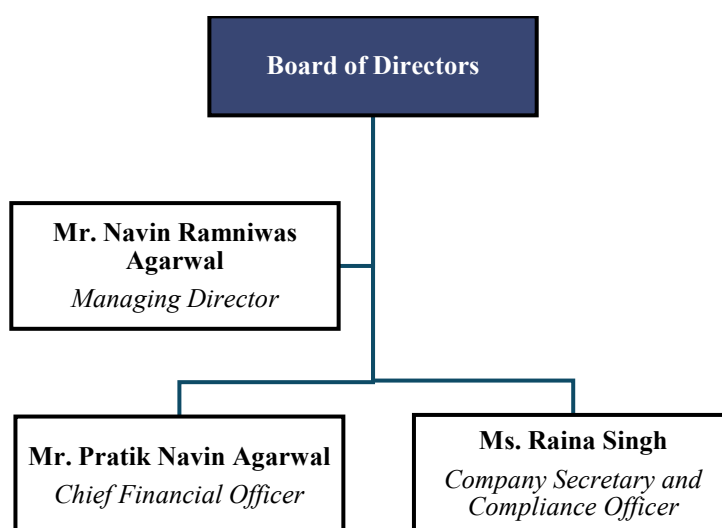
CHANGES IN OUR BOARD DURING LAST THREE YEARS

Except as disclosed below, there have been no changes in our Board during the last three years.

Name of the Director	Date of Appointment/ Change in Designation	Date of Cessation	Reasons for Change/ Appointment
Mr. Navin Ramniwas Agarwal	April 01, 2026	-	Change in designation from Director to Managing Director
Mrs. Neelam Anup Agarwal	-	April 10, 2026	Resignation as a Director due to family engagement
Mr. Anup Ramniwas Agarwal	April 10, 2026	-	Appointed as an Additional Director
Mr. Ajay Govind Agarwal	July 21, 2026	-	Appointed as Additional Director
Mr. Raghav Sunil Modi	July 21, 2026	-	Appointed as Additional Director
Mr. Ajay Govind Agarwal	September 01, 2026	-	Appointed as Non-Executive Independent Director
Mr. Raghav Sunil Modi	September 01, 2026	-	Appointed as Non-Executive Independent Director
Ms. Ummay Amen Hitawala	September 01, 2026	-	Appointed as Non-Executive Independent Director
Mr. Anup Ramniwas Agarwal	September 01, 2026	-	Redesignated as Non-Executive Director

MANAGEMENT ORGANIZATION STRUCTURE

Set forth is the management organization structure of our Company:



CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act with respect to the ‘Corporate Governance’, provisions of the SEBI Listing Regulations will be applicable to our Company immediately upon the listing of Equity Shares on the Stock Exchanges.

As our Company is coming with an issue in terms of Chapter IX of the SEBI ICDR Regulations as amended from time to time, as on date of this Draft 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 Listing Regulations are not applicable to our Company. In terms of applicability of provisions, the Companies Act would be applicable to the Company immediately upon listing of the Equity Shares on the Designated Stock Exchange. However, our Company has complied with certain corporate governance requirements, particularly in relation to appointment of independent directors, including woman director on Board, constitution of an Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship 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;
- d) Corporate Social Responsibility Committee

Details of each of these committees are as follows:

a. *Audit Committee*

Our Audit Committee was constituted pursuant to a resolution passed at the Board Meeting dated September 10, 2026, with the following members forming a part of the said Committee:

Sr. No.	Name of Member	Nature of Directorship	Designation
1.	Mr. Ajay Govind Agarwal	Non-Executive Independent Director	Chairman
2.	Mr. Raghav Sunil Modi	Non-Executive Independent Director	Member
3.	Mr. Navin Ramniwas Agarwal	Managing Director	Member

The Audit Committee is in compliance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Audit Committee.

The scope, functions and the terms of reference of our Audit Committee, is in accordance with Section 177 of the Companies Act and Regulation 18 of the SEBI LODR Regulations which are as follows:

A. Powers of Audit Committee

The Audit Committee shall have the following powers:

- to investigate any activity within its terms of reference;
- to seek information from any employee;
- to obtain outside legal or other professional advice;
- to secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and
- to have full access to information contained in records of Company.

B. Role of the Audit Committee

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
- Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - Qualifications and modified opinions in the draft audit report.
- Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;

12. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
13. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
14. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Discussing with internal auditors on any significant findings and follow up thereon;
16. 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;
17. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. Reviewing the functioning of the whistle blower mechanism;
20. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
21. Reviewing the utilization of loans and/or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
22. Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
23. Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law; and
24. Carrying out any other functions as is mentioned in the terms of reference of the audit committee or containing into SEBI (LODR) Regulations 2015.

Further, the Audit Committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. management letters / letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses;
5. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
6. Statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations;
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

As required under the SEBI LODR Regulations, the Audit Committee shall meet at least four times a year with maximum interval of four months between two meetings and the quorum for each meeting of the Audit Committee shall be two members or one third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

b. Stakeholder's Relationship Committee

Our Stakeholder's Relationship Committee was constituted on September 10, 2026. The members of the said Committee are as follows:

Sr. No.	Name of Member	Nature of Directorship	Designation
1.	Mr. Ajay Govind Agarwal	Non-Executive Independent Director	Chairman
2.	Mr. Raghav Modi	Non-Executive Independent Director	Member

3.	Mr. Navin Ramniwas Agarwal	Managing Director	Member
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The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Stakeholders' Relationship Committee.

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act and the SEBI Listing Regulations and the terms of reference, powers and scope of the Stakeholders' Relationship Committee of our Company include:

1. Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
5. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6. To handle the grievances of the stakeholders in connection with the allotment and listing of shares;
7. Ensure proper and timely attendance and redressal of investor queries and grievances;
8. Carrying out any other functions contained in the Companies Act, 2013 and/or other documents (if applicable), as and when amended from time to time; and
9. To perform such functions as may be delegated by the Board and to further delegate all or any of its power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s); and
10. Such terms of reference as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

As required under the SEBI Listing Regulations, the Stakeholders Relationship Committee shall meet at least once a year, and the chairperson of the committee shall be present at the annual general meetings to answer queries of the security holders. The quorum of the meeting shall be either two members or one third of the members of the committee whichever is greater.

c. Nomination and Remuneration Committee

Our Nomination and Remuneration Committee was constituted on September 10, 2026, with the following members:

Sr. No.	Name of Member	Nature of Directorship		Designation
1.	Mr. Ajay Govind Agarwal	Non-Executive Director	Independent	Chairman
2.	Mr. Raghav Modi	Non-Executive Director	Independent	Member
3.	Ms. Ummay Amen Hitawala	Non-Executive Director	Independent	Member

The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Nomination and Remuneration Committee.

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act and SEBI Listing Regulations and the terms of reference, powers and role of our Nomination and Remuneration Committee are as follows:

1. formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2. for the appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
3. formulation of criteria for evaluation of the performance of independent directors and the Board;
4. devising a policy on diversity of our Board;
5. identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
6. determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
8. recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
9. recommending to the Board, all remuneration, in whatever form, payable to senior management;
10. performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
11. engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
12. analyzing, monitoring and reviewing various human resource and compensation matters;
13. reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
14. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - a. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
 - b. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
15. performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

As required under the SEBI Listing Regulations, the Nomination and Remuneration Committee shall meet at least once a year, and the chairperson of the committee shall be present at the annual general meetings to answer queries of the shareholders. The quorum for each meeting of the said committee shall be either two members or one-third of the members of the committee whichever is greater, including at least one independent director in presence.

d. Corporate Social Responsibility Committee

Our Corporate Social Responsibility Committee was constituted pursuant to resolution of our Board of Directors dated September 10, 2026. The members of the said Committee are as follows:

Sr. No.	Name of Member	Nature of Directorship	Designation
1.	Mr. Ajay Govind Agarwal	Non-Executive Independent Director	Chairman
2.	Mr. Raghav Modi	Non-Executive Independent Director	Member
3.	Mr. Navin Ramniwas Agarwal	Managing Director	Member

The Corporate Social Responsibility Committee's role and responsibilities shall be as provided under Section 135 of the Companies Act, 2013 and Rules therein, inter alia:

1. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as specified in schedule VII of the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on activities referred to in clause (a) of sub-section (3) of Section 135 of the Companies Act, 2013;
3. To institute a transparent monitoring mechanism for the implementation of the CSR projects, programs and activities undertaken the Company from time to time;
4. To Monitor the Corporate Social Responsibility policy of the Company from time to time;
5. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

OUR KEY MANAGERIAL PERSONNEL

In addition to our Managing Director, whose details have been provided in the section above titled “**Brief Profile of our Directors**”, set forth below are the details of our Key Managerial Personnel as on the date of filing of this Draft Prospectus:

Mr. Pratik Navin Agarwal, aged 26 years, is the Chief Financial Officer of our Company. He completed his Integrated Bachelor of Business Administration and Master of Business Administration from Nirma University in the year 2022. He has knowledge of finance, accounts, manufacturing and corporate management. He was designated as the Chief Financial Officer of our Company with effect from April 01, 2026, resolution for which was passed in the board meeting held on April 01, 2026.

Ms. Raina Singh, aged 35 years, is the Company Secretary and Compliance Officer of our Company. She holds a Master's in Business Administration degree from Sikkim Manipal University and Bachelor of Commerce (Hons) from Jai Narain Vyas University, Jodhpur. Ms. Raina is an associate member of the Institute of Company Secretaries of India since 2019. She was the Company Secretary at Arvee Laboratories (India) Limited from February 15, 2019, to September 09, 2026, and is currently responsible for handling secretarial matters of our Company, appointed with effect from September 10, 2026.

All our Key Managerial Personnel are permanent employees of our Company.

RELATIONSHIP OF KEY MANAGERIAL PERSONNEL WITH OUR DIRECTORS, PROMOTERS AND / OR OTHER KEY MANAGERIAL PERSONNEL

In addition to the disclosure made under the heading “**Relationship between our Directors**” herein above, following KMPs of the Company are related to the Directors and Promoters within the meaning of Section 2(77) of the Companies Act.

Name of KMP	Designation	Relation
Mr. Pratik Navin Agarwal	CFO	Son of Mr. Navin Ramniwas Agarwal (Promoter and Managing Director).

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except as stated below, none of our Key Managerial Personnel holds any Equity Shares of our Company as on the date of filing of this Draft Prospectus:

Sr. No.	Name of Key Managerial Personnel	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1.	Mr. Pratik Navin Agarwal	8224	0.91

BONUS OR PROFIT-SHARING PLAN FOR OUR KEY MANAGERIAL PERSONNEL

Except as disclosed in this Draft Prospectus, none of our Key Managerial Personnel is a party to any bonus or profit-sharing plan as on the date of filing of this Draft Prospectus.

PAYMENT OR BENEFIT TO KEY MANAGERIAL PERSONNEL OF OUR COMPANY

Except as disclosed in “*Our Management – Terms of appointment and Remuneration of our Directors*” on page no. 212 of this Draft Prospectus, no amount or benefit has been paid or given within two preceding years or is intended to be paid or given to any of the Key Managerial Personnel 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.

INTEREST OF KEY MANAGERIAL PERSONNEL

Except as disclosed in this Draft Prospectus, none of our Key Managerial Personnel have any interest in our Company other than to the extent of the remuneration, equity shares held by them or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel have been appointed.

CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

Set forth below, are the changes in our Key Managerial Personnel in the last three years immediately preceding the date of filing of this Draft Prospectus:

Name	Date of Appointment / Change in Designation	Date of Appointment	Date of Cessation	Reasons for Change
Mr. Pratik Navin Agarwal	Chief Financial Officer	April 01, 2026	-	Appointment as Chief Financial Officer of our Company.
Ms. Raina Singh	Company Secretary and Compliance Officer	September 10, 2026	-	Appointment as Company Secretary and Compliance Officer of our Company.

The attrition of the Key Managerial Personnel is as per the industry standards.

EMPLOYEES STOCK OPTION PLAN

As on date of this Draft Prospectus, our Company does not have any ESOP/ESPS Scheme for our employees.

LOANS TAKEN BY DIRECTORS AND KEY MANAGEMENT PERSONNEL

Our Company has not granted any loans to the Directors and/or Key Management Personnel as on the date of this Draft Prospectus.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are Mr. Navin Ramniwas Agarwal, Mr. Ashok Ramniwas Agarwal, and Mr. Anup Ramniwas Agarwal.

As on the date of this Draft Prospectus, our Promoters hold 70,34,066 Equity Shares in our Company, constituting 41.11 % of our pre – Issue issued, subscribed and paid-up equity share capital of our Company. For details of the build-up of our Promoter’s shareholding in our Company, see “*Capital Structure*” on page no. 70 of this Draft Prospectus.

DETAILS OF OUR PROMOTERS

Mr. Navin Ramniwas Agarwal

Mr. Navin Ramniwas Agarwal, aged 53 years, is the Promoter and Managing Director of our Company.

Mr. Navin Ramniwas Agarwal holds 27,04,764 Equity Shares, equivalent to 15.81% of the pre-Issue share capital.

Sr. No.	Particulars	Details
1.	Date of Birth	September 27, 1973
2.	Address	49, Satyam Bungalow, Opp-Karnavati Club, B/H Anand Niketan School, Satellite, Ahmedabad, Gujarat – 380015, India.
3.	Educational Qualification	Higher Secondary School Examination from Mahendra Kanaiyalal Secondary and Higher Secondary School, Ahmedabad – 380006.
4.	Business Experience	29 years
5.	Directorships and Other Ventures	Companies: 1. Anil Organic Private Limited Limited Liability Partnerships: Nil

Permanent Account Number: ADGPA5844H

For further details, please see chapter titled “*Capital Structure*” and “*Our Management*” on page nos. 70 and 208, respectively, of this Draft Prospectus.



Mr. Ashok Ramniwas Agarwal

Mr. Ashok Ramniwas Agarwal, aged 59 years, is the Promoter and Non-Executive Director of our Company.

Mr. Ashok Ramniwas Agarwal holds 26,74,478 Equity Shares, equivalent to 15.63% of the pre-Issue share capital.

Sr. No.	Particulars	Details
1.	Date of Birth	December 24, 1966
2.	Address	14 Satyam Bungalows, Opp Karnavati Club, B/H Ramdevnagar, Off SG Road, Ahmedabad, Gujarat – 380 015, India.
3.	Educational Qualification	Intermediate examination under the Board of Secondary Education Madhya Pradesh, Bhopal from Maharaja Shivaji Rao Higher Secondary School, Indore.
4.	Business Experience	31 years
5.	Directorships and Other Ventures	Companies: 1. Anil Organic Private Limited Limited Liability Partnerships: Nil

Permanent Account Number: ADHPA6120F

For further details, please see chapter titled “*Capital Structure*” and “*Our Management*” on page nos. 70 and 208, respectively, of this Draft Prospectus.



Mr. Anup Ramniwas Agarwal

Mr. Anup Ramniwas Agarwal, aged 57 years, is the Promoter and Non-Executive Director of our Company.

Mr. Anup Ramniwas Agarwal holds 16,54,824 Equity Shares, equivalent to 9.67% of the pre-Issue share capital.

Sr. No.	Particulars	Details
1.	Date of Birth	October 25, 1968
2.	Address	48, Satyam Bungalows, Opp Shalby Hospital, Ahmedabad City, Gujarat- 380 015, India.
3.	Educational Qualification	Not Available
4.	Business Experience	29 years
5.	Directorships and Other Ventures	Companies: 1. Anil Organic Private Limited Limited Liability Partnerships: Nil

Permanent Account Number: AAYPA1123E

	For further details, please see chapter titled “ <i>Capital Structure</i> ” and “ <i>Our Management</i> ” on page nos. 70 and 208, respectively, of this Draft Prospectus.
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DECLARATION

Our Company declares and 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 Prospectus with BSE for listing of the securities of our Company on BSE SME.

OTHER VENTURES OF OUR PROMOTERS

Other than as disclosed in directorships and other ventures above and “*Our Promoters and Promoter Group – Entities forming part of our Promoter Group*” below, and the chapter titled “*Our Management*” on page nos. 226 and 208, respectively, of this Draft Prospectus, our Promoters are not involved in any other ventures.

OUR PROMOTER GROUP

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

Individuals forming part of the Promoter Group

Name of the Individual Promoter: Ashok Ramniwas Agarwal

Spouse of the Promoter	Poonam Ashok Agarwal
Father of the Promoter	Late Ramniwas Agarwal
Mother of the Promoter	Late Munnidevi Agarwal
Brothers of the Promoter	Navin Ramniwas Agarwal Anup Ramniwas Agarwal
Sister of the Promoter	Nil
Son of the Promoter	Sanchit Ashok Agarwal
Daughters of the Promoter	Prachi Prerak Agrawal Sakshi Akash Agrawal
Father of the spouse of the Promoter	Late Ramavtar Gupta
Mother of the spouse of the Promoter	Late Krishna Gupta
Brother of the spouse of the Promoter	Dinesh Gupta
Sisters of the spouse of the Promoter	Nil

Name of the Individual Promoter: Navin Ramniwas Agarwal

Spouse of the Promoter	Priti Navin Agarwal
Father of the Promoter	Late Ramniwas Agarwal
Mother of the Promoter	Late Munnidevi Agarwal
Brothers of the Promoter	Ashok Ramniwas Agarwal Anup Ramniwas Agarwal
Sister of the Promoter	Nil
Son of the Promoter	Pratik Navin Agarwal
Daughter of the Promoter	Hitika Navin Agarwal
Father of the spouse of the Promoter	Devkinandan Phoolchand Bhimsaria
Mother of the spouse of the Promoter	Kusumlata Dewkinandan Bhimsaria
Brother of the spouse of the Promoter	Late Mukundhari Bhimsaria
Sister of the spouse of the Promoter	Bhavana Mohit Agarwal

Name of the Individual Promoter: Anup Ramniwas Agarwal

Spouse of the Promoter	Neelam Anup Agarwal
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Father of the Promoter	Late Ramniwas Agarwal
Mother of the Promoter	Late Munnidevi Agarwal
Brothers of the Promoter	Ashok Ramniwas Agarwal
	Navin Ramniwas Agarwal
Sister of the Promoter	Nil
Sons of the Promoter	Deepesh Anup Agarwal
	Ritesh Anup Agarwal
Daughter of the Promoter	Nil
Father of the spouse of the Promoter	Ram Chandra Agarwal
Mother of the spouse of the Promoter	Kamlesh Devi Agarwal
Brother of the spouse of the Promoter	Harish Agarwal
	Rajesh Agarwal
Sisters of the spouse of the Promoter	Poonam Agarwal
	Nishi Poddar

Entities forming part of our Promoter Group

Entities forming part of our Promoter Group are as follows:

As per Regulation 2(1)(pp)(iv) of the SEBI ICDR Regulations, the following entities would form part of our Promoter Group:

Sr No.	Nature of Relationship	Entities
1	Any body corporate in which 20% or more of the Equity Share capital is held by the Promoters or an immediate relative of the Promoters or a firm or HUF in which the Promoters or any one or more of his immediate relatives is a member	N/A
2	Any body corporate in which a body corporate as provided in (1) above holds 20% or more of the Equity Share capital	N/A
3	Any HUF or firm in which the aggregate share of the Promoters and their relatives is equal to or more than 20% of the total Equity Share capital	1. Deepesh Agarwal HUF 2. Navin Agarwal HUF 3. Ramniwas Agarwal and Sons HUF 4. Ashok Kumar Agarwal HUF 5. Anup Agarwal and Sons HUF 6. Ritesh Enterprises 7. Pratik Enterprises

COMMON PURSUITS OF OUR PROMOTERS

Pratik Enterprises and Ritesh Enterprises are the Promoter Group entities of our Company that are engaged in activities similar to that of our Company. Our Company ensures necessary procedures and practices, as permitted by laws and regulatory guidelines, to address any conflict situations as and when they arise. For further details, please refer to the chapter titled “**Financial Information**” beginning on page no. 233 of this Draft Prospectus.

INTEREST OF THE PROMOTERS

Interest in Promotion of our Company

Our Promoters are interested in our Company to the extent that they have promoted our Company, and to the extent of their respective shareholding and the shareholding in our Company, and the dividends payable, if any, and any other distributions in respect of the shareholding in our Company. For details of the shareholding of our Promoters in our Company, see “**Capital Structure**” and “**Our Management – Interest of Directors**” on page nos. 70 and 214 respectively of this Draft Prospectus.

Interest of Promoters in our Company other than as a Promoter

Our Promoters, Mr. Navin Ramniwas Agarwal serves as the Managing Director, Mr. Ashok Ramniwas Agarwal is the Non-Executive Director and Mr. Anup Ramniwas Agarwal serves as a Non-Executive Director of our Company and therefore, may be deemed to be considered interested to the extent of any remuneration which shall be payable to them in such capacity and shares held by them in the Company. Except as stated in this section and the chapters titled ***“Our Management”*** and ***“Related Party Transactions”*** on page nos. 208 and **Error! Bookmark not defined.** respectively of this Draft Prospectus, our Promoters do not have any interest in our Company other than as a Promoter.

72. Our Promoters have provided personal guarantees in favour of the lenders for certain borrowings availed by our Company. For details, see ***“Financial Indebtedness”*** and ***“Risk Factor – Some of our Promoters and members of the Promoter Group have extended personal guarantees with respect to loan facilities availed by our Company and have provided collateral security for loan facilities availed by our Company. Revocation of any or all of these personal guarantees or withdrawal of such property may adversely affect our business operations and financial condition.”*** on page nos. 320 and 37 respectively of this Draft Prospectus.

Interest in the Properties of our Company

Except as disclosed in the section titled ***“Our Business – Properties”***, ***“Financial Information”*** and the chapter titled ***“Related Party Transactions”*** on page nos. 186, 233 and **Error! Bookmark not defined.** respectively of this Draft 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 Prospectus 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.

Other Interests and Disclosures

Except as stated in section titled ***“Our Management”***, ***“Related Party Transactions”*** and under the chapter titled ***“Financial Information”*** on page nos. 208, **Error! Bookmark not defined.** and 310 **Error! Bookmark not defined.**, respectively of this Draft Prospectus, our Promoters do not have any interest in our Company other than as a Promoter.

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.

PAYMENT AMOUNTS OR BENEFITS TO OUR PROMOTERS AND PROMOTER GROUP DURING THE PRECEDING TWO YEARS

Except as stated in this chapter and the benefits mentioned in the related party transactions as per AS-18, there has been no payment of benefits to our Promoters or the members of our Promoter Group during the last two years from the date of filing of this Draft Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of filing of this Draft Prospectus. For further details, please refer to the chapter titled ***“Related Party Transactions”*** on page no. 310 of this Draft Prospectus.

EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY

Our Promoters, Mr. Ashok Ramniwas Agarwal has over 31 years of experience, Mr. Navin Ramniwas Agarwal has over 29 years of experience and Mr. Anup Ramniwas Agarwal has over 29 years of experience. For further details, see ***“Our Management – Brief profile of the Directors of the Company”*** on page no. 210 of this Draft Prospectus.

CHANGE IN THE MANAGEMENT AND CONTROL OF OUR COMPANY

Except as disclosed in ***“Our Management – Board of Directors”*** on page no. 208 of this Draft Prospectus, there has been no change in the management of our Company in the last five years immediately preceding the date of this Draft Prospectus.

MATERIAL GUARANTEES TO THIRD PARTIES WITH RESPECT TO EQUITY SHARES

Our Promoters have not given any material guarantee to any third party with respect to the Equity Shares of the Company as on the date of this Draft Prospectus.

DETAILS OF COMPANIES/FIRMS FROM WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE LAST THREE YEARS

Our Promoters have not disassociated themselves from any company/firm during the three years preceding this Draft Prospectus.

PLEDGED SHARES HELD BY THE PROMOTERS

None of the shares held by the Promoters are pledged.

CRIMINAL MATTERS INVOLVING PROMOTERS

Our Promoters are not involved in any criminal matter which is at FIR stage or some cognizance has been taken by the court.

OTHER UNDERTAKINGS AND CONFIRMATIONS

- Our Promoters, members of our Promoter Group, Promoter Group entities/ companies have not been debarred or prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed for any reasons by the SEBI or any other authority or governmental authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad;
- No disciplinary action including penalty imposed by SEBI or stock exchange against our Promoters in the last five financial years including outstanding action;
- Our Promoters are not promoters, directors or persons in control of any other company which is debarred or prohibited from accessing or operating in the capital market under any order or directions made by the SEBI or any other regulatory or governmental authority;
- Our Promoters have not been declared as a Fugitive Economic Offender under Section 12 of Fugitive Economic Offenders Act, 2018;
- Our Promoters have not been identified as a Wilful Defaulter or Fraudulent Borrower by RBI or any other Government authority;
- There are no violations of securities laws committed by them in the past or any such proceedings are pending against them;
- Except as disclosed in section titled “***Outstanding Litigations and Material Developments***” beginning on page no. 323 of this Draft Prospectus, there is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority against our Promoters preceding the date of this Draft Prospectus; and
- Except as disclosed in section titled “***Financial Information***” beginning on page no. 233 of this Draft Prospectus, our Promoter, members of our Promoter Group, Promoter Group entities/ companies are not related to any of the sundry debtors or are not beneficiary of loans and advances given by/to our Company.
- None of our Promoters or Directors are appearing in the list of directors / partners of struck off companies and LLPs of the RoC or the MCA under Section 248 of the Companies Act:

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OUR GROUP ENTITIES

In accordance with the provisions of SEBI ICDR Regulations, for the purpose of identification of group entities, our Company has considered those entities as our Group Entity (i) with which there were related party transactions as per AS 18, as disclosed in the Restated Consolidated Financial Statements of our Company; and (ii) other entities considered material by our Board pursuant to the Materiality Policy.

Pursuant to a board resolution dated September 10, 2026, our Board has noted that in accordance with the SEBI ICDR Regulations and for the purpose of undertaking legal, financial, and business due diligence and disclosure in this Draft Prospectus, our Group Entities shall include the entities (other than the Subsidiaries) with which there were related party transactions during any of the Financial Years for which the Restated Consolidated Financial Statements of the Company are included in the Draft Prospectus, shall be identified as the Group Entities.

Further, entities which are a part of the Promoter Group with which there were one or more transactions during the most recent Financial Year covered in the Restated Consolidated Financial Statements included in the Draft Prospectus, which individually or in the aggregate, exceed 10% of the total revenue from operations of the Company, whether audited financial statements or Restated Consolidated Financial Statements for Financial Year 2026, and companies with which there were related party transactions for the date of the latest Restated Consolidated Financial Statements disclosed in the Draft Prospectus, shall be identified as the Group Entities.

Accordingly, the following entities have been identified as Group Entities:

1. Pratik Enterprises
2. Ritesh Enterprises

DETAILS OF OUR GROUP ENTITIES

In accordance with the SEBI ICDR Regulations, information with respect to: (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit/(loss) after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value, of the Group Entities (determined on the basis of their market capitalization in case of listed entities and on the basis of their annual turnover in case of unlisted entities) based on audited financial statements of these Group Entities for the preceding three years shall be hosted on our/ their respective websites as indicated below:

Sr. No.	Name of the Group Entity	Details of the registered office	Website
1.	Pratik Enterprises	169, Piplaj Pirana Road, Opp. Bharwad Vass, Piplej, Ahmedabad-382405.	https://www.anilfashions.com/
2.	Ritesh Enterprises	Survey No. 169, Piplej-Pirana Road, Opp. Bharwad Vaas, Piplej, Ahmedabad-382405.	https://www.anilfashions.com/

Note: Our Companies namely Pratik Enterprises and Ritesh Enterprises do not have their own operational websites, and accordingly the financial information has been hosted on the website of our Company for compliance with SEBI ICDR Regulations.

Our Company is providing links to the websites solely to comply with the requirements specified under the SEBI ICDR Regulations. Such financial information regarding the Group Entities and other information provided on such website does not constitute a part of this Draft Prospectus. In accordance with the SEBI ICDR Regulations, details of our Group Entities are set out below:

LITIGATION

Except as disclosed in the chapter “**Outstanding Litigations and Material Developments**” in page no. 323 of this Draft Prospectus, our Group Entities are not party to any litigation which may have material impact on our Company.

COMMON PURSUITS

Except as stated below, there are no other Group Entities having common pursuits with our Company or engaged in the same line of business or having objectives similar to those of our Company.

Pratik Enterprises, a Group Entity is engaged in a line of business similar to that of the Company.

“Pratik Enterprises is in the business of manufacturing cotton fabrics through Airjet Looms from cotton and polyester yarn.”

Ritesh Enterprises, a Group Entity is engaged in a line of business similar to that of the Company.

“Ritesh Enterprises is in the business of manufacturing, weaving, and producing various types of textile products, with a specialized focus on the weaving of high-quality grey fabric of 50s count utilizing advanced air-jet looms.”

RELATED BUSINESS TRANSACTIONS WITHIN OUR GROUP ENTITIES AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY

Other than the transactions disclosed in the section “***Related Party Transactions***” under the chapter titled “***Restated Consolidated Financial Information***” on page no. 272 of this Draft Prospectus, there are no other related business transactions between our Group Entities and our Company.

BUSINESS INTEREST

Except as disclosed in the section “***Related Party Transactions***” under the chapter titled “***Restated Consolidated Financial Information***” on page no. **Error! Bookmark not defined.** of this Draft Prospectus, our Group Entities have no business interests in our Company.

LOAN TO GROUP ENTITIES

The Company has no intention of granting any loans to its Group Entities as part of its public offering.

NATURE AND EXTENT OF INTEREST OF OUR GROUP ENTITIES

a) In the promotion of our Company

Our Group Entities do not have any interest in the promotion of our Company.

b) In the properties acquired by us in the preceding three years before filing this Draft Prospectus or proposed to be acquired by our Company

Our Group Entities are not interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

c) In transactions for acquisition of land, construction of building and supply of machinery

Our Group Entities are not interested, directly or indirectly, in any transactions for acquisition of land, construction of building, and supply of machinery, with our Company.

d) Material Transactions

There are no material existing or anticipated transactions in relation to the utilization of the Issue Proceeds with our Group Entities.

CONFIRMATIONS

None of our Group Entities have its securities listed on any stock exchange.

Our Group Entities and its directors do not have any conflict of interest with the suppliers of raw materials and third-party service providers (crucial for operations of the Company) and there are no conflicts of interest between

our Group Entities and its directors with the lessors of immovable property of the Company (crucial for operations of the Company).

There are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds with our Group Entities.

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DIVIDEND POLICY

Our Company has adopted a dividend distribution policy of the Company (“**Dividend Policy**”) pursuant to a resolution of the Board dated September 09, 2026. In accordance with the Dividend Policy of our Company, our AOA and the Companies Act, the Board shall determine the dividend for a particular period based on cashflows, profit earned and available for distribution during the financial year, business projections and taking into account the future capital/revenue expenditure requirement of the Company and other parameters set out in the Dividend Policy.

In terms of our Dividend Policy, the quantum of dividend, if any, and our ability to pay dividends will depend on several factors, including but not limited to (i) internal factors, such as the funding requirements, profits earned and distributable surplus during the year; and (ii) external factors such as economic environment, capital markets, statutory provisions or guidelines, industry outlook or any other factor as deemed fit by our Board.

The dividend pay-out shall be determined by the Board after taking into account a number of factors, including but not limited to (i) internal factors such as overall financial position of the Company, funds required to service any outstanding loans, funds required for functioning of the subsidiaries, buy-back plans, investments including mergers and acquisitions; and (ii) external factors such as any significant changes in laws, any significant change in the industry, geopolitical conditions, other political challenges and unforeseen events. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board.

In addition, our ability to pay dividends may be impacted by a number of external factors, including significant macro-economic environment, regulatory and technological changes, and restrictive covenants under the loan or financing arrangements, our Company is currently availing of or may enter into, to finance our fund requirements for our business activities. For further details, see/refer chapter “**Financial Indebtedness**” on page no. 320 of this Draft Prospectus.

Our Company has not declared any dividends during the last three Financial Years. Further, our Company has not declared any dividend in the current Fiscal. There is no guarantee that any dividends will be declared or paid in future. For details in relation to the risk involved, please see/refer chapter “**Risk Factors**” on page no. 21 of this Draft Prospectus.

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SECTION V – FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL INFORMATION

Sr. No.	Particulars	Page No.
1.	Independent Auditor's Examination Report on Restated Consolidated Financial Information	234-237
2.	Restated Consolidated Financial Information	238-296
3.	Proforma Consolidated Financial Information	301- Error! Bookmark not defined.

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Independent Auditor's Examination Report on the Restated Consolidated Financial Information of Anil Fashions Limited (formerly known as Sanchem Fabrics Limited)

To
The Board of Directors
Anil Fashions Limited
(Formerly known as Sanchem Fabrics Limited)
Survey No 169, Pirana Road,
Piplaj, Ahmedabad - 382405

Dear Sirs,

1. We have examined the attached Restated Summary Consolidated Statements of Assets & Liabilities and Other Financial Information of Anil Fashions Limited (Formerly known as Sanchem Fabrics Limited) (hereinafter referred to as “**the Company**”) for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024. These Restated Consolidated Financial Statements have been prepared by the management of the Company and approved by the board of directors of the Company at their meeting held on September 25, 2026.
2. The said Restated Consolidated Financial Statements and other financial information have been examined and prepared for the purpose of inclusion in the Draft Prospectus /Prospectus (Collectively hereinafter referred to as “offer documents”) in connection with the proposed Initial Public Offering (IPO) on SME Platform of BSE Limited (“**BSE SME**”) of the Company taking into consideration the following and in accordance with the requirements of:
 - Section 26 and 32 of Part 1 of Chapter III of the Companies Act, 2013 (herein after referred to as “**the Act**”) read with Companies (Prospectus and Allotment of Securities) Rules 2014 as amended from time to time;
 - The Securities and Exchange Board of India [“**SEBI**”] (Issue of Capital and Disclosure Requirements) Regulations 2018 (“the SEBI ICDR Regulations”) as amended from time to time in pursuance of Section 11 of SEBI Act, 1992;
 - 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**”) The Guidance Note also requires that we comply with ethical requirements of the Code of ethics issued by ICAI
 - The applicable provisions of the SEBI ICDR Regulations, including Part A of Schedule VI, item 11(I) and item 11(II) thereof;
 - Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information;
3. These Restated Consolidated Financial Information have been extracted by the Management of the Company from:

The Company’s audited financial statements for the financial years ended March 31, 2026, 2025, and 2024 which have been approved by the Board of Directors at their Board meetings respectively and books of accounts underlying those financial statements and other records of the Company, to the extent considered necessary for the preparation of the Restated Consolidated Financial Statement of the Company for the financial years ended March 31, 2026, 2025 and 2024. These financial statements have been audited by us as Statutory Auditors of the Company, and we have issued unqualified reports for these years, while the audit of the Transferor Companies, namely Anil Fashions Private Limited (AFPL) and Gray Solutions Private Limited (GSPL), for the year ended March 31, 2025 was conducted by M/s S C Bohara & Associates (FRN 160992W), and their financial information has been included in the Restated Consolidated Financial Information for the year ended March 31, 2025 under the pooling of interests method. The financial statements of the Subsidiary Company, Anil Organics Private Limited, for the financial years ended March 31, 2026, 2025 and 2024 have also been audited by us, and we have issued unqualified reports for those years.

Pursuant to a Scheme of Amalgamation ("the Scheme") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, sanctioned by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, vide Order dated 20/11/2025, Anil Fashions Private Limited ("AFPL") and Gray Solutions Private Limited ("GSPL"), both engaged in the business of Manufacturing of Textile Products (together, "the Transferor Companies"), stand amalgamated in the nature of merger with Sanchem Fabrics Limited ("the Transferee Company"/"the Company"), with effect from the Appointed Date of 01/04/2024 ("Appointed Date").

Pursuant to acquisition of entire shareholding of Anil Organics Private Limited (AOPL) by the company, AOPL becomes 100% subsidiary of the company with effect from 05/03/2026.

Accordingly, the results, assets and liabilities of AOPL have been consolidated with effect from 05 March 2026, being the date on which control was acquired, in accordance with AS 21. As the Company had no subsidiary during the years ended 31 March 2025 and 31 March 2024, the Restated Consolidated Financial Information for those years comprises the financial information of the Company alone. The financial information for the year ended 31 March 2024 does not include the Transferor Companies, as the amalgamation has been accounted for under the pooling of interest method with effect from the Appointed Date of 01 April 2024, and is therefore not comparable with subsequent years to that extent.

4. The Restated Consolidated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Notes to the Restated Consolidated Financial Statements. The respective Board of Directors of the Companies responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Statement. The respective Board of Directors are also responsible for identifying and ensuring that the company complies with the Act, ICDR Regulations and the Guidance Note.
5. In accordance with the requirement of section 26 and 32 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules 2014, the SEBI Regulations, the Guidance Note as amended from time to time and in terms of our engagement agreed with you, we further report that;
 - (a) The Restated Consolidated Statement of Assets and Liabilities for the financial year ended on March 31, 2026, 2025 and 2024 examined by us, as set out in this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Consolidated Statement of Assets and Liabilities, have been arrived at after making such adjustments and regrouping of the financial statements, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Note 1 to 41 to this Report.
 - (b) The Restated Consolidated Statement of Profit and Loss of the Company for the financial year ended on March 31, 2026, 2025 and 2024 examined by us as set out in this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Consolidated Statement of Profit and Loss, have been arrived at after making such adjustments and regrouping of the financial statements, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Note 1 to 41 to this Report.
 - (c) The Restated Consolidated Statement of Cash Flow of the Company for the financial year ended on March 31, 2026, 2025 and 2024 examined by us as set out in this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Consolidated Statement of Cash Flow, have been arrived at after making such adjustments and regrouping of the financial statements, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Note 1 to 41 to this Report.

As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

6. Based on our examination, and in reliance on the audited financial statements of the Company audited by us, and on the audited financial statements of AFPL and GSPL for the year ended 31 March 2025

audited by M/s S C Bohara & Associates (FRN 160992W), whose reports have been furnished to us and on which we have placed reliance, we report that the Restated Consolidated Financial Information:

- (a) has been prepared using the accounting policies consistently applied across all periods presented, and there have been no changes in accounting policies requiring retrospective adjustment;
- (b) has been prepared after incorporating adjustments for material amounts in the respective financial years to which they relate;
- (c) does not contain any extraordinary items that need to be disclosed separately, other than those presented therein;
- (d) does not require any adjustment on account of qualifications, as there are no qualifications in the auditors' reports on the audited financial statements for the years ended March 31, 2026, 2025 and 2024;
- (e) has been arrived at after charging all expenses, including depreciation, and after making such adjustments, restatements and regroupings as in our opinion are appropriate, and is to be read with the Significant Accounting Policies and Notes set out in Note 1 to 41 to this report; and
- (f) does not include any revaluation reserve requiring separate disclosure.

Further, the Company has not declared or paid any dividend during any of the years presented.

Our opinion, insofar as it relates to amounts included in respect of AFPL and GSPL for the year ended March 31, 2025, is based solely on the reports of M/s S C Bohara & Associates. Our opinion is not modified in respect of this matter.

7. We have also examined the following other Restated Financial Information as set out in the respective Notes to this report and forming part of the Restated Consolidated Financial Statement prepared by the management of the Company and approved by the board of directors of the Company for the years ended March 31, 2026, 2025 and 2024 proposed to be included in the offer documents for the proposed IPO.

- 1 Statement of Share capital, as restated in Note 3 to this report,
- 2 Statement of Reserves and surplus, as restated in Note 4 to this report,
- 3 Statement of Long- Term borrowings, as restated in Note 5 to this report,
- 4 Statement of Other Long-Term liabilities, as restated in Note 6 to this report,
- 5 Statement of Long-Term Provisions, as restated in Note 7 to this report,
- 6 Statement of Short-Term borrowings, as restated in Note 8 to this report,
- 7 Statement of Trade payables (with payable ageing Schedule), as restated in Note 9 to this report,
- 8 Statement of Other current liabilities, as restated in Note 10 to this report,
- 9 Statement of Short-Term Provisions, as restated in Note 11 to this report,
- 10 Statement of Property, plant and equipment (PPE), as restated in Note 12 to this report,
- 11 Statement of Deferred Tax Assets, as restated in Note 13 to this report,
- 12 Statement of Long-Term Loans and advances, as restated in Note 14 to this report,
- 13 Statement of Other non-current assets, as restated in Note 15 to this report,
- 14 Statement of Inventory, as restated in Note 16 to this report,
- 15 Statement of Trade Receivables (with receivable ageing Schedule), as restated in Note 17 to this report,
- 16 Statement of Cash & Cash Equivalents, as restated in Note 18 to this report,
- 17 Statement of Short Loans and advances, as restated in Note 19 to this report,
- 18 Statement of Other Current Assets, as restated in Note 20 to this report,
- 19 Statement of Revenue from Operations, as restated in Note 21 to this report,
- 20 Statement of Other Income, as restated in Note 22 to this report,
- 21 Statement of Purchase of Stock-in-Trade, as restated in Note 23 to this report,
- 22 Statement of Changes in Inventory, as restated in Note 24 to this report,
- 23 Statement of Employee Benefit Expenses, as restated in Note 25 to this report,
- 24 Statement of Depreciation & Amortization, as restated in Note 26 to this report,
- 25 Statement of Finance Cost, as restated in Note 27 to this report,
- 26 Statement of Other Expenses, as restated in Note 28 to this report,
- 27 Statement of Reconciliation of Restated Profit After Tax, EPS/DPS as restated in Note 29 to this report,
- 28 Statement of Liabilities Relating to Employee Benefits, as restated in Note 30 to this report,
- 29 Statement of Related Party Transactions, as restated in Note 31 to this report,
- 30 Statement of Additional Disclosure- borrowing, as restated in Note 32,

- 31 Statement of Foreign Currency Income/Expenditure, as restated in Note 33 to this report,
 - 32 Statement of Contingent Liabilities and Commitments, as restated in Note 34 to this report,
 - 33 Statement of Tax Shelter, as restated in Note 35 to this report,
 - 34 Statement of Reconciliation of Restated Reserve and Surplus and Restated Profit, as restated in Note 36 to this report,
 - 35 Statement of Accounting Ratio (with Variance), as restated in Note 37 to this report,
 - 36 Statement of Additional Disclosure, as restated in Note 38,
 - 37 Statement of Additional Disclosure, previous year regrouping as restated in Note 39,
 - 38 Statement of Capitalisation, as restated in Note 40 to this report, and
8. We, B M Saraf & Co, Chartered Accountants, hold a valid Peer Review Certificate issued by the “Peer Review Board” of the Institute of Chartered Accountants of India (“ICAI”).
 9. The preparation and presentation of the Financial Statements referred to above are based on the Audited Financial Statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
 10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or by other auditors, nor should it be construed as a new opinion on any of the financial statements referred to herein.
 11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 12. In our opinion, the above Restated Consolidated Financial Statements contained in Note 1 to 41 to this report read along with the ‘Significant Accounting Policies’ and Notes to the financial statements appearing in Note 1 to 41 after making adjustments and regrouping/reclassification as considered appropriate, have been prepared in accordance with the provisions of Sections 26 and 32 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules 2014, to the extent applicable, the SEBI ICDR Regulations and the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement agreed with Management.
 13. Our report is intended solely for use of the Board of Directors and for inclusion in the offer documents in connection with the proposed SME IPO of equity shares of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent, except that it may be filed with the Securities and Exchange Board of India, BSE Limited and the Registrar of Companies, Gujarat, in connection with the proposed IPO.

For B M Saraf & Company
Chartered Accountants
FRN: 109239W

Sd/-

CA Umang Saraf
M. No - 117954
Partner
UDIN: 26117954FQHXEC1130
Place: Ahmedabad
Date: 25.09.2026

RESTATED CONSOLIDATED FINANCIAL STATEMENTS

Anil Fashions Limited
(Formerly known as Sanchem Fabrics Limited)
CIN - U13990GJ1999PLC035368

(All amount in Indian Rupees in Lakhs unless otherwise stated)

Consolidated Restated Summary Statement of Assets and Liabilities :-

Particulars	Notes	March'2026	March'2025	March'2024
Equity and Liabilities				
Shareholders' Funds				
Share Capital	3	90.06	90.06	31.70
Reserves and Surplus	4	2 767.19	1 607.46	469.85
		2 857.26	1 697.52	501.55
Non-Current Liabilities				
Long-Term Borrowings	5	1 169.58	998.79	411.45
Deferred Tax Liabilities (Net)	6	18.54	100.33	.00
Other Long-Term Liabilities	7	.00	.00	.00
Long-Term Provisions	8	15.76	18.32	10.50
		1 203.86	1 117.44	421.95
Current liabilities				
Short-Term Borrowings	5	2 870.60	1 350.20	700.71
Trade Payables	9			
- Total outstanding dues of micro and small enterprises		.00	.00	.00
- Total outstanding dues other than micro and small enterprises		1 573.42	672.29	506.83
Other Current Liabilities	10	128.90	91.26	91.68
Short-Term Provisions	8	230.19	69.35	35.55
		4 803.11	2 183.09	1 334.77
Total		8 864.23	4 998.04	2 258.26
Assets				
Non-Current Assets				
Property, Plant and Equipment and Intangible Assets				
i) Property, Plant and Equipment	11(a)	1 219.26	988.52	359.59
ii) Capital work in Process	11(b)	.00	.00	.00
Deferred Tax Assets (Net)	6	.00	.00	3.54
Non-Current Investment	12	.00	.00	.00
Other Non-Current Assets	13	121.42	146.96	29.92
		1 340.69	1 135.48	393.05
Current Assets				
Inventories	14	2 995.82	1 046.03	743.92
Trade Receivables	15	4 075.82	2 658.18	970.96

Particulars	Notes	March'2026	March'2025	March'2024
Cash and Cash Equivalent	16	11.89	4.68	5.87
Short-Term Loans and Advances	12	111.01	19.40	29.80
Other Current Assets	17	329.00	134.27	114.65
		7 523.54	3 862.56	1 865.21
Total		8 864.23	4 998.04	2 258.26

As per our report of even date
For B. M. Saraf & Company
Firm registration number: 109239W
Chartered Accountants

On behalf of the board of directors
Anil Fashions Limited

Sd/- Umang Saraf Partner Membership 117954 Place: Ahmedabad Date: 25.09.2026	Sd/- Ashok Agarwal Director No.: DIN: 01790639 Place: Ahmedabad Date: 25.09.2026	Sd/- Navin Agarwal Director DIN: 0790629 Place: Ahmedabad Date: 25.09.2026	Sd/- Pratik Agarwal Chief Financial Officer Place: Ahmedabad Date: 25.09.2026	Sd/- Raina Singh Company Secretary Place: Ahmedabad Date: 25.09.2026
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Summary of company introduction and significant accounting policies and explanatory notes on accounts are an integral part of the financial statements. (1-2)

Anil Fashions Limited
(Formerly known as Sanchem Fabrics Limited)
CIN - U13990GJ1999PLC035368

Consolidated Restated Summary Statement of Profit and Loss :-

(All amount in Indian Rupees in Lakhs unless otherwise stated)

Particulars	Note No.	Year Ended March 2026	Year Ended March 2025	Year Ended March 2024
Revenue				
Revenue from operations	18	13,087.22	10,688.91	3,829.97
Other income	19	200.77	80.15	61.67
Total Revenue		13,287.99	10,769.06	3,891.65
Expenses				
Purchases of Stock in Trade		4,526.56	2,768.07	2,392.90
Cost of Raw Material Consumed	20	6,885.20	5,047.87	1,011.36
Change in Inventories of Finished Goods & WIP	21	(1,453.84)	583.80	(299.05)
Employee benefits expense	22	86.25	169.62	41.25
Finance costs	23	303.38	369.58	123.42
Depreciation and amortisation expense	24	179.83	169.89	67.27
Other expenses	25	1,338.50	1,186.59	496.36
Total Expenses		11,865.89	10,295.43	3,833.51
Profit Before Exceptional and Extraordinary Items		1,422.10	473.63	58.14
Add/(Less):- Exceptional and Extraordinary Items		0.00	0.00	
Profit Before Tax (PBT)		1,422.10	473.63	58.14
Tax expense				
Current tax		359.57	122.49	20.48
Deferred tax expenses/(income)	6	(81.33)	103.31	(4.64)
Earlier Year Tax		0.48	0.29	0.74
Income Tax adjustment				
Profit for the Year		1,143.38	247.54	41.55
Post-Bonus Earning Per Share (EPS)				
Basic Earning Per Share (BEPS)		6.68	1.45	0.69
Diluted Earning Per Share (DEPS)		6.68	1.45	0.69

On behalf of the board of directors
Anil Fashions Limited

As per our report of even date
For B. M. Saraf & Company
Firm registration number: 109239W
Chartered Accountants

Sd/-
Umang Saraf
Partner
Membership
117954

Sd/-
Ashok Agarwal
Director
No.: DIN: 01790639

Sd/-
Navin Agarwal
Director
DIN: 0790629

Sd/-
Pratik Agarwal
Chief Financial Officer

Sd/-
Raina Singh
Company Secretary

Place: Ahmedabad
Date: 25.09.2026

Place: Ahmedabad
Date: 25.09.2026

Place: Ahmedabad
Date: 25.09.2026

Place: Ahmedabad
Date: 25.09.2026

Place: Ahmedabad
Date: 25.09.2026

Summary of company introduction and significant accounting policies and explanatory notes on accounts are an integral part of the financial statements. (1-2)

Anil Fashions Limited
(Formerly known as Sanchem Fabrics Limited)
CIN - U13990GJ1999PLC035368

Consolidated Restated Statement of Cash Flows :-

Particulars	March'2026	March'2025	March'2024
A. Cash Flow From Operating Activities:-			
Profit before tax, as restated	1,422.10	473.63	58.14
Adjustments for : -			
Depreciation and amortisation	179.83	169.89	67.27
Profit on Sale of Fixed Assets	3.61	0.00	- 4.82
Loss on Sale of Fixed Assets	-	0.00	
Provision For Gratuity	(3.18)	8.55	10.85
Non-Current Provision For Leave Encashment	-	0.00	0.00
Non-Current Provision for Lease Rent Equalisation	-	0.00	0.00
Finance Cost	303.38	369.58	123.42
Interest Income on Bank Fixed Deposit in Non Current Assets	(66.20)	(58.25)	(1.74)
Operating profit before working capital changes	1,839.54	963.40	253.12
Changes in Working Capital:			
Decrease/(Increase) in Inventories	(1,668.51)	279.79	(456.95)
Decrease/(Increase) in Trade receivables	(218.88)	(293.99)	101.85
Decrease/(Increase) in Other Non Current Assets	4.78	(81.14)	(21.74)
Decrease/(Increase) in Short Term Loans & Advances	(87.14)	(19.40)	32.91
Decrease/(Increase) in Other Current Assets	(194.73)	236.95	(113.65)
(Decrease)/Increase in Other Current Liabilites	31.74	(20.88)	27.90
(Decrease)/Increase in Trade Payables	344.13	(1.56)	348.63
(Decrease)/Increase in Short Term Provisions	(0.21)	(0.14)	0.05
(Decrease)/Increase in Other Long Term Liabilities	-	-	-
(Decrease)/Increase in Long-Term Loans and Advances	-	18.77	-
Total Changes in Working Capital	(1,788.81)	118.41	(81.01)
Total	50.72	1,081.81	172.12
Less:- Direct Tax Paid	258.99	106.23	0.74
Net cash flow from/(used in) operating activities after working capital changes (A)	(208.27)	975.58	171.38
B. Cash Flow From Investing Activities:-			
Less: Purchase of Fixed Asstes (Tangibles Assets)	(397.84)	(385.73)	(68.49)
Add: Disposal of Fixed Asstes (Tangible Assets)	43.58	-	5.50
Add: Interest Income In Bank Fixed Deposit in Non Current Assets	66.20	58.25	1.74
Net cash flow used in investing activities (B)	(288.06)	(327.47)	(61.25)
C. Cash Flow From Financing Activities:-			
Add: Proceed from issue of Shares	-	-	0.00
Add/Less: Proceeds/(Payment) of Long Term Borrowing	(129.21)	(377.65)	(15.89)

Particulars	March'2026	March'2025	March'2024
Add: Short term Borrowings	900.94	(87.90)	27.11
Less: Interest Paid	(303.38)	(369.58)	(123.42)
Less: Dividend Paid	-	-	-
Net cash flow generated from/ (utilised in) financing activities (C)	468.36	(835.14)	(112.20)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(27.98)	(187.04)	(2.07)
Add:- Opening Cash & Cash Equivalents	4.68	191.71	7.94
Add:- Opening Cash & Cash Equivalents of Subsidiary	35.19		
Closing cash & cash equivalents	11.89	4.68	5.87

1. Components of closing cash & cash equivalents:-

Particulars	March'2026	March'2025	March'2024
Cash & Cash Equivalents	11.89	4.68	5.87
Total	11.89	4.68	5.87

2. The above cash flow statement has been prepared under the indirect method set out in AS-3 issued by the ICAI. *Summary of company introduction and significant accounting policies and explanatory notes on accounts are an integral part of the financial statements*

As per our report of even date
For B. M. Saraf & Company
Firm registration number: 109239W
Chartered Accountants

On behalf of the board of directors
Anil Fashions Limited

Sd/-
Umang Saraf
Partner
Membership
117954

Sd/-
Ashok Agarwal
Director
No.: DIN: 01790639

Sd/-
Navin Agarwal
Director
DIN: 0790629

Sd/-
Pratik Agarwal
Chief Financial Officer

Sd/-
Raina Singh
Company Secretary

Place: Ahmedabad
Date: 25.09.2026

Place: Ahmedabad
Date: 25.09.2026

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Date: 25.09.2026

Anil Fashions Limited
(Formerly known as Sanchem Fabrics Limited)
CIN - U13990GJ1999PLC035368

Note 3 :-

A) Restated Statement of Share capital

Particulars	March'2026	March'2025	March'2024
Authorised share capital			
Equity shares of ₹ 10 each			
- Number of shares	27,00,000.00	27,00,000.00	3,50,000.00
- Amount in ₹	270.00	270.00	35.00
Issued, subscribed and fully paid up (In Against Issue of Bonus Shares)			
Equity shares of ₹ 10 each			
- Number of shares	9,00,557.00	9,00,557.00	3,17,000.00
- Amount in ₹	90.06	90.06	31.70
Issued, subscribed and fully paid up (Against Loans)			
Equity shares of ₹ 10 each			
- Number of shares	-	-	-
- Amount in ₹	-	-	-
Total	90.06	90.06	31.70

B) Reconciliation of equity share capital

Particulars	March'2026	March'2025	March'2024
Balance at the beginning of the year			
- Number of shares	9,00,557.00	3,17,000.00	3,17,000.00
- Amount in ₹	90.06	31.70	31.70
Add: Shares issued pursuant to scheme of Amalgamation			
- Number of shares	0.00	583557.00	0.00
- Amount in ₹	0.00	58.36	0.00
Add: Shares issued during the year against Issue Bonus Share			
- Number of shares	-	-	-
- Amount in ₹	-	-	-
Add: Shares issued during the year Against Loans			
- Number of shares	-	-	-
- Amount in ₹	-	-	-
Balance at the end of the year			
- Number of shares	9,00,557.00	9,00,557.00	3,17,000.00
- Amount in ₹	90.06	90.06	31.70

C): Shareholders holding more than 5% of the shares of the Company

Equity shares of ₹ 10 each

Particulars	March'2026	March'2025	March'2024
Navin Agarwal - Number of shares	99,388	99,388	57,700

Particulars	March'2026	March'2025	March'2024
Navin Agarwal - Percentage holding (%)	11.04%	11.04%	18.20%
Ashok Agarwal - Number of shares	1,30,339	1,30,339	55,300
Ashok Agarwal - Percentage holding (%)	14.47%	14.47%	17.44%
Poonam Agarwal - Number of shares	73,478	73,478	29,900
Poonam Agarwal - Percentage holding (%)	8.16%	8.16%	9.43%
Neelam Anup Agarwal - Number of shares	77,650	77,650	33,700
Neelam Anup Agarwal - Percentage holding (%)	8.62%	8.62%	10.63%
Anup Ramniwas Agarwal - Number of shares	79,389	79,389	37,200
Anup Ramniwas Agarwal - Percentage holding (%)	8.82%	8.82%	11.74%
Priti Navin Agarwal - Number of shares	75,924	75,924	35,100
Priti Navin Agarwal - Percentage holding (%)	8.43%	8.43%	11.07%
Anup Agarwal & Sons HUF - Number of shares	80,447	80,447	20,000
Anup Agarwal & Sons HUF - Percentage holding (%)	8.93%	8.93%	6.31%
Navin Agarwal HUF - Number of shares	66,564	66,564	21,000
Navin Agarwal HUF - Percentage holding (%)	7.39%	7.39%	6.62%
Ramniwas Agarwal & Sons HUF - Number of shares	61,098	61,098	-
Ramniwas Agarwal & Sons HUF - Percentage holding (%)	6.78%	6.78%	0.00%
Ashok Kumar Agarwal HUF - Number of shares	66,561	66,561	-
Ashok Kumar Agarwal HUF - Percentage holding (%)	7.39%	7.39%	0.00%

D): Shares Held by Promoter & Promoter Group of the Company

Equity shares of ₹ 10 each

Particulars	March'2026	March'2025	March'2024
Navin Agarwal - Number of shares	99,388	99,388	57,700
Navin Agarwal - Percentage holding (%)	11.04%	11.04%	18.20%
Ashok Agarwal - Number of shares	1,30,339	1,30,339	55,300
Ashok Agarwal - Percentage holding (%)	14.47%	14.47%	17.44%
Poonam Agarwal - Number of shares	73,478	73,478	29,900
Poonam Agarwal - Percentage holding (%)	8.16%	8.16%	9.43%
Neelam Anup Agarwal - Number of shares	77,650	77,650	33,700
Neelam Anup Agarwal - Percentage holding (%)	8.62%	8.62%	10.63%
Anup Ramniwas Agarwal - Number of shares	79,389	79,389	37,200
Anup Ramniwas Agarwal - Percentage holding (%)	8.82%	8.82%	11.74%
Priti Navin Agarwal - Number of shares	75,924	75,924	35,100
Priti Navin Agarwal - Percentage holding (%)	8.43%	8.43%	11.07%
Anup Agarwal & Sons HUF - Number of shares	80,447	80,447	20,000
Anup Agarwal & Sons HUF - Percentage holding (%)	8.93%	8.93%	6.31%

Particulars	March'2026	March'2025	March'2024
Navin Agarwal HUF - Number of shares	66,564	66,564	21,000
Navin Agarwal HUF - Percentage holding (%)	7.39%	7.39%	6.62%
Ashok Agarwal HUF - Number of shares	66,561	66,561	6,300
Ashok Agarwal HUF - Percentage holding (%)	7.39%	7.39%	1.99%
Ritesh Anup Agarwal - Number of shares	2,269	2,269	400
Ritesh Anup Agarwal - Percentage holding (%)	0.25%	0.25%	0.13%
Pratik Navin Agarwal - Number of shares	8,224	8,224	400
Pratik Navin Agarwal - Percentage holding (%)	0.91%	0.91%	0.13%
Deepesh Anup Agarwal - Number of shares	40,589	40,589	11,900
Deepesh Anup Agarwal - Percentage holding (%)	4.51%	4.51%	3.75%
Sakshi Ashok Agarwal - Number of shares	11,000	11,000	8,000
Sakshi Ashok Agarwal - Percentage holding (%)	1.22%	1.22%	2.52%
Hitika Navin Agarwal - Number of shares	7,117	7,117	100
Hitika Navin Agarwal - Percentage holding (%)	0.79%	0.79%	0.03%
Ramniws Agarwal & Sons HUF - Number of shares	61,098	61,098	-
Ramniws Agarwal & Sons HUF - Percentage holding (%)	6.78%	6.78%	0.00%
Prachi Prerak Agarwal - Number of shares	8,385	8,385	-
Prachi Prerak Agarwal - Percentage holding (%)	0.93%	0.93%	0.00%
Deepesh Agarwal HUF - Number of shares	12,135	12,135	-
Deepesh Agarwal HUF - Percentage holding (%)	1.35%	1.35%	0.00%
Total Number of Shares	9,00,557	9,00,557	3,17,000
Total Percentage of Holding	100.00%	100.00%	100.00%

E) Term/Right attached to equity shares:-

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(i) The company has only one class of equity share at par value of Rs.10 per share. Holder of each equity share is entitled to one vote. The company declares and pays dividends in Indian Rupees. The dividend proposed by the board of directors is subject to the

(ii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution to equity shareholders will be in proportion to the numbers of equity shares held by the shareholders.

Anil Fashions Limited*(Formerly known as Sanchem Fabrics Limited)*

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Note 4 :- Restated Statement of Reserves and surplus

Particulars	March'2026	March'2025	March'2024
A. Securities premium account			
Balance at the beginning of the year	406.35	223.6	223.60
Additions during the year	-	-	-
Add : Balance from Gray Solutions Private Limited	-	123.225	-
Add : Balance from Anil Fashions Private Limited	-	59.52	-
Less : Utilisation of premium for redemption of preference shares	-	-	-
For Redemption of Preference Shares			
Utilization for Issue of Bonus Share	0		
Total (A)	406.345	406.35	223.60
B. Surplus in the Restated Summary Statement of Profit and Loss			
Balance at the beginning of the year	1,201.12	246.25	204.69
Add : Opening Balance of Gray Solutions Pvt Ltd	-	335.83	-
Add : Opening Balance of Anil Fashions Pvt Ltd	-	324.76	-
General Reserve (as per audited financial statements)	-	-	-
Add: Capital Reserve-Adjustment pursuant to scheme of Amalgamation	-	46.73	-
Add: Capital Reserve-Adjustment pursuant to acquisitio of Subsidiary	25.20	-	-
General Reserve	-		
Add : Shortfall\ (Excess) Provision of Tax	-	-	-
Add: Excess provision written off due to Amalgamation	(8.85)	-	-
Add : Transferred from the Restated Summary Statement of Profit and	1,143.38	247.54	41.55
Less : Bonus Issue	-	-	
Total (B)	2,360.85	1,201.12	246.25
Balance at the end of the year (A+B)	2,767.19	1,607.46	469.85

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Note 5 :- Restated Statement borrowings*A. Secured — figures shown as Long-term / Short-term for each year*

Particulars	Mar'26 Long-term	Mar'26 Short-term	Mar'25 Long-term	Mar'25 Short-term	Mar'24 Long-term	Mar'24 Short-term
(a) Working Capital From Banks		2,784.62		1,350.20		700.71
(b) Long Term Loan from Banks	-	-				
(c) Current Maturities of Long Term Loans	-	85.98				
Term Loan from Scheduled Bank and Financial Institution	387.48	-	347.31		92.70	
B. Unsecured						
From Directors & concerns in which directors are interested	782.10	-	651.49	-	318.75	-
(b) Loans from Others	-	-	-	-	-	-
Total	1,169.58	2,870.60	998.79	1350.20	411.45	700.71

Note 5.1: The period and amount of continuing default in repayment of principal and interest- NIL

Note 5.2: The borrowing from bank is secured by :

(ii) Bifurcation and details of secured loans:-**A. As at March' 2026**

Borrowings from Bank and other financial Institution								
Name of Lender	Nature of Facility	Sanction Limit	Outstanding as on 31.03.2026		Rate of Interest (%)	Repayment Term	Security/ Principal terms and conditions*	Collateral Security/ other Condition**
			Long Term	Short Term				
Punjab National Bank	Working Capital Term Loan (WCTL) under GECL	69.90	-	-	7.65%	36 Months	Hypothecation of stock of raw material, stock in process, finished goods, receivables, stores & spares and other current assets of the company	Residential bungalow of Director
Small Industries Development Bank Of India	Term Loan	211.73	101.97	47.04	8.85%	60 Months	Hypothecation of Movables	Against FDRs issued by SIDBI for an amount of Rs. 64 lakhs

Punjab National Bank	Term Loan	328.40	256.52	18.24	7.65%	36 Months	• Extension of charge over present and future current assets of the firm/company. • The additional WCTL granted shall rank second charge with the existing credit facilities in terms of cash flows and security, with charge on the assets financed under the scheme to be created within a period of three months from the date of disbursal.	Residential bungalow of Director
Sub Total (A)			358.49	65.28				
Borrowings from Directors & their relatives			776.10					
Borrowings from Corporate			6.00					
Sub Total (B)		-	782.10	-				
Group Total (A+B)			1,140.59	65.28				
Loan information related to Subsidiary Company								
Nutan Nagarik Bank			19.72	2.64	7.80%	36 Months	Hypothecation of Toyota Innova Hycross	Car & Personal Guarantee of All Directors
Nutan Nagarik Bank			9.26	18.05	8.35%	18 Months	Hypothecation of 94 Hirabhai Market & 211 Dev Prime. Continuation of LIC Policies of Surrender Value of Rs.125 lakhs	• Extension of charge over present and future current assets of the firm/company. • The additional WCTL granted shall rank second charge with the existing credit facilities in terms of cash flows and security, with

								charge on the assets financed under the scheme to be created within a period of three months from the date of disbursement.
Cash Credit with Nutan Sah Nagrik Bank Ltd			0.00	434.12			Hypothecation of stock of raw material, stock in process, finished goods, receivables and other current assets of the company	Hypothecation of 94 Hirabhai Market & 211 Dev Prime. Continuation of LIC Policies of Surrender Value of Rs.125 lakhs
ICICI Bank Ltd (Channel Finance)			0.00	104.46				Personal Guarantee of All Directors
			28.99	559.28				
Borrowings from Directors & their relatives			335.19	335.19				
From Corporates			6.00	6.00				

A. As at March' 2025

Borrowings from Bank and other financial Institution								
Name of Lender	Nature of Facility	Sanction Limit	Outstanding as on 31.03.2025		Rate of Interest (%)	Repayment Term	Security/ Principal terms and conditions*	Collateral Security/ other Condition**
			Long Term	Short Term				
Car Loan Seltos	Car Loan	15.00	11.38	1.83			Hypothecation of Vehicle	Hypothecation of Vehicle
Car Loan Venue	Car Loan	10.00	7.59	1.22			Hypothecation of Vehicle	Hypothecation of Vehicle
Punjab National Bank Car Loan	Car Loan	17.49	11.10	2.01			Hypothecation of Vehicle	Hypothecation of Vehicle
Small Industries Development Bank Of India	Term Loan	211.73	149.00	29.26			Hypothecation of Movables	Against FDRs issued by SIDBI for an amount of Rs. 64 lakhs
Term Loan Covid	Working Capital Term Loan (WCTL) under GECL	69.90	13.59	23.30			- Extension of charge over present and future current assets of the firm/company. - The additional WCTL granted	Residential bungalow of Director

						shall rank second charge with the existing credit facilities in terms of cash flows and security, with charge on the assets financed under the scheme to be created within a period of three months from the date of disbursal.	
Term Loan PNB	Working Capital Term Loan (WCTL) under GECL	52.56	10.47	17.27		• Extension of charge over present and future current assets of the firm/company. • The additional WCTL granted shall rank second charge with the existing credit facilities in terms of cash flows and security, with charge on the assets financed under the scheme to be created within a period of three months from the date of disbursal.	Residential bungalow of Director
Term Loan A/C SIDBI	Term Loan	125.00		4.88		First Charge by way of hypothecation in favor of SIDBI of the plant, machinery, equipment, tools, spares, accessories & all other assets which have been or proposed to be acquired under the project	Lien Marked SIDBI FDR of Rs.25 lakh as cash collateral
Term Loan SIDBI Covid	Working Capital Term Loan (WCTL) under GECL	34.72	7.70	11.58		First Charge by way of hypothecation in favor of SIDBI of the plant, machinery, equipment, tools,	Lien Marked SIDBI FDR of Rs.25 lakh as cash collateral

							spares, accessories & all other assets which have been or proposed to be acquired under the project Extension of charge over present and future current movable assets of the	
Term Loan Covid	Working Capital Term Loan (WCTL) under GECL	51.82	9.83	17.52			• Extension of charge over present and future current assets of the firm/company. • The additional WCTL granted shall rank second charge with the existing credit facilities in terms of cash flows and security, with charge on the assets financed under the scheme to be created within a period of three months from the date of disbursal.	Plot No. 25, Orchid Greens, Sanand-Ahmedabad-38382210
Sub Total (A)			220.66	108.87				
Borrowings from Directors & their relatives			440.99					
Sub Total (B)		-	440.99	-				
Group Total (A+B)		-	661.64	108.87				

***The outstanding amount is in excess of sanction limit, due to cheque issued but not cleared yet.

B. As at March' 2024

Borrowings (secured)								
Name of Lender	Nature of Facility	Sanction Limit	Outstanding as on 31.03.2024		Rate of Interest (%)	Repayment Term	Security/ Principal terms and conditions*	Collateral Security/ other Condition**
			Long Term	Short Term				
Punjab National Bank	Cash Credit	700.00		700.71				Residential bungalow of Director
Car Loan Seltos	Car Loan	15.00	13.20	1.64			Hypothecation of Vehicle	Hypothecation of Vehicle

Borrowings (secured)								
Name of Lender	Nature of Facility	Sanction Limit	Outstanding as on 31.03.2024		Rate of Interest (%)	Repayment Term	Security/Principal terms and conditions*	Collateral Security/ other Condition**
			Long Term	Short Term				
Car Loan Venue	Car Loan	10.00	8.81	1.09			Hypothecation of Vehicle	Hypothecation of Vehicle
Term Loan PNB Covid 19 A/C	Working Capital Term Loan (WCTL) under GECL	139.82		7.77			• Extension of charge over present and future current assets of the firm/company .	Residential bungalow of Director
Term Loan Covid	Working Capital Term Loan (WCTL) under GECL	69.90	36.89	23.30			• Extension of charge over present and future current assets of the firm/company .	Residential bungalow of Director
				-				
Sub Total (A)			58.90	734.50				
Borrowings from Directors & their relatives			318.75					
Sub Total (B)		-	318.75	-				
Group Total (A+B)		-	377.65	734.50				

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Note 6 :- Modification of financial statement may be required on the following issue

Particulars	March'2026	March'2025	March'2024
A. Calculation Deductable Temporary Difference on WDV of Assets:-			
WDV as per Income Tax Act	721.17	568.65	327.59
WDV as per Companies Act	791.67	975.82	324.38
Total Deductable Temporary Differences on WDV of Assets	(70.50)	(407.17)	3.22
B. Calculation Deductable Temporary Difference on Provisions:-			
a) Provision for Gratuity	(3.18)	8.55	10.85
b) Provision for Leave Encashment & Compensated Absence liability			
c) Provision for Bonus			
e) Provision for interest on MSME			
f) Provision for Lease equilisation			
g) Provision for Foreign Currency Fluctuation			
Total Deductable Temporary Differences on WDV of Assets	(3.18)	8.55	10.85
C. Calculation Deductable Temporary Difference on Losses:-			
Losses carry forward to next year.			
Total Deductable Temporary Differences on Losses	0.00	-	-
Total Deductable Temporary Differences (A+B+C)	(73.68)	(398.62)	14.07
Tax Effect @ 25.168% (22% Tax +10% Surcharge+ 4% cess)	(18.54)	(100.33)	3.54
Closing Value of (DTL)/DTA	(18.54)	(100.33)	3.54
Amalgamation adjustment		0.56	
Subsidiary adjustment	0.46		
Less: Already Created DTA/(DTL)	(100.33)	3.54	(1.09)
Deferred Tax (Income)/Loss to be booked in PL	81.33	(103.31)	4.64
Recognition of DTA as per AS-22			

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Note 7 :- Restated Statement of Other Long-Term Liabilities

Particulars	March'2026	March'2025	March'2024
Total	-	-	-

Note 8 :- Restated Statement of Provisions*Figures shown as Long-term / Short-term for each year*

Particulars	Mar'26 Long-term	Mar'26 Short-term	Mar'25 Long-term	Mar'25 Short-term	Mar'24 Long-term	Mar'24 Short-term
Provision for employee benefits						
Gratuity Expenses Payable	15.76		18.32	1.09	10.50	0.35
Provision for compensated absences	-	-	-	-		
Provision for Leave Encashment	-	-	-	-		
Provision for Bonus Payables	-	2.80	-	-	-	-
Others	-	-	-	-		
Proposed dividend	-	-	-	-		
Provision for dividend distribution tax	-	-	-	-		
Provision for tax (net of advance tax & TDS)		221.13	-	67.93	-	35.02
Provision for interest on MSME	-	-	-	-		
Provision for Professional Tax		0.39	-	0.33	-	0.18
Provision For Interest Payable		0.85	-	-	-	
Provision for Expenses Payable		5.01	-	-	-	
Provision for Lease Rent Equalisation	-	-	-	-		
Total	15.76	230.19	18.32	69.35	10.50	35.55

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Note 9 :- Restated Statement of Trade payables

Particulars	March'2026	March'2025	March'2024
Dues of micro and small enterprises	-	-	
Dues other than micro and small enterprises	1,573.42	672.29	506.83
Total	1,573.42	672.29	506.83

Restated Statement of Trade payables ageing schedule for the year ended 31-03-2026

Outstanding for the following periods from the due date of payment

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total Payables
Micro,small and medium enterprises	-	-	-	-	-
Others	1,573.42	-	-	-	1,573.42
Disputed Dues-MSME	-	-	-	-	-
Disputed Dues-Others	-	-	-	-	-
Total	1,573.42	-	-	-	1,573.42

Restated Statement of Trade payables ageing schedule for the year ended 31-03-2025

Outstanding for the following periods from the due date of payment

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total Payables
Micro,small and medium enterprises	-	-	-	-	-
Others	672.29	-	-	-	672.29
Disputed Dues-MSME	-	-	-	-	-
Disputed Dues-Others	-	-	-	-	-
Total	672.29	-	-	-	672.29

Restated Statement of Trade payables ageing schedule for the year ended 31-03-2024

Outstanding for the following periods from the due date of payment

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total Payables
Micro,small and medium enterprises	-	-	-	-	-
Others	506.83	-	-	-	506.83
Disputed Dues-MSME	-	-	-	-	-
Disputed Dues-Others	-	-	-	-	-
Total	506.83	-	-	-	506.83

Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) have been determined based on the information available with the Company and the required disclosures are given below:

Particulars	March'2026	March'2025	March'2024
(a) amount remaining unpaid to any supplier at the end of each accounting year:-			
- the principal amount; and	-	-	-
- the interest due thereon	-	-	-

(b) 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, however company not paid any interest on MSMEs entities beyond period. -

(c) the amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 -

(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and -

(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. -

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company. As per the information and explanation given to us that the Company has asked its Suppliers to furnish to it, details so as to facilitate the Company in classifying them as Micro, Small & Medium Enterprise (MSMEs) but, due to lack of availability of any such information from its Suppliers, the Company is unable to state the dues outstanding to micro and small enterprise for more than 45 days as on the Balance Sheet date.

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Note 10 :- Restated Statement of Other current liabilities

Particulars	March'2026	March'2025	March'2024
Statutory Payables	39.65	23.18	7.21
Advances from Customers	-	-	-
Expenses Payables	89.25	68.08	84.47
Total	128.90	91.26	91.68

**The balance of above Statutory Payables includes payables of ESI, PF, Welfare Fund, TDS, TCS and GST payables.*

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Anil Fashions Limited

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Note 11 :- Statement of Property, Plant and Equipment and Intangible Assets:-**Note : 11(a) i) Property, Plant and Equipment:-****Gross block**

	Plant and Machinery	Furniture & Fixtures	Office Equipments	Motor Vehicle	Electrical Equipments	Computer & Software	Motor Cycle	Plot/Land	Total
Balance as at 31 March 2023	1,171.3	0.2	3.6	13.7	-	0.5	0.9	-	1,190.3
Additions	35.2	-	-	33.2	-	0.1	-	-	68.5
Disposals	-	-	-	5.5	-	-	-	-	5.5
Balance as at 31 March 2024	1,206.6	0.2	3.6	41.3	-	0.6	0.9	-	1,253.3
Opening addition Amalgamation	1,579.0	12.5	39.1	31.7	18.8	7.8	-	16.5	1,705.4
Additions other than Amalgamation	406.3	-	2.0	-	-	-	-	-	408.2
Additions due to Amalgamation									
Disposals	35.2	-	-	-	-	-	-	-	35.2
Balance as at 31 March 2025	3,156.6	12.7	44.7	73.0	18.8	8.4	0.9	16.5	3,331.7
Additions	15.1	1.3	-	-	-	-	-	-	16.4
Disposals		-	-	41.3					41.3
Balance as at 31 March 2026	3,171.7	14.0	44.7	31.7	18.8	8.4	0.9	16.5	3,306.8

Accumulated depreciation and amortisation

	Plant and Machinery	Furniture & Fixtures	Office Equipments	Motor Vehicle	Electrical Equipments	Computer & Software	Motor Cycle	Plot/Land	Total
Balance as at 31 March 2023	813.9	0.2	3.3	13.0	-	0.4	0.4	-	831.2
Depreciation charge	64.8	0.0	0.1	2.2	-	0.0	0.1	-	67.3
Depreciation on sale of Assets	-	-	-	4.8	-	-	-	-	4.8
Balance as at 31 March 2024	878.7	0.2	3.4	10.3	-	0.4	0.6	-	893.7
Balance as at 31 March 2024 due to Amalgamation	1,210.0	9.9	31.4	15.6	17.8	7.6	-		1,292.3
Depreciation charge due to Amalgamation	149.8	0.4	2.3	17.2	0.0	0.1	0.1	-	169.9
Depreciation charge	-	-	-	-					-
Depreciation on sale of Assets	-	-	-	-	-	-	-	-	-

	Plant and Machinery	Furniture & Fixtures	Office Equipments	Motor Vehicle	Electrical Equipments	Computer & Software	Motor Cycle	Plot/Land	Total
Balance as at 31 March 2025	2,238.5	10.5	37.2	43.1	17.8	8.1	0.7	-	2,355.9
Depreciation charge	166.1	0.3	1.9	11.0	0.0	0.0	0.0	-	179.32
Depreciation on sale of Assets	-	-	-	33.5	-	-	-	-	33.5
Balance as at 31 March 2026	2,404.6	10.8	39.0	20.6	17.8	8.1	0.7	-	2,501.7

Net block

	Plant and Machinery	Furniture & Fixtures	Office Equipments	Motor Vehicle	Electrical Equipments	Computer & Software	Motor Cycle	Plot/Land	Total
Balance as at 31 March 2024	327.8	0.0	0.2	31.0	-	0.1	0.4	-	359.6
Balance as at 31 March 2025	918.1	2.2	7.5	29.9	1.0	0.3	0.3	16.5	975.8
Balance as at 31 March 2026	767.0	3.2	5.7	11.1	1.0	0.3	0.2	16.5	791.7

Note: 11(b) i) Capital Work In Process

	Plant and Machinery	Furniture & Fixtures	Office Equipments	Motor Vehicle	Electrical Equipments	Computer & Software	Motor Cycle	Plot/Land	Total
Balance as at 31 March 2023	35.2	-	-	(11.1)	-	-	-	-	24.1
Additions	-	-	-	-	-	-	-	-	-
Capitalised During the year									
Balance as at 31 March 2024	35.2	-	-	(11.1)	-	-	-	-	24.1
Additions	12.7		-	-	-	-	-	-	12.7
Deletion	35.2								
Balance as at 31 March 2025	12.7	-	-	-	-	-	-	-	12.7
Additions	381.8		-	-	-	-	-	-	381.8
Capitalised During the year									
Balance as at 31 March 2026	394.5	-	-	-	-	-	-	-	394.5

Assets related to Subsidiary Company

	Plant and Machinery	Furniture & Fixtures	Office Equipments	Motor Vehicle	Electrical Equipments	Computer & Software	Motor Cycle	Plot/Land	Total
Balance as at 05 March 2026	-	1.36	6.02	63.27	0.00	1.11	1.17	0.00	72.93
Additions	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-
Depreciation for the period	0.01	0.08	0.38	0.00	0.02	0.01	0.00		0.51
Disposal during the period(Net of Dep)	0.00	0.00	39.35	0.00	0.00	0.00	0.00		39.35
Balance as at 31 March 2026	-	1.3	5.9	23.5	-	1.1	1.2	-	33.07

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Note 12 :- Restated Statement of Loans and advances*Figures shown as Long-term / Short-term for each year*

Particulars	Mar'26 Long-term	Mar'26 Short-term	Mar'25 Long-term	Mar'25 Short-term	Mar'24 Long-term	Mar'24 Short-term
Unsecured, considered good (unless otherwise stated)	-	-	-	-		
Security Deposits						
i) Related Party	-	-	-			
ii) Others	-	-	-			
Balances with Government Authorities*	-	-	-	-	-	-
Prepaid Expenses	-	89.83	-	1.23	-	0.50
Interest Subsidy Receivables	-	17.56	-	17.56	-	6.68
Rodtep Receivable	-	0.61	-	0.61	-	-
Advance Tax & TDS & TCS Receivable	-	3.01	-		-	22.62
Total	-	111.01	-	19.40	-	29.80

**The balance of above Balances with Government Authorities includes debit balance of GST, TDS, TCS and Income Tax refundable.*

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Note 13 :- Restated Statement of Other Non-Current Assets

Particulars	March'2026	March'2025	March'2024
- in Fixed Deposits			
Deposit with original maturity of more than 12 months*	91.59	118.95	8.60
Security Deposits	24.81	28.02	21.33
Investments	5.03	0.00	0.00
Total	121.42	146.96	29.92

Note 14 :- Restated Statement of Inventory

Particulars	March'2026	March'2025	March'2024
a) Raw Material*	1048.47	833.80	342.73
b) WIP**	688.35		
c) Finished Goods	1259.00	212.23	401.19
Total	2,995.82	1,046.03	743.92

* The inventories of Raw Materials and consumable stores are valued at cost on FIFO basis.

* Inventory of Consumable stores includes closing stock of packing material

** The cost of WIP includes cost of raw materials, labour and overhead.

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Note 15 :- Restated Statement of Trade receivables

Particulars	March'2026	March'2025	March'2024
Unsecured, considered good	4075.82	2,658.18	970.96
Unsecured, considered doubtful	0.00	-	-
Unsecured, credit impaired	0.00	-	-
Total	4,075.82	2,658.18	970.96

Restated Statement of Trade Receivables ageing schedule for the year ended 31-03-2026*Outstanding for the following periods from the due date of payment*

Particulars	0-6 Months	6 months-1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total Receivables
Undisputed Trade Receivables - Considered Goods	3436.06	478.90	24.00	43.06	58.93	4075.82
Undisputed Trade Receivables - Considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables - Considered Goods	-	-	-	-	-	-
Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	-
Total	3436.06	478.90	24.00	43.06	58.93	4075.82

Restated Statement of Trade Receivables ageing schedule for the year ended 31-03-2025*Outstanding for the following periods from the due date of payment*

Particulars	0-6 Months	6 months-1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total Receivables
Undisputed Trade Receivables - Considered Goods	2344.92	215.07	51.89	17.66	28.64	2,658.18
Undisputed Trade Receivables - Considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables - Considered Goods	-	-	-	-	-	-
Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	-
Total	2,344.92	215.07	51.89	17.66	28.64	2,658.18

Restated Statement of Trade Receivables ageing schedule for the year ended 31-03-2024*Outstanding for the following periods from the due date of payment*

Particulars	0-6 Months	6 months-1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total Receivables
Undisputed Trade Receivables - Considered Goods*	970.96	-	-	-	-	970.96
Undisputed Trade Receivables - Considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables - Considered Goods	-	-	-	-	-	-

Particulars	0-6 Months	6 months-1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total Receivables
Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	-
Total	970.96	-	-	-	-	970.96

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Note 16 :- Restated Statement of Cash and bank balances

Particulars	March'2026	March'2025	March'2024
Cash and cash equivalents			
Cash in hand	7.10	4.32	5.77
Bank Balance	4.79	0.37	0.10
Total	11.89	4.68	5.87

Note 17 :- Restated Statement of Other current assets

Particulars	March'2026	March'2025	March'2024
GST Refund Receivable	190.45	69.35	88.26
GST Receivable	138.55	64.92	25.61
Commission Receivable	0.00	0.00	0.78
Total	329.00	134.27	114.65

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Note 18 :- Consolidated Restated Statement of Revenue from operations

Particulars	March'2026	March'2025	March'2024
Revenue from operations			
Sale of Products	13,087.22	10,688.91	3,829.97
Net Revenue	13,087.22	10,688.91	3,829.97

Note 18.1 :- Restated Statement of Productwise Revenue Bifurcation

Particulars	March'2026	March'2025	March'2024
A. Domestic Sale of Products:-			
i) Sale of Manufactured Goods	7,752.15	7,269.71	1,563.55
ii) Sale of Traded Goods	5335.07	3,345.29	2,219.39
iii) Commission Income		56.78	47.03
Total (A)	13087.22	10,671.78	3,829.97
B. Export including SEZ Sales:-			
i) Export Sale of Products	0.00	17.13	0.00
	0.00	0.00	0.00
Total (B)	0.00	17.13	0.00
C. Sale of Services/Jobwork:-			
i) Sale of Jobwork	0.00	0.00	0.00
Total (C)	0.00	0.00	0.00
Net Revenue (A+B+C)	13087.22	10,688.91	3,829.97

Note 18.2 :- Restated Statement of Geographywise Revenue Bifurcation

Particulars	March'2026	March'2025	March'2024
A. Revenue from India	13087.22	10,688.91	3,829.97
B. Revenue from Outside India	0.00	0.00	0.00
Net Revenue (A+B)	13087.22	10,688.91	3,829.97

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Note 19 :- Restated Statement of Other income

Particulars	March'2026	March'2025	March'2024
GST Refund	-	-	53.76
Discount / Kasar-Vatav Received	-	0.24	-
GST / Duty Refunds and Subsidy Income	134.57	21.04	-
Commission Income	-	-	-
Interest Received	66.20	58.25	1.74
Profit/Loss On Sale of Assets	-	-	4.82
RODTEP Income	-	0.61	-
Dividend Income	-		
Insurance Claim	-	-	1.35
Total	200.77	80.15	61.67

Note 20 :- A. Restated Statement of Cost of Material Consumed

Particulars	March'2026	March'2025	March'2024
A. Opening Inventory of Raw Materials	833.80	529.78	184.83
B. Purchases of Raw Materials	7,099.88	5,510.64	1,229.81
Less: Transfer of Raw Material	0.00	158.76	60.55
C. Closing Inventory of Raw Materials	1,048.47	833.80	342.73
Cost of Material Consumed (A+B-C)	6,885.20	5,047.87	1,011.36

Note 21 :- B. Restated Statement of Cost of WIP (refer below note):-

Particulars	March'2026	March'2025	March'2024
A. Opening Inventory of WIP			
C. Closing Inventory of WIP	688.35		
Store Consumption (A+B-C)	(688.35)	0.00	0.00

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Note 21 :- Restated Statement of Change in Inventories

Particulars	March'2026	March'2025	March'2024
A. Opening Inventory	212.23	401.19	102.14
A. Opening Inventory of Anil Fashion Private Limited as on date of Amalgamation		320.29	
A. Opening Inventory of Gray Solution Private Limited as on date of Amalgamation		74.55	
A. Opening Inventory of Subsidiary as on 05.03.2026	281.29		
B. Closing Inventory	1,259.00	212.23	401.19
Change in Inventory (A-B)	(765.48)	583.80	(299.05)

Note 22 :- Employee Benefit Expenses

Particulars	March'2026	March'2025	March'2024
Salaries, Wages and Bonus	64.17	134.03	24.35
Contribution to Provident and Other Funds	0.06	0.06	0.05
Gratuity Expenses	(3.18)	8.55	10.85
Staff Welfare Expenses	0.00	0.00	0.00
Director's Remuneration	25.20	26.98	6.00
Total	86.25	169.62	41.25

Note 23 :- Restated Statement of Finance costs

Particulars	March'2026	March'2025	March'2024
Bank Commission & Charges	15.80	11.36	4.97
Bank Interest	175.13	248.64	74.77
Interest	112.44	109.58	43.68
	0.00	0.00	
Total	303.38	369.58	123.42

Note 24 :- Restated Statement of Depreciation and amortisation expense

Particulars	March'2026	March'2025	March'2024
Depreciation and amortisation expense (Refer Note:-11)	179.83	169.89	67.27
Total	179.83	169.89	67.27

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Note 25 :- Restated Statement of Other Expenses**A. Manufacturing Expenses:-**

Particulars	Year Ended March 2026	Year Ended March 2025	Year Ended March 2024
Freight Inward Charges	12.44	32.60	10.25
Job Work Charges	762.27	576.06	191.07
Manufacturing Expense	38.50	21.50	8.78
Wages	76.30	56.34	52.01
Electricity Expenses	207.72	288.09	154.58
Consumable & Spare Part Expenses	33.89	36.36	5.90
Packing Material Charges	41.25	16.87	0.00
Mending & Folding Charges	25.66	19.01	6.82
Cartage	51.25	34.91	17.31
Export Shipping & Documentation	-	3.48	0.00
Total (A)	1,249.28	1,085.22	446.71

B. Other Expenses:-

Particulars	Year Ended March 2026	Year Ended March 2025	Year Ended March 2024
Audit Fees	0.60	0.69	0.11
Advertisement Expenses	0.15	0.00	0.00
Commission	9.14	23.26	30.16
Conveyance	3.46	3.85	1.22
Donation	0.11	0.00	0.00
Designing & Sampling Expenses	3.92	0.00	0.00
Exhibition Expenses	1.56	0.00	0.00
Fees & Taxes	-	0.88	0.00
General Expenses	3.44	3.83	1.10
GST Exp	-	3.68	0.00
Insurance Expenses	5.40	5.07	2.35
Interest on Income Tax	-	5.39	0.00
Interest on TDS	12.85	0.51	0.02
Knotting Expenses	-	9.44	0.00
Legal & Professional Charges	13.18	7.64	1.18
Mending & Folding Expenses	-	0.00	0.00
Municipal Tax	2.20	2.16	4.39
Office Expenses	0.73	1.84	1.21
Postage Expenses	0.25	0.14	0.01
Rental Expenses	0.85	0.00	0.00
Printing & Stationery Expenses	0.76	0.38	0.03
Professional Tax	0.10	0.07	0.03
Loss On Sale of Assets	3.61	0.00	0.00

Particulars	Year Ended March 2026	Year Ended March 2025	Year Ended March 2024
Provision for Bad debts	-	8.58	0.00
Repair & Maintenance Expenses	2.73	4.79	0.00
ROC Filing Fees	4.16	0.02	0.01
Sales Promotion Expenses	1.06	3.89	0.17
Short & Excess	-0.00	0.00	0.00
Security Expenses	0.76		
Solar Maintanance	0.85	0.65	0.00
Telephone Expenses	0.77	1.54	0.13
Travelling Exp	3.83	0.94	2.81
Vehicle Expenses	11.96	12.12	4.74
Internet Expesnes	0.67	0.00	0.00
Club Expenses	0.05	0.00	0.00
Membership Fees	0.10	0.00	
Total (B)	89.22	101.37	49.65
Total (A+B)	1,338.50	1,186.59	496.36

**Auditor's remuneration (excluding tax)*

Particulars	Year Ended March 2026	Year Ended March 2025	Year Ended March 2024
As auditor			
Statutory audit	0.60	0.69	0.11
Tax audit	-	-	
Other Certification's	-	-	
Total	0.60	0.69	0.11

Note 26 :- Related Parties Disclosures**A. List of related parties and nature of relationship where control exists****Key Management Personnel & Their Relatives:-**

Name of Person	Designation	Date of Appointment	DIN/PAN
Ashok Ramniwas Agarwal	Director	01/02/1999	1790639
Navin Agarwal	Managing Director	01/02/1999	790629
Ajay Govind Agarwal	Independent Director	21/07/2026	11761372
Raghav Modi	Independent Director	21/07/2026	11767712
Anup Ramniwas Agarwal	Director	10/04/2026	1790620
Pratik Agarwal	Chief Financial Officer	01/04/2026	CKNPA3025Q
Raina Singh	Company Secretary	10/09/2026	ARPCP6096P
Unmay Hitawala	Independent Director	01/09/2026	10594350

a) Shares of Subsidiary Bought during the year

Name of Person	Designation	March'2026	March'2025	March'2024
Ashok Agarwal	KMPs	28,40,000	-	-
Navin Agarwal	KMPs	22,93,300	-	-
Neelam Agarwal	Relatives	27,69,000	-	-
Anup Agarwal	KMPs	28,54,200	-	-
Deepesh Agarwal	Relatives	7,100	-	-
Poonam Agarwal	Relatives	26,27,000	-	-
Priti Agarwal	Relatives	19,38,300	-	-
Prachi Agarwal	Relatives	7,100	-	-
Pratik Agarwal	Relatives	71,000	-	-
Ritesh Agarwal	Relatives	2,48,500	-	-
Navin Agarwal HUF	Relatives	14,200	-	-
Sakshi Ashok Agarwal	Relatives	7,100	-	-
Sanchit Agarwal	Relatives	78,100	-	-
Ashok Agarwal HUF	Relatives	7,100	-	-
Anup Agarwal & Sons HUF	Relatives	7,100	-	-
Hitika Agarwal	Relatives	9,15,900	-	-
Ramniwas Agarwal & Sons HUF	Relatives	14,83,900	-	-
Total		1,81,68,900	-	-

b) Loans taken from Director & Their Relatives Details:-**Ashok Agarwal — Director**

Particulars	March'2026	March'2025	March'2024
Opening Balance	102.7	45.0	17.7
Add:- Loan/Advances Received	299.2	185.6	113.4
Less:- Loan/Advances Repaid	266.4	127.9	86.1
Closing Balance	135.5	102.7	45.0

Navin Agarwal — Managing Director

Particulars	March'2026	March'2025	March'2024
Opening Balance	140.0	29.5	47.1

Particulars	March'2026	March'2025	March'2024
Add:- Loan/Advances Received	323.6	250.8	96.0
Less:- Loan/Advances Repaid	310.0	140.3	113.6
Closing Balance	153.6	140.0	29.5

Anup Agarwal — Director

Particulars	March'2026	March'2025	March'2024
Opening Balance	42.0	52.4	43.9
Add:- Loan/Advances Received	180.4	181.5	88.0
Less:- Loan/Advances Repaid	220.7	191.9	79.5
Closing Balance	1.7	42.0	52.4

Neelam Agarwal — Relative of Director

Particulars	March'2026	March'2025	March'2024
Opening Balance	118.8	14.5	62.3
Add:- Loan/Advances Received	210.2	202.8	44.4
Less:- Loan/Advances Repaid	179.0	98.5	92.1
Closing Balance	150.0	118.8	14.5

Deepesh Agarwal — Relative of Director

Particulars	March'2026	March'2025	March'2024
Opening Balance	-	30.1	69.9
Add:- Loan/Advances Received	33.4	65.8	40.8
Less:- Loan/Advances Repaid	33.4	95.9	80.6
Closing Balance	-	-	30.1

Poonam Agarwal — Relative of Director

Particulars	March'2026	March'2025	March'2024
Opening Balance	-	1.0	17.0
Add:- Loan/Advances Received	63.1	52.6	14.5
Less:- Loan/Advances Repaid	63.1	53.6	30.5
Closing Balance	-	-	1.0

Priti Agarwal — Relative of Director

Particulars	March'2026	March'2025	March'2024
Opening Balance	-	-	23.7
Add:- Loan/Advances Received	0.4	186.9	5.1
Less:- Loan/Advances Repaid	0.4	186.9	28.8
Closing Balance	-	-	-

Poonam Manish Agarwal — Relative of Director

Particulars	March'2026	March'2025	March'2024
Opening Balance	32.2	24.2	19.8
Add:- Loan/Advances Received	1.0	13.3	4.7
Less:- Loan/Advances Repaid	33.2	5.3	0.2
Closing Balance	-	32.2	24.2

Pratik Agarwal — CFO

Particulars	March'2026	March'2025	March'2024
Opening Balance	-	-	-
Add:- Loan/Advances Received	47.8	72.5	10.8
Less:- Loan/Advances Repaid	47.8	72.5	10.8
Closing Balance	-	-	-

Ritesh Agarwal — Relative of Director

Particulars	March'2026	March'2025	March'2024
Opening Balance	-	-	-
Add:- Loan/Advances Received	12.6	53.3	10.4
Less:- Loan/Advances Repaid	12.6	53.3	10.4
Closing Balance	-	-	-

Ashok Kumar Agarwal HUF — Relative of Director

Particulars	March'2026	March'2025	March'2024
Opening Balance	-	-	-
Add:- Loan/Advances Received	-	-	19.7
Less:- Loan/Advances Repaid	-	-	19.7
Closing Balance	-	-	-

Navin Agarwal HUF — Relative of Director

Particulars	March'2026	March'2025	March'2024
Opening Balance	-	-	-
Add:- Loan/Advances Received	-	-	-
Less:- Loan/Advances Repaid	-	-	-
Closing Balance	-	-	-

Ritesh Enterprises — Relative of Director

Particulars	March'2026	March'2025	March'2024
Opening Balance	-	45.0	-
Add:- Loan/Advances Received	265.7	265.6	139.1
Less:- Loan/Advances Repaid	265.7	310.6	94.1
Closing Balance	-	-	45.0

Sanchit Agarwal — Relative of Director

Particulars	March'2026	March'2025	March'2024
Opening Balance	-	-	-
Add:- Loan/Advances Received	-	-	11,775.0
Less:- Loan/Advances Repaid	-	-	11,775.0
Closing Balance	-	-	-

Sakshi Agarwal — Relative of Director

Particulars	March'2026	March'2025	March'2024
Opening Balance	45.9	-	-
Add:- Loan/Advances Received	-	45.9	-

Particulars	March'2026	March'2025	March'2024
Less:- Loan/Advances Repaid	-	-	-
Closing Balance	45.9	45.9	-

Hitika Agarwal — Relative of Director

Particulars	March'2026	March'2025	March'2024
Opening Balance	-	-	1.7
Add:- Loan/Advances Received	-	-	4.4
Less:- Loan/Advances Repaid	-	-	6.1
Closing Balance	-	-	-

Pratik Enterprise — Associate Company

Particulars	March'2026	March'2025	March'2024
Opening Balance	-	77.0	-
Add:- Loan/Advances Received	122.2	246.3	230.9
Less:- Loan/Advances Repaid	122.2	323.3	153.9
Closing Balance	-	-	77.0

Anil Fashions Limited

c) Transaction with Key Managerial Personnel

Name of Person	Designation	Nature of Transactions	March'2026	March'2025	March'2024
Navin Agarwal	Managing Director	Director remuneration / Remuneration-Salary	6.60	6.60	
		Interest on Loan / Interest Credited-Paid	13.19	9.35	4.04
		Assets Sold at Book Value	22.93		
		Total	42.72	15.95	4.04
Anup Agarwal	Director	Director remuneration / Remuneration-Salary	0.00	6.60	0.00
		Interest on Loan / Interest Credited-Paid	9.98	8.80	7.10
		Total	9.98	15.40	7.10
Pratik Navin Agarwal	CFO	Director remuneration / Remuneration-Salary	0.80	1.18	-
		Interest on Loan / Interest Credited-Paid	4.85	21.54	3.56
		Total	5.65	22.72	3.56

Name of Person	Designation	Nature of Transactions	March'2026	March'2025	March'2024
Ashok Agarwal	Director	Director remuneration / Remuneration-Salary			
		Interest on Loan / Interest Credited-Paid	14.38	7.76	5.96
		Total	14.38	7.76	5.96
Total (Remuneration/Salary)			7.40	14.38	-
Total (Interest Credited/Paid)			42.39	47.45	20.67

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d) Transactions with Related Parties

Particulars	Relation	Nature of Transactions	March'2026	March'2025	March'2024
Ritesh Enterprise	Associates	Sales of Goods/Services	1.97	0.42	0.59
Anil Organic Pvt Ltd	Associates	Sales of Goods/Services	0.00	3.23	1.95
Ritesh Enterprise	Associates	Purchase	51.40	0.00	0.00
Pratik Enterprise	Associates	Purchase	54.10	0.00	0.00
Deepesh Agarwal	Relatives	Remuneration	0.00	6.60	0.00
Neelam Agarwal	Relatives	Remuneration	6.00	6.00	0.00
Neelam Agarwal	Relatives	Interest Credited / Paid	6.81	6.47	7.53
Anil Organic Pvt Ltd	Associates	Purchase	0.48	0.00	0.00
Deepesh Agarwal	Relatives	Interest Credited / Paid	2.50	4.02	6.35
Poonam Agarwal	Relatives	Interest Credited / Paid	2.47	6.76	3.23
Priti Agarwal	Relatives	Interest Credited / Paid	0.01	8.40	1.24
Poonam Manish Agarwal	Relatives	Interest Credited / Paid	0.00	3.27	2.40
Ritesh Agarwal	Relatives	Interest Credited / Paid	2.61	1.79	1.50
Pratik Enterprise	Associates	Interest Credited / Paid	1.72	21.54	0.00
Ritesh Enterprise	Associates	Interest Credited / Paid	11.18	12.43	0.00
Ashok Agarwal HUF	Relatives	Interest Credited / Paid	0.00	0.54	0.32
Anup Agarwal & Sons HUF	Relatives	Interest Credited / Paid	0.00	0.22	0.00
Ramniwas Agarwal & Sons HUF	Relatives	Interest Credited / Paid	0.00	0.19	0.00
Sakshi Ashok Agarwal	Relatives	Interest Credited / Paid	0.00	1.70	0.00
Hitika Navin Agarwal	Relatives	Interest Credited / Paid	0.00	0.04	0.43
Navin Agarwal HUF	Relatives	Interest Credited / Paid	0.00	0.41	0.00
Sanchit Ashok Agarwal	Relatives	Interest Credited / Paid	0.00	1.76	0.01
Deesh Agarwal HUF	Relatives	Interest Credited / Paid	0.00	0.64	0.00

Note 27 :- Disclosure under AS-20 "Earnings per share (EPS)" - As per Schedule attached

Note 28 :- Foreign currency Income/Expenditure
Foreign currency expenditure during the year

Particulars	March'2026	March'2025	March'2024
Import of Machinery	-	-	-
Foreign Traveling Expenses	-	-	-
Total	-	-	-

Foreign currency Income during the year

Particulars	March'2026	March'2025	March'2024
Export Sales	-	17.13	-

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Note: 29 Segment Reporting Disclosure**Description of Segment and Principle Activities**

The company is primarily engaged in the business of manufacturing and Trading of Textile Goods

Particulars	March-2026		March-2025		March-2024	
	Total Sales	% of Total Sales	Total Sales	% of Total Sales	Total Sales	% of Total Sales
A. Domestic sales	13087.22	100%	10671.78	99.84%	3829.97	100%
Total(A)	13087.22	100%	10671.78	99.84%	3829.97	100%
B. Export Sales including SEZ Sales			17.13			
Total(B)	-	0.00%	17.13	0.16%	0.00%	0.00%
Total (A+B)	13087.22	100%	10671.78	100.00%	3829.97	100.00%

Note 30 :- Liabilities Relating to Employee Benefits**(i) Defined Contribution plan****(ii) Defined benefit plan- Gratuity**

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. The plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned. The Company has not created any specific fund for this liability.

(a) Changes in present value of defined benefit obligations- Gratuity:

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components. (As per Report of TransValue Consultants)

Particulars	March'2026	March'2025	March'2024
Balance at the beginning of the year	19.40	10.85	-
Current service cost	-	-	-
Interest cost	1.26	0.77	-
Past service cost	4.03	7.53	10.85
Acquisition Adjustment	-	-	-
Actuarial (gains) losses recognised in other comprehensive income	-	-	-
Benefits paid	-8.47	0.25	-
Balance at the end of the year	16.22	19.40	10.85

(b) Expense recognised in profit or loss

For details about the related employee benefits expense, refer to note 22.

Particulars	March'2026	March'2025	March'2024
Current service cost	(3.18)	8.55	10.85
Interest cost	-	-	-
Past service cost	-	-	-
Net Actrual Loss/(Gain) recognised durring the year	-	-	-
Total	-3.18	8.55	10.85

(c) Remeasurements recognised in other comprehensive income

Particulars	March'2026	March'2025	March'2024
Actuarial (gain) / loss arising from experience adjustment	-	-	-

Particulars	March'2026	March'2025	March'2024
Actuarial (gain) / loss arising from change in financial assumptions	0.00	0.00	0.00
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	0.00	0.00	0.00
Total	0.00	0.00	0.00

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(d) Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	March'2026	March'2025	March'2024
Economic assumptions			
Discount rate	7.05%	6.70%	7.20%
Future salary growth	10.00%	10.00%	10.00%
Demographic assumptions			
Retirement age (Years)			
i) Director	75	75	75
ii) Others	58	58	58
Mortality table	100% of IALM (2012-14)	100% of IALM (2012-14)	100% of IALM (2012-14)
Attrition rate (Percentage)			
Up to 25 years	10% P.A.	10% P.A.	10% P.A.
From 25 to 35 years	8% P.A.	8% P.A.	8% P.A.
From 35 to 45 years	6% P.A.	6% P.A.	6% P.A.
From 45 to 55 years	4% P.A.	4% P.A.	4% P.A.
Above 55 years	2% P.A.	2% P.A.	2% P.A.

Risk exposure: The defined benefit plan is exposed to a number of risks, the most significant of which are detailed below: Change in discount rates: A decrease in discount yield will increase plan liabilities, Mortality table: The gratuity plan obligations are to provide benefits for the life of the member, so increase in life expectancy will result in an increase in plan liabilities, Future salary growth: Salary growth rate impact plan liabilities.

(e) Bifurcation of defined benefit obligation at the end of the year

Particulars	March'2026	March'2025	March'2024
Non-current	23.334	18.3152	10.49982
Current	0.48425	1.08595	0.35185
Total	23.82	19.40	10.85

**Gratuity Valuation has been obtained from independent Actuary Valuer*

(iii) Defined benefit plan- Leave Encashment & Compensated Absence liability

Leave encashment refers to the monetary compensation paid to an employee for unused leave days. This is typically provided under company policy or labor laws when an employee retires, resigns, or accumulates excess leave beyond a set limit. The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components. For details about the related employee benefits expense, refer to note 22.

Note 31: Disclosures in respect of operating leases are given as follows:

Future minimum lease payments payable under cancellable operating leases in aggregate for the followings periods:

Particulars	March'2026
With in 1 year	0.60
Between 1 and 2 years	0.60
Between 2 and 3 years	0.60
Between 3 and 4 years	0.60
Between 4 and 5 years	0.60
More than 5 years	0.60

Note 32 :- Accounting Ratios (As applicable)**Ratios — March'2026, March'2025, Variances**

Ratios	March'2026	March'2025	Variances
1. Current ratio	1.57	1.77	-11.47
2. Debt equity ratio	1.41	1.38	1.89
3. Debt service coverage ratio (Refer Below Note:-1)	3.76	1.05	257.88
4. Return on equity (Refer Below Note:-2)	40.02%	14.58%	174.49%
5. Inventory turnover ratio	6.13	8.56	-28.38
6. Trade receivables turnover ratio	3.89	5.89	-34.02
7. Trade payables turnover ratio	6.32	9.35	-32.35
8. Net capital turnover ratio (Refer Below Note:-3)	4.81	6.36	-24.33
9. Net profit ratio (Refer Below Note:-4)	8.74%	2.32%	277.15%
10. Return on capital employed (ROCE) (Refer Below Note:-5)	27.86%	26.96%	3.34%
11. Return on Investment			

Note: Reasons (for variance more than 25%)

1. Debt service coverage ratio: Earning available for debt service is increase, so there is change in Debt service coverage ratio.
2. Return on Equity ratio: Shareholders Fund is increase ,so there is change in Return Equity ratio.
3. Inventory Turnover ratio: Inventory is increase ,so there is change in Inventory Turnover ratio.
4. Trade Receivable Turnover ratio: Trade Receivable is increase ,so there is change in Trade Receivable Turnover ratio.
5. Trade Payable Turnover ratio: Trade Payable is increase ,so there is change in Trade Payable Turnover ratio.
6. Net capital turnover ratio: Net Working Capital is Increase, so there is change in Net capital turnover ratio
7. Net profit ratio: Increase in net profit after tax, so there is change in Net Profit Ratio
8. Return on capital employed (ROCE): Increase in Earning Before Interest & Tax (EBIT) , so there is change in Return on Capital Employed (ROCE)

Ratios — March'2025, March'2024, Variances

Ratios	March'2025	March'2024	Variances
1. Current ratio	1.77	1.40	26.56
2. Debt equity ratio	1.38	2.22	-37.62
3. Debt service coverage ratio (Refer Below Note:-1)	1.05	1.67	-37.05
4. Return on equity (Refer Below Note:-2)	14.58%	8.28%	76.05%
5. Inventory turnover ratio	8.56	3.04	181.51
6. Trade receivables turnover ratio	5.89	3.67	60.38
7. Trade payables turnover ratio	9.35	3.70	152.73
8. Net capital turnover ratio (Refer Below Note:-3)	6.36	7.22	-11.90
9. Net profit ratio (Refer Below Note:-4)	2.32%	1.08%	115.15%
10. Return on capital employed (ROCE) (Refer Below Note:-5)	26.96%	7.55%	257.22%
11. Return on Investment			

Note: Reasons (for variance more than 25%)

1. Debt service coverage ratio: Earning available for debt service is increase, so there is change in Debt service coverage ratio.
2. Return on Equity ratio: Net profit after tax is increase ,so there is change in Return Equity ratio.
3. Net capital turnover ratio: Net Working Capital is decrease, so there is change in Net capital turnover ratio
4. Net profit ratio: Increase in net profit after tax, so there is change in Net Profit Ratio
5. Return on capital employed (ROCE): Increase in Earning Before Interest & Tax (EBIT) , so there is change in Return on Capital Employed (ROCE)

Ratios — As at 31 March 2024, As at 31 March 2023, Variances

Ratios	As at 31 March 2024	As at 31 March 2023	Variances
1. Current ratio	1.40	1.57	10.95
2. Debt equity ratio (Refer Below Note:-1)	2.22	34.73	-93.61
3. Debt service coverage ratio	1.67	5.47	-69.47
4. Return on equity	8.28%	0.66%	1154.84%
5. Inventory turnover ratio (Refer Below Note:-2)	3.04	11.34	-73.18
6. Trade receivables turnover ratio	3.67	2.99	22.84
7. Trade payables turnover ratio (Refer Below Note:-3)	3.70	17.76	-79.18
8. Net capital turnover ratio (Refer Below Note:-4)	7.22	5.76	25.37
9. Net profit ratio (Refer Below Note:-5)	1.08%	0.01%	10676.98%
10. Return on capital employed (ROCE)	7.55%	4.84%	55.96%
11. Return on Investment			

Note: Reasons (for variance more than 25%)

1. Debt equity ratio : Shareholders' equity is high increase as compared to debts, so there is change in Debt Equity Ratio
2. Inventory turnover ratio : Turnover is high increase as compared to average inventories, so there is change in Inventory turnover ratio
3. Trade payables turnover ratio : Average Trade Payables are decrease, so there is change in Trade payables turnover ratio
4. Net capital turnover ratio: Net Capital is increase, so there is change in Net capital turnover ratio
5. Net profit ratio: Increase in net profit after tax, so there is change in Net Profit Ratio

(v) There are no creation yet to be registered by the company

Note: 37 Additional Disclosure

(iii) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(ii) The Company has not been declared as willful defaulter by any bank or financial Institution or other lender.

Note 35: The Company has conducted the Impairment test as of 31st March, 2026 as per AS-28 "impairment of Assets" and found that recoverable amount of the assets is not less than the carrying amount.

Note 34: Claim against the company not acknowledge as debt –NIL

Note 33: Balance of Secured Loans, Debtors & Creditors are subject to confirmations.

Note 36: Previous year figures have been regrouped and reclassified where necessary for the purpose of comparison.

(i) The Company does not own or has its name any benami Property ,No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(iv) There are no transaction which involved undisclosed income during the year in the tax assessments under the Income Tax Act, 1961.

(vii) There are no funds which have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

a) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or

b) provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(viii) The company (as per the provision of the core investment companaies (Reserve Bank) direction, 2016) has no CICs as part of the company

(x) No loans or advances in the nature of loans are granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, (a) that repayable on demand or (b) without specifying any terms or period of repayment.

(vi) There are no funds which 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise,

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company,or

b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(xiii) Corporate Social Responsibility (CSR) U/s 135 of Company Act, 2013 is not applicable to the compnay
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(xii) The Company has complied with the number of layers prescribed under Companies Act, 2013.

(xi) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(ix) The Company's immovable property title deeds are held only in the name of the Company.

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Note: Value related to financial year 2022-23 taken as stand alone basis and value of financial year 2023-24 is taken merged value of all three companies, so it is not comparable. (₹ in lakhs, unless otherwise stated)

Ratio	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Restated PAT as per statement of profit and loss (A)	1143.38	247.54	41.55
No. of equity shares at the beginning of the year (B) (in numbers)	900557	317000	317000
Weighted average number of equity shares at the end of the year before bonus issue (in numbers)	900557	900557	317000
Equivalent weighted average number of equity shares at the end of the year (after bonus) (in numbers)	17110583	17110583	6023000
No. of equity shares at the end of the year, adjusted for bonus (c) (in numbers)	17110583	17110583	6023000
Net worth, as restated (D)	2857.26	1697.52	501.55
Current assets	7523.54	3862.56	1865.21
Current liabilities	4803.11	2183.09	1334.77
Earnings per share (Basic and Diluted) (₹)			
Pre-bonus	126.96	27.49	13.11
Post-bonus	6.68	1.45	0.69
Return on net worth (%) (A/D)	40.02%	14.58%	8.28%
Net asset value per equity share after bonus (₹) (D/C)	16.70	9.92	8.33
Current ratio (times)	1.57	1.77	1.40
EBITDA	1704.53	932.96	187.16
Nominal value per equity share (₹)	10	10	10

Notes:

1. Pursuant to the resolution of the shareholders dated 01.09.2026, the Company allotted 1,62,10,026 fully paid equity shares of ₹10 each as bonus shares on 10.09.2026 in the ratio of 18 equity shares for every 1 equity share held, by capitalisation of ₹1,621.00 lakhs from securities premium as well as surplus in the statement of profit and loss]. As required by AS 20, Earnings per Share, basic and diluted earnings per share for all periods presented have been computed on the basis of the increased number of equity shares, as if the bonus issue had occurred at the beginning of the earliest period presented.
2. The 5,83,557 equity shares allotted in FY 2024-25 under the Scheme of Amalgamation (amalgamation in the nature of merger) are included in the weighted average number of equity shares from 1 April 2024 (AS 20, para 18).
3. The Company has no potential equity shares; diluted EPS is therefore equal to basic EPS.
4. Net worth = equity share capital + reserves and surplus. Return on net worth = A / D. Net asset value per share = D / C.
5. EBITDA = profit before tax + finance costs + depreciation and amortisation expense - other income.
6. Anil Organics Private Limited became a wholly owned subsidiary on 5 March 2026. For FY 2024-25 and FY 2023-24 the Company had no subsidiary and the figures are those of the Company.
7. The above statement should be read with the significant accounting policies and notes to the restated consolidated summary statements of assets and liabilities, profits and losses and cash flows.

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Note 38:- Restated Statement of Tax Shelter

Particulars	March'2026	March'2025	March'2024
Net Profit/(Loss) before taxes (A)	1,395.67	473.63	58.14
Tax Rate Applicable %	0.25	25.17%	25.17%
Minimum Alternate Taxes (MAT)	-		
Adjustments	-		
Add: Depreciation	179.32	169.89	67.27
Add: Loss on sale of fixed assets	-	-	-
Add: Gratuity provision	(3.18)	8.55	10.85
Add: Leave Encashment Expenses	-	-	-
Add: Provision for Bonus	-	-	-
Add: Provision for Interest on MSME	-	-	-
Add: Provision for Lease Rent Equalisation	-	-	-
Add: CSR Expenses Incurred	-	-	-
Add: Donation	-	-	-
Add: Disallowance under Income Tax Act, 1961	-	-	-
Less:- Expenses on which provision of tax made in earlier year	-		
Less: Taxable under other heads of income	-	-	-
Less: Depreciation as per Income Tax Act, 1961	(172.10)	(165.38)	(54.89)
Less: allowed expenses on payment basis	-	-	-
Less: Deffered Tax Credit Adjusted for computation of Tax under 115JB of Income Tax Act	NA	NA	-
Net Adjustments (B)	4.04	13.06	23.24
Business Income (A+B)	1,399.71	486.70	81.37
Income from Capital Gain	-	-	-
Sale Consideration	-	-	-
Less: Cost of Accuquisition	-	-	-
Long/ Short Term Capital Gain	-	-	-
Less: Bought Forward Capital Gain	-	-	-
Income from Other Sources (Interest Income)	-	-	-
Interest on Income Tax Refund	-	-	-
Interest on security Deposit	-	-	-
Damages and claims received	-		-
Gross Total/ Taxable Income	1,399.71	486.70	81.37
Less: Deductions U/S 80JJAA	-		-
Net Total /Taxable Income	1,399.71	486.70	81.37
Tax Payable as per Normal Rate@25%	NA	NA	NA

Particulars	March'2026	March'2025	March'2024
Tax payable as per New Regime (u/s 115BAC)	352.28	122.49	20.48
Tax Provision of Subsidiary	7.29	-	-
Interest Payable on above	-	-	-
Tax as pe Income Tax (C)	359.57	122.49	20.48
Tax Payable as per Minimum Alternate Tax U/S 115JB of the Income Tax Act, 1961	NA	NA	13.58
Interest Payable on above	-	-	-
Tax as per MAT (D)	NA	NA	13.58
Net Tax (Higher of C & D)	359.57	122.49	20.48
Current tax as per restated Statement of Profit & Loss	359.57	122.49	20.48

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Note 39:- Statement of Capitalisation

PARTICULARS	Pre-Offer March 2026	Post-Offer
Debt		
- Short Term Debt	2,870.60	
- Long Term Debt (including current Maturity)-A	1,169.58	
Total Debt (B)	4,040.18	
Shareholders' Fund (Equity)		
- Share Capital	90.06	
- Reserves & Surplus	2,767.19	
- Less: Miscellaneous Expenses not Written-off	-	
Total Shareholders' Fund (Equity) - C	2,857.25	
Long Term Debt / Equity (In Ratio)- (A/C)	0.41	
Total Debt / Equity (In Ratio)-- (B/C)	1.41	

Notes:-

1. Short Term Debts represent which are expected to be paid/payable within 12 months and exclude installments of Term Loans repayable within 12 months.
2. Long Term Debts represent debts other than Short Term Debts as defined above but include installments of Term Loans repayable within 12 months grouped under current liabilities.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.03.2026.
4. The post issue capitalization will be determined only after the completion of the allotment of Equity Shares.
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Note 40:- Restated Statement of Adjustments to Audited Financial Statements**(1) Reconciliation of Restated Profit:**

The reconciliation of Profit after tax as per audited financial statements and the Profit after tax as per Restated Financial statements is presented below. This summarizes the results of treatments made in the audited accounts for the respective years and its impact on the profit/loss of the company.

Particulars	For the year ended March'2026	For the year ended 2025	For the year ended 2024
A. Profit after tax as per audited financial statements	1,023.50	357.75	49.95
B. Effect of Restated			
(i) Adjustments on account of change in accounting policies:	-	0.00	0.00
Total (i)	0.00	0.00	0.00
(ii) Other material adjustments			
(i) Interest on MSME	-	0.00	0.00
Employees benefit expenses:-			
i) Gratuity	(19.40)	8.55	10.85
ii) Leave Encashment	-	0.00	0.00
iii) Bonus	-	0.00	0.00
iv) Interest on GST	-	0.00	0.00
v) Interest on TDS & Demand	-	0.00	0.00
vi) Depreciation	(0.03)	0.00	0.00
Cost of material consumed	-	0.00	0.00
Other expenses including Interest on loan added back	-	0.00	0.00
Income tax Adjustments	-	0.00	0.00
(ii) Provision for Taxation (Liability) as per Audited	(387.53)	(106.56)	(20.94)
(ii) Provision for Taxation (Liability) as per RFS	359.57	122.49	21.22
Deferred Tax Adjustment			
(i) Deferred tax as per Audited	8.84	(17.59)	1.90
(ii) Deferred tax as per RFS	(81.33)	103.31	(4.64)
Total (ii)	(119.89)	110.21	8.40
(iii) Audit Qualifications:	-	-	-
Total (iii)	-	-	-
Total (B=i+ii+iii)	(119.89)	110.21	8.40
Restated profit after tax	1,143.39	247.54	41.55
As per RFS P&L Account	1,143.38	247.54	41.55
Diff	-	-	-

(2) Reconciliation of Restated Shareholders Funds:

The reconciliation of Shareholder's funds as per Audited financial statements and Shareholder's funds as per Restated financial statements is presented below. Thus summarizes the results of restatements made in the audited accounts for the respective years and its impact on Shareholder's funds of the company.

Particulars	March'2026	March'2025	March'2024
Shareholder's Fund as per audited financial statements	2,838.79	1816.12	459.99
(i) Adjustments on account of acquisition of Subsidiary (Note 1)	18.28	0.00	0.00
(ii) Differences carried over pertaining to changes in Profit/Loss due to Restated Effect for the period covered in Restated Financial	(118.61)	(8.40)	49.95
(iii) Differences pertaining to changes in Profit/Loss due to Restated Effect for the period covered in Restated Financial	131.32	(110.21)	(8.40)
(iv) Other material adjustments # : Dividend Distributed	-	0.00	0.00
(v) Other material adjustments # : Income Tax Adjustment	(12.53)	0.00	
(vi) Audit Qualifications:	-	0.00	0.00
Restated Shareholder's funds	2,857.26	1697.52	501.55
As per BS(RFS)	2,857.26	1697.52	501.55
Diff	-	-	-

Note 1 - Anil Fashions Limited has acquired 100% Equity shares of Anil Organics Private Limited on 05.03.2026 for an amount of Rs. 181.76 Lakhs. While preparing the Restated Consolidated Financial Statements Investment in AOPL has been netted off against the Reserve & Surplus of AOPL giving rise to Capital Reserve.
(This space is left intentionally blank)

Anil Fashions Limited*(Formerly known as Sanchem Fabrics Limited)*

CIN - U13990GJ1999PLC035368

Note 41 :- Restated Statement of Contingent Liabilities

Particulars	March'2026	March'2025	March'2024
Claims against the company not acknowledged as Debt	-	-	-
Guarantees	62.46	43.60	-
Disputed Statutory Dues	59.49	50.98	50.98
	-	-	-
Total	121.95	94.58	50.98

As per our report of even date
For B. M. Saraf & Company
Firm registration number: 109239W
Chartered Accountants

On behalf of the board of directors
Anil Fashions Limited

Sd/-
Umang Saraf
Partner
Membership
117954

Place: Ahmedabad
Date: 25.09.2026

Sd/-
Ashok Agarwal
Director
No.: DIN: 01790639

Place: Ahmedabad
Date: 25.09.2026

Sd/-
Navin Agarwal
Director
DIN: 0790629

Place: Ahmedabad
Date: 25.09.2026

Sd/-
Pratik Agarwal
Chief Financial Officer

Place: Ahmedabad
Date: 25.09.2026

Sd/-
Raina Singh
Company Secretary

Place: Ahmedabad
Date: 25.09.2026

ANIL FASHIONS LIMITED
(Formerly known as Sanchem Fabrics Limited)
CIN: U13990GJ1999PLC035368

NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL INFORMATION

(All amounts in ₹ lakhs, unless otherwise stated)

Note 1: Corporate Information

Anil Fashions Limited (formerly known as Sanchem Fabrics Limited) ("the Company" or "the Holding Company") is a public limited company incorporated in India in 1999 under the provisions of the Companies Act, 1956, with Corporate Identification Number U13990GJ1999PLC035368. Its registered office is situated at Survey No. 169, Opp. Bharwad Vaas, Piplej Pirana Road, Piplej, Ahmedabad, Gujarat, 382405, Ahmedabad, Gujarat. The Company changed its name from Sanchem Fabrics Limited to Anil Fashions Limited with effect from 20th February 2026.

The Company is engaged in the business of manufacture and trading of textile fabrics, masks and allied products. **Amalgamation:** Pursuant to the Scheme of Amalgamation sanctioned by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, vide its order dated 20th November 2025 ("the Scheme"), Anil Fashions Private Limited and Gray Solutions Private Limited were amalgamated with the Company with effect from the appointed date of 1 April 2024. In consideration, the Company allotted 5,83,557 fully paid-up equity shares of ₹ 10 each, comprising 3,43,434 equity shares to the shareholders of Anil Fashions Private Limited and 2,40,123 equity shares to the shareholders of Gray Solutions Private Limited.

Subsidiary: On 5 March 2026, the Company acquired 2,56,000 equity shares of ₹ 10 each, constituting 100% of the equity share capital of Anil Organics Private Limited ("AOPL" or "the Subsidiary"), a company incorporated in India and engaged in the business of trading of dyes and textile chemicals. The Company and its Subsidiary are together referred to as "the Group". Details of the Subsidiary are as under:

Name of the entity	Relationship	Country of incorporation	Proportion of ownership as at 31.03.2026	Proportion of ownership as at 31.03.2025	Proportion of ownership as at 31.03.2024
Anil Organics Private Limited	Wholly owned subsidiary (with effect from 5 March 2026)	India	100%	Not applicable	Not applicable

Proposed issue: The Company proposes to undertake an initial public offer of its equity shares on the SME Platform of Bombay Stock Exchange ("the Offer"). The Restated Consolidated Financial Information was approved by the Board of Directors of the Company at its meeting held on 25th September 2026.

Note 2: Significant Accounting Policies

2.1 Basis of preparation of the Restated Consolidated Financial Information

The Restated Consolidated Financial Information of the Group comprises the Restated Consolidated Summary Statement of Assets and Liabilities as at 31 March 2026, 31 March 2025 and 31 March 2024, the Restated Consolidated Summary Statement of Profit and Loss and the Restated Consolidated Summary Statement of Cash Flows for the years then ended, together with the Significant Accounting Policies and other explanatory notes (collectively, "the Restated Consolidated Financial Information").

The Restated Consolidated Financial Information has been prepared specifically for inclusion in the offer document to be filed by the Company in connection with the Offer, in accordance with the requirements of:

- Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act"), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014;
- the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
- the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended.

The Restated Consolidated Financial Information has been compiled from the audited consolidated financial statements of the Group for the year ended 31 March 2026 and the audited standalone financial statements of the

Company for the years ended 31 March 2025 and 31 March 2024. As the Company had no subsidiary during the years ended 31 March 2025 and 31 March 2024, the figures for those years are those of the Company.

The underlying financial statements have been prepared under the historical cost convention, on the accrual basis of accounting and on a going concern basis, and comply in all material respects with the Accounting Standards notified under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, and the other relevant provisions of the Act. They are presented in the format prescribed under Division I of Schedule III to the Act.

The Restated Consolidated Financial Information reflects the effect of changes in accounting policies, applied retrospectively in each of the years presented, and adjustments for material amounts in the respective years to which they relate. It has been regrouped and reclassified, wherever necessary, to conform to the groupings and accounting policies adopted for the year ended 31 March 2026. There are no audit qualifications requiring adjustment. The restatement adjustments and their impact are set out in Note 40.

All amounts are presented in Indian Rupees (₹) in lakhs and rounded off to two decimals, unless otherwise stated.

2.2 Principles of consolidation

The consolidated financial statements have been prepared in accordance with Accounting Standard (AS) 21, "Consolidated Financial Statements", on the following basis:

- (a) **Line-by-line aggregation:** The financial statements of the Company and its Subsidiary are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses.
- (b) **Intra-group eliminations:** Intra-group balances and intra-group transactions, and unrealised profits resulting therefrom, are eliminated in full. Unrealised losses resulting from intra-group transactions are also eliminated unless the cost cannot be recovered.
- (c) **Inclusion from the date of control:** The results of the Subsidiary are included in the consolidated financial statements from 5 March 2026, being the date on which control was acquired. Profits of the Subsidiary up to that date are pre-acquisition profits and form part of its equity at the date of acquisition.
- (d) **Goodwill or capital reserve:** The excess of the cost to the Company of its investment in the Subsidiary over the Company's portion of the equity of the Subsidiary, measured at book value at the date of acquisition, is recognised as goodwill. Where the cost of investment is lower than the Company's portion of such equity, the difference is recognised as a capital reserve on consolidation. The capital reserve of ₹ 25.20 lakhs arising on the acquisition of AOPL is presented within Reserves and Surplus and is neither amortised nor credited to the Statement of Profit and Loss.
- (e) **Minority interest:** As the Subsidiary is wholly owned, there is no minority interest.
- (f) **Reporting date:** The financial statements of the Subsidiary are drawn up to the same reporting date as that of the Company, being 31 March.
- (g) **Uniform accounting policies:** The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's standalone financial statements.
- (h) **2.3 Use of estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities. Significant estimates include the useful lives of property, plant and equipment, provisions for employee benefits, provision for income tax and the recoverability of deferred tax assets. Actual results may differ from these estimates. Revisions to accounting estimates are recognised prospectively in the period in which they are revised.

2.4 Current and non-current classification

Assets and liabilities are classified as current or non-current in accordance with the criteria set out in Division I of Schedule III to the Act. Based on the nature of its operations and the time between the acquisition of inputs for processing and their realisation in cash and cash equivalents, the Group has determined its operating cycle as twelve months.

2.5 Property, plant and equipment (AS 10)

Property, plant and equipment are stated at cost, net of recoverable taxes, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, including non-refundable duties and taxes, borrowing costs attributable to qualifying assets and any directly attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure is capitalised only if it is probable that future

economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Gains or losses arising on the disposal of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss. Capital work in progress comprises the cost of assets that are not yet ready for their intended use at the balance sheet date.

2.6 Depreciation

Depreciation on property, plant and equipment is provided on the written down value method at the rates determined on the basis of the useful lives prescribed in Part C of Schedule II to the Act, with a residual value of 5% of the original cost. Depreciation on additions and disposals during the year is provided on a pro-rata basis from, or up to, the date of such addition or disposal. Freehold land is not depreciated.

2.7 Impairment of assets (AS 28)

At each balance sheet date, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset, being the higher of its net selling price and its value in use, is estimated. An impairment loss is recognised in the Statement of Profit and Loss where the carrying amount of the asset exceeds its recoverable amount. An impairment loss recognised in earlier years is reversed where there has been a change in the estimate of the recoverable amount.

2.8 Investments (AS 13)

Investments that are readily realisable and intended to be held for not more than one year from the date of acquisition are classified as current investments; all other investments are classified as long-term investments. Current investments are carried at the lower of cost and fair value. Long-term investments are carried at cost, less provision for diminution in value, other than temporary, if any. The Company's investment in its Subsidiary is eliminated on consolidation.

2.9 Inventories (AS 2)

Inventories are valued at the lower of cost and net realisable value. The cost of raw materials, packing materials, consumables and traded goods is determined on a first-in, first-out (FIFO) basis and includes the purchase price, non-recoverable taxes and other costs incurred in bringing the inventories to their present location and condition. The cost of work in progress and finished goods includes direct materials, direct labour and a proportion of manufacturing overheads based on normal operating capacity. Net realisable 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.

2.10 Revenue recognition (AS 9)

- **Sale of goods:** Revenue from the sale of goods is recognised when the significant risks and rewards of ownership are transferred to the buyer, which generally coincides with dispatch or delivery, and no significant uncertainty exists as to its collectability. Revenue is stated net of goods and services tax, returns, trade discounts and rebates.
- **Commission income:** Commission income is recognised when the right to receive it is established.
- **Job work income:** Job work income, if any, is recognised when the related services are rendered.
- **Interest income:** Interest income is recognised on a time proportion basis, taking into account the amount outstanding and the applicable rate of interest.

2.11 Employee benefits (AS 15)

- **Short-term employee benefits:** Short-term employee benefits are recognised as an expense at the undiscounted amount in the year in which the related service is rendered.
- **Defined contribution plans:** Contributions to the provident fund and employees' state insurance schemes are charged to the Statement of Profit and Loss in the year in which the contributions fall due.
- **Defined benefit plan:** The liability for gratuity under the Payment of Gratuity Act, 1972 is determined on the basis of an actuarial valuation carried out by an independent actuary at each balance sheet date, using the projected unit credit method. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

2.12 Borrowing costs (AS 16)

Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of that asset until it is ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

2.13 Foreign currency transactions (AS 11)

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Monetary items denominated in foreign currency and outstanding at the balance sheet date are translated at the closing exchange rate. Exchange differences arising on settlement or translation are recognised in the Statement of Profit and Loss.

2.14 Taxes on income (AS 22)

Tax expense comprises current tax and deferred tax. Current tax is determined on the basis of the taxable income computed in accordance with the provisions of the Income-tax Act, 1961. Deferred tax is recognised on timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods, measured using the tax rates and tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which they can be realised. Where there is unabsorbed depreciation or carried forward business loss, deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence. In the consolidated financial statements, the tax expense represents the aggregate of the amounts recognised in the separate financial statements of the Company and the Subsidiary.

2.15 Provisions, contingent liabilities and contingent assets (AS 29)

A provision is recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value. Contingent liabilities are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

2.16 Leases (AS 19)

Leases under which the lessor retains substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Lease payments under operating leases are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

2.17 Amalgamation (AS 14)

The amalgamation of Anil Fashions Private Limited and Gray Solutions Private Limited with the Company is an amalgamation in the nature of merger and has been accounted for under the pooling of interests method prescribed in AS 14, "Accounting for Amalgamations", in accordance with the accounting treatment set out in the Scheme. The assets, liabilities and reserves of the transferor companies have been recorded at their existing carrying amounts with effect from the appointed date. The difference between the share capital issued by the Company and the share capital of the transferor companies has been adjusted in Capital Reserve, as provided in the Scheme. Consistent with AS 14, the figures for the year ended 31 March 2024 are those of the Company prior to the amalgamation and have not been restated.

2.18 Earnings per share (AS 20)

Basic earnings per share is computed by dividing the consolidated net profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Equity shares issued pursuant to the Scheme, being an amalgamation in the nature of merger, are included in the weighted average number of equity shares from the beginning of the year in which they were issued. The Group does not have any dilutive potential equity shares; accordingly, diluted earnings per share is the same as basic earnings per share.

Subsequent to the balance sheet date, the Company allotted 1,62,10,026 fully paid-up bonus equity shares of ₹ 10 each on 10th September 2026 in the ratio of 18 equity shares for every 1 equity share held. In accordance with AS 20, basic and diluted earnings per share for all the years presented have been computed on the basis of the increased number of equity shares, as if the bonus issue had occurred at the beginning of the earliest year presented.

2.19 Cash flow statement (AS 3)

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments,

and items of income or expense associated with investing or financing cash flows. Cash flows arising on the acquisition of the Subsidiary are presented as a single investing cash flow, net of the cash and cash equivalents acquired. Cash and cash equivalents comprise cash on hand, balances with banks and short-term, highly liquid investments with original maturities of three months or less.

2.20 Segment reporting (AS 17)

The Group's operations predominantly relate to textile fabrics, Masks and allied products, which management considers to be a single business segment. The Group's operations are predominantly within India and, accordingly, no separate geographical segment disclosure is required. The revenue of the Subsidiary for the post-acquisition period does not meet the quantitative thresholds for a separate reportable segment.

2.21 Events after the balance sheet date (AS 4)

Adjustments are made to the amounts of assets and liabilities for events occurring after the balance sheet date that provide additional information materially affecting the determination of amounts relating to conditions existing at the balance sheet date. Events that do not relate to conditions existing at the balance sheet date are disclosed where material. The bonus issue made after 31 March 2026 is a non-adjusting event; it has been disclosed and reflected only in the computation of earnings per share, as required by AS 20.

The accompanying notes form an integral part of the Restated Consolidated Financial Information.

As per our report of even date		On behalf of the board of directors		
For B. M. Saraf & Company		Anil Fashions Limited		
Firm registration number: 109239W				
Chartered Accountants				
Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
Umang Saraf	Ashok Agarwal	Navin Agarwal	Pratik Agarwal	Raina Singh
Partner	Director	Director	Chief Financial Officer	Company Secretary
Membership	No.: DIN: 01790639	DIN: 0790629		
117954				
Place: Ahmedabad	Place: Ahmedabad	Place: Ahmedabad	Place: Ahmedabad	Place: Ahmedabad
Date: 25.09.2026	Date: 25.09.2026	Date: 25.09.2026	Date: 25.09.2026	Date: 25.09.2026

PROFORMA CONSOLIDATED FINANCIAL INFORMATION

INDEPENDENT AUDITOR’S REPORT ON THE COMPILATION OF PROFORMA CONSOLIDATED FINANCIAL INFORMATION INCLUDED IN THE DRAFT PROSPECTUS IN CONNECTION WITH THE PROPOSED INITIAL PUBLIC OFFERING OF ANIL FASHIONS LIMITED (FORMERLY KNOWN AS SANCHEM FABRICS LIMITED)

To,
The Board of Directors
Anil Fashions Limited
(Formerly known as Sanchem Fabrics Limited)
Survey No. 169, Piplej Pirana Road,
Opp. Bharwad Vaas, Piplej,
Ahmedabad, Gujarat, India – 382405

Dear Sirs,

We have completed our assurance engagement to report on the compilation of the proforma consolidated financial information of **Anil Fashions Limited (formerly known as Sanchem Fabrics Limited)** (the “**Company**”). The proforma consolidated financial information consists of the Proforma Consolidated Statement of Assets and Liabilities as at March 31, 2026, March 31, 2025 and March 31, 2024 and the Proforma Consolidated Statement of Profit and Loss for each of the years ended March 31, 2026, March 31, 2025 and March 31, 2024, read with the notes thereto (the “**Proforma Financial Information**”). The Proforma Financial Information has been prepared by the management of the Company and approved by the Board of Directors of the Company at its meeting held on September 25, 2026, in accordance with the requirements of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “**SEBI ICDR Regulations**”).

The Proforma Financial Information has been compiled by the management of the Company to illustrate the impact of the acquisition of **Anil Organics Private Limited (“AOPL”)**, which became a wholly owned subsidiary of the Company with effect from March 5, 2026 upon the purchase by the Company of 2,56,000 equity shares of ₹10 each, constituting 100% of the equity share capital of AOPL, from its existing shareholders for a consideration of ₹181.76 lakhs, as set out in the basis of preparation in Note 2 to the Proforma Financial Information. The Proforma Financial Information illustrates the impact of the acquisition on the financial position of the Company as at March 31, 2026, March 31, 2025 and March 31, 2024 and on its financial performance for each of the years then ended, as if the acquisition had taken place on April 1, 2023.

Anil Fashions Private Limited (“**AFPL**”) and Gray Solutions Private Limited (“**GSPL**”) (together, the “**Transferor Companies**”) have been amalgamated with Sanchem Fabrics Limited pursuant to the Scheme of Amalgamation sanctioned by the Hon’ble National Company Law Tribunal, Ahmedabad Bench, by its order dated November 20, 2025, with effect from the appointed date of April 1, 2024. Consequent to the amalgamation, the name of Sanchem Fabrics Limited was changed to Anil Fashions Limited. The restated consolidated financial statements of the Company give effect to the amalgamation, accounted for under the pooling of interests method, from the appointed date. For the year ended March 31, 2024, the Proforma Financial Information additionally includes the financial information of the Transferor Companies, as if the amalgamation had taken place on April 1, 2023, as set out in Note 2 to the Proforma Financial Information.

As a part of this process, information about the financial position and financial performance of the Company and AOPL has been extracted by the management from the following financial statements:

- a) the restated consolidated financial statements of the Company as at and for the years ended March 31, 2026, March 31, 2025 and March 31, 2024, on which we have issued our examination report dated September 25, 2026, and the audited standalone financial statements of the Company for the year ended March 31, 2026, audited by us;
- b) the audited standalone financial statements of AOPL for the years ended March 31, 2026, March 31, 2025 and March 31, 2024, audited by us, on which we have issued unmodified opinions in our reports; and
- c) the audited standalone financial statements of the Transferor Companies for the years ended March 31, 2025 and March 31, 2024, audited by their statutory auditors, M/s S C Bohara & Associates, Chartered

Accountants (FRN: 160992W), who have expressed unmodified opinions in their reports for the respective years.

We have examined the Proforma Financial Information and, for the purpose of our examination, have placed reliance on the above financial statements.

Management's Responsibility for the Proforma Financial Information

The management of the Company is responsible for compiling the Proforma Financial Information on the basis stated in Note 2 to the Proforma Financial Information, which has been approved by the Board of Directors of the Company. This responsibility includes designing, implementing and maintaining internal control relevant to the compilation of Proforma Financial Information that is free from material misstatement, whether due to fraud or error. The management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including the provisions of the laws and regulations relating to the compilation of proforma financial information.

Auditor's Responsibilities

Our responsibility is to express an opinion, as required by the SEBI ICDR Regulations, on whether the Proforma Financial Information has been compiled, in all material respects, by the management of the Company on the basis stated in Note 2 to the Proforma Financial Information.

We conducted our engagement in accordance with the Standard on Assurance Engagements (SAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the Institute of Chartered Accountants of India (the "ICAI"). This Standard requires that we comply with the ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the management of the Company has compiled, in all material respects, the Proforma Financial Information on the basis stated in Note 2 to the Proforma Financial Information.

For the purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Proforma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Proforma Financial Information, other than our examination of the restated consolidated financial statements of the Company referred to above.

The purpose of the Proforma Financial Information included in the Draft Prospectus is solely to illustrate the impact of the acquisition of AOPL on the unadjusted financial information of the Company as if the acquisition had taken place on April 1, 2023. Accordingly, we do not provide any assurance that the actual outcome of the acquisition at April 1, 2023 would have been as presented.

A reasonable assurance engagement to report on whether the Proforma Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the management of the Company in the compilation of the Proforma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the acquisition, and to obtain sufficient appropriate evidence about whether:

- the related proforma adjustments give appropriate effect to those criteria; and
- the Proforma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Company, the acquisition in respect of which the Proforma Financial Information has been compiled, and other relevant engagement circumstances.

Our work consisted primarily of comparing the respective columns in the Proforma Financial Information with the underlying restated or audited historical financial information, as the case may be, considering the evidence supporting the proforma adjustments and reclassifications, performing procedures to assess whether the basis of preparation of the Proforma Financial Information explained in the notes thereto provides a reasonable basis for presenting the significant effects directly attributable to the acquisition of AOPL, and discussing the Proforma Financial Information with the management of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary to provide us with sufficient evidence to issue this report. This engagement did not involve an independent examination of the underlying financial information. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our work has not been carried out in accordance with the auditing or other standards and practices generally accepted in any jurisdiction other than India, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion, the Proforma Financial Information of the Company as at and for each of the years ended March 31, 2026, March 31, 2025 and March 31, 2024, read with the significant accounting policies and notes thereto, has been compiled, in all material respects, on the basis stated in Note 2 to the Proforma Financial Information, in accordance with the SEBI ICDR Regulations and SAE 3420 issued by the ICAI.

Other Matter

The financial statements of the Transferor Companies for the years ended March 31, 2025 and March 31, 2024, included in the Proforma Financial Information, have been audited by M/s S C Bohara & Associates, Chartered Accountants (FRN: 160992W), whose reports have been furnished to us by the management and on which we have placed reliance. Our opinion, in so far as it relates to the amounts included in respect of the Transferor Companies, is based solely on the reports of M/s S C Bohara & Associates. Our opinion is not modified in respect of this matter.

Restrictions on Use

This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports or examination reports issued by us or by any other chartered accountants.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Draft Prospectus and the Prospectus prepared in connection with the proposed initial public offering of the equity shares of the Company, to be filed by the Company with the SME Platform of BSE Limited and the Registrar of Companies, Gujarat at Ahmedabad. Our report should not be used, referred to or distributed for any other purpose except with our prior written consent. 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 B. M. Saraf & Company

Chartered Accountants

Firm Registration No.: 109239W

Peer Review Certificate No.: 026180

Sd/-

CA Umang Saraf

Partner

Membership No.: 117954

UDIN: 26117954HSFJEU6318

Place: Ahmedabad

Date: 25.09.2026

Anil Fashions Limited
(Formerly known as Sanchem Fabrics Limited CIN - U13990GJ1999PLC035368)

Proforma Consolidated Restated Summary Statement of Assets and Liabilities :-

Particulars	Notes	Financial Year 2025-26				Financial Year 2024-25				Financial Year 2023-24					
		Anil Fashions Limited	Anil Organic Private Limited	Proforma Adjustments	Proforma Consolidated	Anil Fashions Limited	Anil Organic Private Limited	Proforma Adjustments	Proforma Consolidated	Anil Fashions Private Limited	Anil Fashions Private Limited	Gray Solutions Private Limited	Anil Organic Private Limited	Proforma Adjustments	Proforma Consolidated
Equity and Liabilities															
Shareholders' Funds															
Reserves and Surplus	34	4 078.98	225.64	(139.02)	4 165.61	1 346.10	169.94	(139.02)	1 377.03	501.55	472.34	476.09	149.16	(139.02)	1 460.12
Non-Current Liabilities					.00										
Long-Term Borrowings	5	877.79	802.63		1 680.42	998.79	668.29		1 667.08	411.45	590.19	374.80	376.47	.00	1 752.91
Deferred Tax Liabilities (Net)	6	1 008.57	806.31	.00	1 814.88	1 122.28	670.61	.00	1 792.89	421.95	590.19	374.80	377.56	.00	1 764.50
Current liabilities															
Short-Term Borrowings	5	2 591.47	126.83		2 718.30	1 708.74	105.34		1 814.07	700.71	464.19	273.20	15.24		1 453.33
Trade Payables	9				.00				.00						.00
Total outstanding dues of micro and small enterprises		.00			.00	.00			.00						.00
Total outstanding dues other than micro and small enterprises		1 352.64			1 627.26	726.13			1 123.03	506.83	(30.28)	22.88	181.30		680.74
Other Current Liabilities			274.62				396.90								
Short-Term Provisions	108	100.05	29.18		129.23	132.21	5.01		95.75	91.68	10.64	9.57	1.71		113.59
		662.49	26.82		689.31		5.47		137.69	194.69	(7.75)	47.02	5.23		239.20
		4 706.64	457.45	.00	5 164.09	2 657.82	512.72	.00	3 170.54	1 493.91	436.80	352.67	203.48	.00	2 486.86
Total		9 794.20	1 489.41	(139.02)	11 144.59	5 126.21	1 353.27	(139.02)	6 340.46	2 417.41	1 499.33	1 203.56	730.20	(139.02)	5 711.48

376.99															
Assets															
Non-Current Assets															
					.00			.00						.00	
					1 205.86	988.52		1 032.41						805.31	
					.00	.00		.00						.00	
					.00	.00		.00						2.98	
Property, Plant and Equipment	11(a)	1 172.79	33.07		.00	.00	43.89	.00	359.59	260.02	153.08	32.62		.00	
Capital work in Process	11(b)	.00			164.17	328.72		201.25						118.94	
Deferred Tax Assets (Net)	11(b)	.00		(139.02)			(139.02)		3.54	.00	(.56)		(139.02)		
Non-Current Investment	16	.00													
		1 464.71	44.34	(139.02)	1 370.03	1 317.24	55.43	(139.02)	1 233.66	574.81	293.80	154.63	42.99	(139.02)	927.22
Current Assets															
Inventories	14	4 656.86	181.13		4 837.99	580.57	232.28		812.85	743.92	337.72	244.17	109.54		1 435.36
Trade Receivables	15	2 873.83	1 255.32		4 129.15	2 711.50	1 064.23		3 775.72	970.96	774.23	444.33	542.29		2 731.81
Cash and Cash Equivalent	16	363.26	7.16		370.43	363.22	.79		364.02	5.87	3.56	182.28	35.18		226.90
Short-Term Loans and Advances	12	106.54	1.46		107.99	19.40	.54		19.94	7.18	11.37	.22	.19		18.97
Other Current Assets	17	329.00	.00		329.00	134.27	.00		134.27	114.65	78.64	177.92	.00		371.21
		8 329.49	1 445.07	.00	9 774.56	3 808.96	1 297.84	.00	5 106.80	1 842.59	1 205.53	1 048.92	687.21	.00	4 784.26
		9 794.20	1 489.40	(139.02)	11 144.58	5 126.21	1 353.27	(139.02)	6 340.46	2 417.41	1 499.33	1 203.56	730.20	(139.02)	5 711.48
Total															

Summary of company introduction and significant accounting policies and explanatory notes on accounts are an integral part of the financial statements.(1-2)

As per our report of even date
For B. M. Saraf & Company
Firm registration number: 109239W

On behalf of the board of directors
Anil Fashions Limited
(Formerly known as Sanchem Fabrics Limited Chartered Accountants
On behalf of the board of directors
Anil Fashions Limited

As per our report of even date
For B. M. Saraf & Company
Firm registration number: 109239W
Chartered Accountants

Sd/- Umang Saraf Partner Membership 117954 Place: Ahmedabad Date: 25.09.2026	Sd/- Ashok Agarwal Director No.: DIN: 01790639 Place: Ahmedabad Date: 25.09.2026	Sd/- Navin Agarwal Director DIN: 0790629 Place: Ahmedabad Date: 25.09.2026	Sd/- Pratik Agarwal Chief Financial Officer Place: Ahmedabad Date: 25.09.2026	Sd/- Raina Singh Company Secretary Place: Ahmedabad Date: 25.09.2026
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As per our report of even date
For B. M. Saraf & Company
Firm registration number: 109239W
Chartered Accountants

On behalf of the board of directors
Anil Fashions Limited

Sd/- Umang Saraf Partner Membership 117954 Place: Ahmedabad Date: 25.09.2026	Sd/- Ashok Agarwal Director No.: DIN: 01790639 Place: Ahmedabad Date: 25.09.2026	Sd/- Navin Agarwal Director DIN: 0790629 Place: Ahmedabad Date: 25.09.2026	Sd/- Pratik Agarwal Chief Financial Officer Place: Ahmedabad Date: 25.09.2026	Sd/- Raina Singh Company Secretary Place: Ahmedabad Date: 25.09.2026
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Anil Fashions Limited
(Formerly known as Sanchem Fabrics Limited
CIN - U13990GJ1999PLC035368

Proforma Consolidated Restated Summary Statement Financial Year 2025-26

Financial Year 2024-25

Financial Year 2023-24

of Profit and Loss :-

Particulars	Note No.	Anil Fashions Limited Standalone	Anil Organic Private Limited Standalone	Proforma Adjustments	Proforma Consolidated	Anil Fashions Limited Standalone	Anil Organic Private Limited Standalone	Proforma Adjustments	Proforma Consolidated	Anil Fashions Limited Standalone	Anil Fashions Private Limited	Gray Solutions Private Limited	Anil Organic Private Limited Standalone	Proforma Adjustments	Proforma Consolidated
Revenue															
Revenue from operations	18	12,727.23	2,365.90		15,093.12	10,688.91	1,886.86		12,575.77	3,829.97	3,815.27	1,647.36	1,341.42		10,634.02
Other income	19	185.83	15.60		201.43	80.15	11.83		91.98	61.67	84.36	223.61	9.18		378.83
Total Revenue		12,913.06	2,381.49	0.00	15,294.55	10,769.06	1,898.69	0.00	12,667.75	3,891.65	3,899.62	1,870.97	1,350.61	0.00	11,012.85
Expenses															
Purchases of Stock in Trade		4,336.85	1,981.71		6,318.56	2,768.07	1,758.34		4,526.41	2,392.90	0.00	(0.00)	1,094.78		3,487.68
Cost of Raw Material Consumed	20	6,885.20	0.00		6,885.20	5,047.87	0.00		5,047.87	1,011.36	2,965.65	1,441.09	0.00		5,418.10
Change in Inventories of Finished Goods & WIP	21	(3,861.62)	51.15		(3,810.47)	1,049.26	(122.74)		926.53	(299.05)	(30.95)	(2.98)	32.62		(300.36)
Employee benefits expense	22	64.80	100.47		165.27	118.73	89.05		207.79	41.25	86.19	48.28	89.65		265.37
Finance costs	23	272.42	76.56		348.97	369.58	59.40		428.98	123.42	115.51	93.93	45.64		378.50
Depreciation and amortisation expense	24	192.73	6.91		199.63	169.89	5.84		175.73	67.27	61.88	29.51	5.45		164.11
Other expenses	25	1,332.80	85.88		1,418.68	1,237.42	80.57		1,317.98	496.36	598.49	63.17	68.77		1,226.79
															0.00
Total Expenses		9,223.17	2,302.67	0.00	11,525.84	10,760.83	1,870.45	0.00	12,631.29	3,833.51	3,796.76	1,673.00	1,336.91	0.00	10,640.19
Profit Before Exceptional and Extraordinary Items		3,689.89	78.82	0.00	3,768.71	8.23	28.23	0.00	36.46	58.14	102.86	197.97	13.69	0.00	372.66
Add/(Less):- Exceptional and Extraordinary Items		0.00				0.00			0.00						
Profit Before Tax (PBT)		3,689.89	78.82	0.00	3,768.71	8.23	28.23	0.00	36.46	58.14	102.86	197.97	13.69	0.00	372.66
Tax expense															
Current tax		933.06	21.75		954.81	5.36	6.23		11.58	20.48	16.99	49.83	3.14		90.44

Deferred tax expenses/(income) Earlier Year Tax	6	10.93	1.37		12.30	107.07	1.22		108.29	(4.64)	0.00	0.00	0.41		(4.22)
Income Tax adjustment		0.48			0.48	(0.33)			(0.33)	0.74	4.53	0.99			6.26
		0							0.00						
Profit for the Year		2,745.41	55.70	0.00	2,801.11	(103.87)	20.79	0.00	(83.09)	41.55	81.34	147.15	10.14	0.00	280.18
Pre-Bonus Earning Per Share (EPS)															
Basic Earning Per Share (BEPS) Diluted Earning Per		304.86	21.76		311.04	(11.53)	8.12		(3.41)				3.96		3.96
Sahre(DEPS)		304.86	21.76		311.04	(11.53)	8.12		(3.41)				3.96		3.96

Summary of company introduction and significant

As per our report of even date
For B. M. Saraf & Company
Firm registration number: 109239W
Chartered Accountants

On behalf of the board of directors
Anil Fashions Limited

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
Umang Saraf	Ashok Agarwal	Navin Agarwal	Pratik Agarwal	Raina Singh
Partner	Director	Director	Chief Financial Officer	Company Secretary
Membership	No.: DIN: 01790639	DIN: 0790629		
117954				
Place: Ahmedabad	Place: Ahmedabad	Place: Ahmedabad	Place: Ahmedabad	Place: Ahmedabad
Date: 25.09.2026	Date: 25.09.2026	Date: 25.09.2026	Date: 25.09.2026	Date: 25.09.2026

Anil Fashions Limited
(Formerly known as Sanchem Fabrics Limited
CIN - U13990GJ1999PLC035368

Particulars	March'2026	March'2025	March'2024
A. BALANCE SHEET ADJUSTMENTS			
A1. Investment Elimination (Cost of Control - AS 21)			
AFL's investment in AOPL [Cr - eliminated from assets]	181.76	181.76	181.76
AOPL Share Capital [Dr - eliminated against investment]	25.60	25.60	25.60
AOPL Pre-acquisition Reserves as at April 01, 2023 [Dr - eliminated against investment]	113.42	113.42	113.42
Goodwill on Consolidation [Dr - excess of actual cost over net assets	42.74	42.74	42.74
Net effect on Consolidated Balance Sheet			

EXPLANATION OF KEY ADJUSTMENTS

Deemed Acquisition Date

For proforma purposes, AFL is assumed to have acquired AOPL on April 01, 2023 (start of FY 2023-24). Accordingly, the proforma financial statements present the results as if both entities had always been consolidated.

Actual Acquisition

AFL acquired 100% equity stake in AOPL by purchase of 256000 equity shares of Rs.10/- each on March 05, 2026, for an actual consideration of Rs. 181.76 Lakhs.

Cost of Control / Goodwill

s

Minority Interest

NIL — AFL holds 100% of AOPL's equity. No minority interest arises.

Pre-Acquisition Reserves

AOPL's reserves as at the deemed acquisition date (April 01, 2023) amounting to Rs. 113.42 Lakhs are treated as pre-acquisition reserves and eliminated against the investment. Only post-acquisition profits of AOPL are included in Consolidated Reserves.

As per our report of even date
For B. M. Saraf & Company
Firm registration number: 109239W
Chartered Accountants

On behalf of the board of directors
Anil Fashions Limited

Sd/- Umang Saraf Partner Membership 117954 Place: Ahmedabad Date: 25.09.2026	Sd/- Ashok Agarwal Director No.: DIN: 01790639 Place: Ahmedabad Date: 25.09.2026	Sd/- Navin Agarwal Director DIN: 0790629 Place: Ahmedabad Date: 25.09.2026	Sd/- Pratik Agarwal Chief Financial Officer Place: Ahmedabad Date: 25.09.2026	Sd/- Raina Singh Company Secretary Place: Ahmedabad Date: 25.09.2026
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ANIL FASHIONS LIMITED
(Formerly known as Sanchem Fabrics Limited)
CIN: U13990GJ1999PLC035368

NOTES TO THE PROFORMA CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

Note 1 – Corporate Overview

Anil Fashions Limited (formerly known as Sanchem Fabrics Limited) (“AFL” or “the Company”) was incorporated on January 15, 1999 under the Companies Act, 1956. The Company’s CIN is U13990GJ1999PLC035368. The name of the Company was changed from Sanchem Fabrics Limited to Anil Fashions Limited with effect from [●]. The Company is engaged in the manufacturing and trading of textile goods, and its registered office is situated at Survey No. 169, Piplej Pirana Road, Opp. Bharwad Vaas, Piplej, Ahmedabad, Gujarat – 382405.

Anil Fashions Private Limited (“AFPL”) and Gray Solutions Private Limited (“GSPL”) (together, the “Transferor Companies”), both engaged in the manufacturing of textile products, have been amalgamated with the Company pursuant to the Scheme of Amalgamation under Sections 230 to 232 of the Companies Act, 2013, sanctioned by the Hon’ble National Company Law Tribunal, Ahmedabad Bench, vide its order dated November 20, 2025, with effect from the appointed date of April 1, 2024. In consideration, the Company allotted 5,83,557 equity shares of ₹10 each to the shareholders of the Transferor Companies on December 18, 2025.

Anil Organics Private Limited (“AOPL”) is a private limited company [engaged in the trading of textile chemicals and auxiliaries]. The Company acquired 100% of the equity share capital of AOPL with effect from March 5, 2026, for an aggregate consideration of ₹181.76 lakhs, by purchase of 2,56,000 equity shares of ₹10 each from its existing shareholders, making AOPL a wholly owned subsidiary of the Company.

Note 2 – Basis of Preparation of the Proforma Financial Statements

The Proforma Consolidated Financial Statements, comprising the Proforma Consolidated Statement of Assets and Liabilities as at March 31, 2026, March 31, 2025 and March 31, 2024 and the Proforma Consolidated Statement of Profit and Loss for the years ended March 31, 2026, March 31, 2025 and March 31, 2024, together with the notes thereto (collectively, the “Proforma Financial Statements”), have been prepared by the management of the Company pursuant to the requirements of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”), and have been approved by the Board of Directors of the Company at its meeting held on 25.09.2026.

The Proforma Financial Statements present the combined financial position and financial performance of the Company and AOPL as if the acquisition of AOPL had taken place on April 1, 2023 (the “deemed acquisition date”). For the year ended March 31, 2024, the Proforma Financial Statements also include the financial information of the Transferor Companies as if the amalgamation had taken place on April 1, 2023, applying the pooling of interests method in the manner followed in the restated consolidated financial statements of the Company. For the years ended March 31, 2026 and March 31, 2025, the financial information of the Transferor Companies is already included in the restated consolidated financial statements of the Company from the appointed date of April 1, 2024.

The Proforma Financial Statements have been prepared by applying the accounting policies followed in the restated consolidated financial statements of the Company, which are in accordance with the Accounting Standards notified under Section 133 of the Companies Act, 2013, and the principles of Accounting Standard 21, “Consolidated Financial Statements”. The statutory auditors of the Company have reported on the compilation of the Proforma Financial Statements in accordance with the Standard on Assurance Engagements (SAE) 3420, “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus”, issued by the Institute of Chartered Accountants of India.

The Proforma Financial Statements are hypothetical in nature and have been prepared solely to illustrate the effect of the acquisition of AOPL and, for the year ended March 31, 2024, the amalgamation of the Transferor Companies. They do not represent the actual consolidated financial position or results that would have been achieved had the acquisition or the amalgamation occurred on April 1, 2023, and should not be relied upon as an indication of future results.

Note 3 – Sources of Financial Information

The Proforma Financial Statements have been prepared on the basis of:

- (a) the Restated Consolidated Financial Statements of the Company for FY 2025-26, FY 2024-25 and FY 2023-24, examined by B. M. Saraf & Company, Chartered Accountants (FRN: 109239W), vide their examination report dated September 25, 2026, and the audited standalone financial statements of the Company for the year ended March 31, 2026, audited by B. M. Saraf & Company;

- (b) the audited standalone financial statements of AOPL for the years ended March 31, 2026, March 31, 2025 and March 31, 2024, audited by B. M. Saraf & Company, Chartered Accountants (FRN: 109239W);
- (c) the audited standalone financial statements of AFPL for the years ended March 31, 2025 and March 31, 2024, audited by M/s S C Bohara & Associates, Chartered Accountants (FRN: 160992W); and
- (d) the audited standalone financial statements of GSPL for the years ended March 31, 2025 and March 31, 2024, audited by M/s S C Bohara & Associates, Chartered Accountants (FRN: 160992W).

Note 4 – Proforma Adjustments (Summary)

The following adjustments have been made to present the Proforma Financial Statements:

- (i) **Investment elimination:** The Company's investment in AOPL actual cost ₹181.76 lakhs has been eliminated against the share capital of AOPL ₹25.60 lakhs and its reserves and surplus as at the deemed acquisition date of April 1, 2023 ₹113.42 lakhs, including securities premium of ₹39.75 lakhs, which are treated as pre-acquisition reserves. The resulting goodwill on consolidation of ₹42.74 lakhs has been recognised as a non-current asset. Only the post-acquisition profits of AOPL are included in the consolidated reserves and surplus. As the Company holds 100% of the equity share capital of AOPL, no minority interest arises.
- (ii) **Amalgamation of the Transferor Companies (FY 2023-24):** The share capital of the Transferor Companies ₹105.09 lakhs has been eliminated and the 5,83,557 equity shares of ₹10 each issued by the Company under the Scheme ₹58.36 lakhs have been recognised. The difference of ₹46.73 lakhs has been credited to capital reserve, consistent with the treatment in the restated consolidated financial statements.

Note 5 – Restriction on Use

The Proforma Financial Statements have been prepared solely for inclusion in the Draft Prospectus and the Prospectus (the "Offer Documents") to be filed with the SME Platform of BSE Limited and the Registrar of Companies, Gujarat at Ahmedabad in connection with the proposed initial public offering of the equity shares of the Company. They may not be suitable for any other purpose, and should not be used, referred to or distributed for any other purpose without the prior written consent of the statutory auditors. The Proforma Financial Statements should be read together with the independent auditor's report under SAE 3420 issued by B. M. Saraf & Company, Chartered Accountants.

For and on behalf of the Board of Directors of Anil Fashions Limited

Sd/-

Navin Ramniwas Agarwal

Managing Director

DIN: 00790629

Sd/-

Ashok Ramniwas Agarwal

Director

DIN: 01790639

Sd/-

Pratik Navin Agarwal

Chief Financial Officer

Sd/-

Raina Singh

Company Secretary

Place: Ahmedabad

Date: 25.09.2026

OTHER FINANCIAL INFORMATION

(₹ in lakhs, unless otherwise stated)

Sr.	Particulars	FY 2025-26	FY 2024-25	FY 2023-24
A	Net worth, as restated	2,857.26	1,697.52	501.55
B	Profit after tax, as restated	1,143.38	247.54	41.55
C	Weighted average number of Equity Shares outstanding during the year (in numbers)	9,00,557	9,00,557	3,17,000
C1	Weighted average number of Equity Shares outstanding during the year, adjusted for bonus issue (in numbers) (Note 1)	1,71,10,583	1,71,10,583	60,23,000
D	Basic and diluted EPS before adjustment for bonus issue (₹) (B / C)	126.96	27.55	13.11
D1	Basic and diluted EPS adjusted for bonus issue (₹) (B / C1)	6.68	1.45	0.69
E	Return on net worth (%) (B / A × 100)	40.02	14.58	8.28
F	Number of Equity Shares outstanding at the end of the year (in numbers)	9,00,557	9,00,557	3,17,000
F1	Number of Equity Shares outstanding at the end of the year, adjusted for bonus issue (in numbers) (Note 1)	1,71,10,583	1,71,10,583	60,23,000
G	Net asset value per Equity Share before adjustment for bonus issue (₹) (A / F)	317.28	188.50	158.22
G1	Net asset value per Equity Share adjusted for bonus issue (₹) (A / F1)	16.70	9.92	8.33
H	Face value per Equity Share (₹)	10.00	10.00	10.00
I	Earnings before interest, tax, depreciation and amortisation (EBITDA)	1,704.53	932.96	187.16

Notes:

- Bonus issue: Pursuant to the resolution passed by the shareholders of the Company on September 1, 2026, the Company allotted 1,62,10,026 fully paid-up Equity Shares of ₹10 each as bonus shares on September 10, 2026, in the ratio of 18 Equity Shares for every 1 Equity Share held, by capitalisation of ₹1,621.00 lakhs out of the securities premium account and the surplus in the statement of profit and loss. As the bonus issue took place after March 31, 2026 but before the approval of the Restated Consolidated Financial Statements, the number of Equity Shares used for EPS and NAV per Equity Share has been adjusted for all periods presented, as if the bonus issue had occurred at the beginning of the earliest period presented, in accordance with Accounting Standard 20, "Earnings per Share". The bonus issue does not change net worth, profit after tax, return on net worth or EBITDA.*
- The 5,83,557 Equity Shares allotted in FY 2024-25 under the scheme of amalgamation (amalgamation in the nature of merger) have been included in the weighted average number of Equity Shares from April 1, 2024, in accordance with paragraph 18 of Accounting Standard 20.*
- Net worth = Equity share capital + Reserves and surplus, as per the Restated Consolidated Financial Statements (excluding revaluation reserves). Return on net worth (%) = Profit after tax, as restated / Net worth, as restated, at the end of the year × 100.*
- Basic EPS = Profit after tax, as restated / Weighted average number of Equity Shares outstanding during the year. The Company has no potentially dilutive equity shares; diluted EPS is therefore equal to basic EPS.*
- Net asset value per Equity Share = Net worth, as restated / Number of Equity Shares outstanding at the end of the year.*
- EBITDA = Restated profit before tax + Finance costs + Depreciation and amortisation expense – Other income.*
- Anil Organics Private Limited became a wholly owned subsidiary of the Company on March 5, 2026. The figures for FY 2024-25 and FY 2023-24 are those of the Company alone.*

RELATED PARTY TRANSACTIONS

For further details of the related party transactions, as per as per the requirements under applicable Accounting Standards i.e. Accounting Standard 18 of GAAP read with SEBI ICDR Regulations for Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024, see “**Note 26 – Related Party Disclosures**” under the section titled “**Financial Information**” on page no. 272 of this Draft Prospectus.

(The remainder of this page has been left blank intentionally.)

CAPITALISATION STATEMENT

(₹ in Lakhs)

Particulars		Pre-Issue	As adjusted for the issue (Post Issue)
Borrowings*:			
Current Borrowings	A	2870.60	[●]
Non-Current Borrowings	B	1169.58	[●]
Total Borrowings	C= A+B	4040.18	[●]
Equity			
Equity Share Capital	D	90.06	[●]
Other Equity	E	2767.19	[●]
Total shareholder's fund (Net Worth)	F=D+E	2857.25	[●]
Non-current borrowing's/ shareholder's fund (Net worth) ratio	B/F	0.41	[●]
Total borrowing's/ shareholder's fund (Net worth) ratio	C/F	1.41	[●]

*Position as on March 31, 2026

#Notes:

1. Non-current borrowings are considered as borrowings other than short term borrowings and current maturities of long-term borrowings.
2. The amounts disclosed above are based on the Consolidated Restated Financial Statements of the Company.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Restated Consolidated Financial Statements for the Financial Years 2025-26, 2024-25 and 2023-24 including the notes and significant accounting policies thereto and the reports thereon, which appear elsewhere in this Draft Prospectus. You should also see the section titled “Risk Factors” on page no. 21 of this Draft Prospectus which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion which relates to our Company, unless otherwise stated, is based on Restated Consolidated Financial Statements.

These Restated Consolidated Financial Statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI ICDR Regulations and restated as described in the report of the Statutory Auditor of our Company, M/s. B.M. Saraf & Co., Chartered Accountants, which is included in this Draft Prospectus under the section titled “Financial Information - Restated Consolidated Financial Information” on page no. 233 of this Draft Prospectus. The Restated Consolidated Financial Statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including U.S. GAAP and IFRS. We do not provide a reconciliation of our Restated Consolidated Financial Statements to U.S. GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our Restated Consolidated Financial Statements.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements because of certain factors such as those described under “Forward Looking Statements” and “Risk Factors” on page nos. 19 and 21, respectively, and elsewhere in this Draft Prospectus.

Accordingly, the degree to which the financial statements in this Draft Prospectus will provide meaningful information depends entirely on such potential investor's level of familiarity with Indian accounting practices. Our Financial Year ends on March 31 of each year; therefore, all references to a particular Financial Year are to the twelve months period ended March 31 of that year. Please also refer to section titled “Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation” on page no. 16 of this Draft Prospectus.

BUSINESS OVERVIEW

Our Company is operating as a manufacturing entity in the textile sector. Our Company is engaged in the manufacturing and trading of fabrics, supply and trading of textile dyes, chemicals and auxiliaries, and manufacturing and distribution of masks and other personal protective equipment (PPE) products. The Company's business strategies are focused on manufacturing quality products by execution of quality control, building customer relationships, aiming for operational efficiency and business growth.

For details in relation to our business, see “Our Business” on page no. 161 of this Draft Prospectus.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to the “Note 2 - Significant Accounting Policies” forming Part of the Restated Consolidated Financial Statements under the chapter titled “Restated Consolidated Financial Information” on page no. 292 of this Draft Prospectus.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factors” on page no. 21 of this Draft Prospectus.

We believe that our financial performance and results of operations are influenced by a number of important factors, some of which are beyond our control, including without limitation, intense domestic competition, general economic conditions, changes in conditions in the regional markets in which we operate, changes in costs of raw materials and supplies and evolving government regulations and policies. Our operations and financial condition could also be

affected by factors such as our ability to implement our growth strategy as regards product expansion, ability to secure government tenders, managing working capital cycles, competitive environment & occurrence of natural calamities in the area we operate.

RESULTS OF OUR OPERATION

The following discussion on results of operations should be read in conjunction with the Restated Consolidated Financial Statements of Company for the FYs 2025-26, 2024-25 and 2023-24:

(in in Lakhs, unless otherwise stated)

Particulars	Financial Year 2026	% of Total Income	Financial Year 2025	% of Total Income	Financial Year 2024	% of Total Income
Revenue from Operations						
Manufacturing	7752.15	59.23	7269.71	68.01	1563.55	40.83
Trading	5335.07	40.77	3345.29	31.29	2219.39	57.95
Export	-		17.13	0.17	-	
Commission Income	-		56.13	0.53	47.03	1.23
Total	13,087.22	98.49	10,688.91	100.00	3,829.97	100.00
Other Income	200.77	1.51	80.15	0.74	61.67	1.58
Total Income (A)	13,287.99	100.00	10,769.06	100.00	3,891.65	100.00
Purchase of stock in trade	4,526.56	34.07	2,768.07	25.70	2,392.90	61.49
Cost of Raw Material Consumed	6,885.20	51.82	5,047.87	46.87	1,011.36	25.99
Change in Inventories of Finished Goods & WIP	(1,453.84)	(10.94)	583.80	5.42	(299.05)	(7.68)
Employee benefits expense	86.25	0.65	169.62	1.58	41.25	1.06
Finance Cost	303.38	2.28	369.58	3.43	123.42	3.17
Depreciation and amortization expense	179.83	1.35	169.89	1.58	67.27	1.73
Other expenses	1338.50	10.07	1186.59	11.02	496.36	2.75
Total Expenses (B)	11,865.89	89.30	10,295.43	95.60	3,833.51	98.51
Profit before Extraordinary Item and Tax (A-B)	1,422.10	10.70	473.63	4.40	58.14	1.49
Extraordinary Item	0.00	0	0.00	0.00	0.00	0.00
Profit Before Tax (A- B)	1,422.10	10.70	473.63	4.40	58.14	1.49
(i) Current tax	359.57	2.71	122.49	1.14	20.48	0.53
(ii) Deferred tax	(81.33)	(0.61)	103.31	0.96	(4.64)	(0.12)
(iii) Earlier year tax	0.48	0.00	0.29	0.00	0.74	0.02
Total tax expenses	278.72	2.10	226.09	2.10	16.58	0.43

Profit for the year / period	1,143.38	8.60	247.54	2.30	41.55	1.07
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REVIEW OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS

Financial Year 2025-26 compared with Financial Year 2024-25

Revenue from Operation

The revenue from operations for financial year ended March 31, 2026 increased from ₹10,688.91 lakhs to ₹13,087.22 lakhs, an increase of ₹2398.31 lakhs or 22.43%. The increase in revenue from operations was primarily attributable to substantial growth in sales volumes during the year, supported by increased demand for the Company's products, expansion of its customer base and growth across its existing markets. The increase also reflects the overall expansion in the scale of the Company's operations during the year.

Manufacturing

The revenue from manufacturing for financial year ended March 31, 2026 increased to ₹7752.15 lakhs from ₹7269.71 lakhs in March 31, 2025, an increase of ₹482.44 lakhs or 6.64%.

Trading

The revenue from trading for financial year ended March 31, 2026 increased to ₹5335.07 lakhs from ₹3345.29 lakhs, an increase of ₹1989.78 lakhs or 59.48%.

Cost of goods sold

Purchase of Stock in Trade, Cost of Raw materials consumed and changes in inventories increased by 18.55% to ₹9957.92 Lakhs in Financial Year ended March 31, 2026, from ₹8399.74 Lakhs in Financial Year ended March 31, 2025, primarily due to increase in volume. It is in line with the increase in revenue from operation.

Employee Benefit Expenses

Employee benefits expense for the year ended March 31 2026 was ₹86.25 lakhs as compared to ₹169.62 lakhs for the financial year ended March 31, 2025. There was a decrease of ₹83.37 lakhs or 49.15 % over the previous year. The decrease in employee benefit expenses was primarily attributable to a decrease in Salaries, Wages and Bonus as well as decrease in gratuity.

Finance Cost

Finance Expenses for the year ended March 31, 2026 was ₹303.38 lakhs as compared to ₹369.58 lakhs for the year ended March 31, 2025, a decrease of ₹66.20 lakhs or 17.91% over the previous year. The decrease in finance costs was primarily attributable to decrease in interest amount on account of decrease in Bank interest rate.

Depreciation and Amortization Expenses

Depreciation and Amortization Expenses for the year ended March 31, 2026 was ₹179.83 lakhs as compared to ₹169.89 lakhs for the year ended March 31, 2025, an increase of ₹9.94 lakhs or 5.85% over the previous year. The increase in depreciation and amortisation expense was primarily attributable to the increase in the depreciable asset base of the Company and the corresponding depreciation charge on assets used in its operations.

Other Expenses

Other expenses for the year ended March 31, 2026 was ₹1338.50 lakhs as compared to ₹1186.59 lakhs for the year ended March 31, 2025, an increase of ₹151.91 lakhs or 12.80% over the previous year. The increase in other expenses was primarily attributable to the expansion in the scale of operations and the corresponding increase in selling, distribution, administrative, professional and other operating expenses.

Profit after Tax

As a result of the aforesaid, our Company earned a profit for the year for the year ended March 31, 2026 of ₹1143.38 lakhs as compared to ₹247.54 lakhs the financial year ended March 31, 2025, which resulted into an increase of ₹895.84 lakhs or 361.89%.

The key factors contributing to the increase in profitability are set out below:

(i) Reduction in Manufacturing Costs and Improved Operational Efficiency

The installation of a fabric finishing machine in March 2025 enabled the Company to improve the efficiency of its fabric finishing operations, resulting in savings in manufacturing costs. The machine facilitates the finishing of fabrics to achieve the required feel and shrinkage parameters, thereby supporting improved process efficiency and cost optimisation.

The benefits arising from the installation of the finishing machine contributed to the Company's improved cost structure and profitability during FY 2025-26.

(ii) Optimisation of Power Costs

The commencement of operations of the Company's rooftop solar power plant in September 2024 contributed to savings in electricity costs associated with its manufacturing activities. The utilisation of solar power enabled the Company to reduce its dependence on conventional electricity sources and improve energy cost efficiency.

The savings arising from the solar power initiative contributed to the improvement in the Company's operating margins during FY 2025-26.

(iii) Increase in Revenue and Scale of Operations

The increase in revenue during FY 2025-26 contributed to the improvement in the Company's profitability by supporting better utilisation of its manufacturing infrastructure and absorption of fixed operating costs.

The Company's diversified business activities, comprising manufacturing and trading of fabrics, trading of chemicals and auxiliaries, and manufacturing and distribution of masks and other PPE products, supported its overall business operations and revenue generation.

(iv) Increase in Indirect Income

The Company also recorded an increase in indirect income during FY 2025-26, including income arising from subsidies, which contributed to the improvement in its overall profitability.

The increase in such income supplemented the earnings generated from the Company's principal business activities and contributed to the increase in Profit Before Tax and Profit After Tax, as applicable.

Financial Year 2024-25 compared with Financial Year 2023-24

Revenue from Operation

The revenue from operations for financial year ended March 31, 2025 increased from ₹3829.97 lakhs to ₹10688.91 Lakhs, an increase of ₹6858.94 lakhs or 179.08%. The increase in revenue from operations was primarily attributable to higher sales volumes during the year, supported by increased demand for our products, expansion of our customer base and improvement in sales across our existing markets. The increase in turnover was also supported by the growth in our overall business operations and higher realization from the sale of our products.

Manufacturing

The revenue from manufacturing for financial year ended March 31, 2025 increased to ₹ 7,269.71 lakhs from ₹ 1,563.55 lakhs in March 31, 2024, an increase of ₹5706.16 lakhs or 364.95%.

Trading

The revenue from trading for financial year ended March 31, 2025 increased to ₹ 3,345.29 lakhs from ₹ 2,219.39 lakhs, an increase of ₹1125.90 lakhs or 50.73%.

Cost of goods sold

Purchase of Stock in Trade, Cost of Raw materials consumed and changes in inventories increased by 170.50% to ₹8399.74 Lakhs in Financial Year ended March 31, 2025, from ₹3105.21 Lakhs in Financial Year ended March 31, 2024, primarily due to increase in volume. It is in line with the increase in revenue from operation.

Employee Benefit Expenses

Employee benefits expense for the year ended March 31, 2025 was ₹169.62 lakhs as compared to ₹41.25 lakhs for the financial year ended March 31, 2024. This was an increase of ₹128.37 lakhs or 311.20 % over the previous year. The increase in employee benefit expenses was primarily attributable to an increase in salaries, wages and bonus as well as increase in Directors remunerations.

Finance Cost

Finance Expenses for the year ended March 31, 2025 was ₹369.58 lakhs as compared to ₹123.42 lakhs for the year ended March 31, 2024, an increase of ₹246.16 lakhs or 199.45%. The increase in finance cost was primarily attributable to an increase in Borrowing funds to meet the enhanced operation of the company.

Depreciation and Amortization Expenses

Depreciation and Amortization Expenses for the year ended March 31, 2025 was ₹169.89 as compared to ₹67.27 lakhs for the year ended March 31, 2024, an increase of ₹102.62 lakhs or 152.54%. The Company recorded an increase in depreciation and amortisation expense primarily on account of additions to its property, plant and equipment and capital expenditure undertaken towards strengthening its manufacturing and supporting infrastructure.

Other Expenses

Other expenses for the year ended March 31, 2025 was ₹1186.59 lakhs as compared to ₹496.36 lakhs for the year ended March 31, 2024, an increase of ₹690.23 lakhs or 139.05% over the previous year. The increase in other expenses was primarily attributable to the increase in expenses associated with the higher scale of operations, including selling, distribution, administrative, professional and other operating expenses. The movement in these expenses was broadly in line with the increase in the Company's business activities during the year.

Profit after Tax

As a result of the aforesaid, our Company earned a profit for the year for the year ended March 31, 2025 of ₹247.54 lakhs as compared to ₹41.55 lakhs the financial year ended March 31, 2024, which was an increase by ₹205.99 lakhs or 495.76%.

CASH FLOWS

(₹ in Lakhs, unless otherwise stated)

Particulars	FY 2025-26	FY 2024-25	FY 2023-24
Net cash Inflow/(Outflow) from operating activities	(208.27)	975.58	171.38
Net cash utilized in investing activities	(288.06)	(327.47)	(61.25)
Net cash Inflow/(Outflow) from financing activities	468.36	(835.13)	(112.20)
Net increase/(decrease) in cash and cash equivalents	(27.98)	(187.03)	(2.07)
Cash and cash equivalents at the end of the Financial Year / period	11.89	4.69	5.87

Cash Flows from Operating Activities**For the Financial Year ended March 31, 2026**

The cash flow generated from operating activities for the financial year ended March 31, 2026 was ₹(208.27) lakhs as compared to profit before tax of ₹1422.10 lakhs. Primary adjustment was on account of depreciation and amortisation ₹179.83 lakhs; and finance cost ₹303.38 lakhs;

The Operating Cash Flows generated from operations before working capital changes was ₹1839.54 Lakhs.

The changes in Working Capital were due to:

- Decrease/(Increase) in Inventories ₹(1668.51) lakhs;
- Decrease/(Increase) in Trade receivables of ₹(218.88) lakhs;
- Decrease/(Increase) in Other Non Current Assets of ₹4.78 lakhs;
- Decrease/(Increase) in Short Term Loans & Advances of ₹(87.14) lakhs;
- Decrease/(Increase) in Other Current Assets of ₹(194.73) lakhs;
- (Decrease)/Increase in Other Current Liabilities of ₹ 31.74 lakhs;
- Decrease)/Increase in Trade Payables of ₹ 344.13 lakhs;

- h) (Decrease)/Increase in Short Term Provisions of ₹(0.21) lakhs.

For the financial year ended March 31, 2025

The cash flow generated from operating activities for the financial year ended March 31, 2025 was ₹975.58 lakhs as compared to profit before tax of ₹473.63 lakhs. Primary adjustment was on account of depreciation and amortisation ₹169.89 lakhs; and finance cost ₹369.58 lakhs;

The Operating Cash Flows before working capital changes was ₹963.40 Lakhs.

The changes in Working Capital were due to:

- a) Decrease/(Increase) in Inventories ₹279.79 lakhs;
- b) Decrease/(Increase) in Trade receivables of ₹(293.99) lakhs;
- c) Decrease/(Increase) in Other Non Current Assets of ₹(81.14) lakhs;
- d) Decrease/(Increase) in Short Term Loans & Advances of ₹(19.40) lakhs;
- e) Decrease/(Increase) in Other Current Assets of ₹236.95 lakhs;
- f) (Decrease)/Increase in Other Current Liabilities of ₹ (20.88) lakhs;
- g) Decrease)/Increase in Trade Payables of ₹ (1.56) lakhs;
- h) (Decrease)/Increase in Short Term Provisions of ₹(0.14) lakhs;
- i) (Decrease)/Increase in Long term loans and advances of ₹ 18.77 lakhs.

For the financial year ended March 31, 2024

The cash flow generated from operating activities for the financial year ended March 31, 2024 was ₹171.38 lakhs as compared to profit before tax of ₹58.14 lakhs. Primary adjustment was on account of depreciation and amortisation ₹67.27 lakhs; and finance cost ₹123.42 lakhs;

The Operating Cash Flows before working capital changes was ₹253.12 Lakhs.

The changes in Working Capital were due to:

- a) Decrease/(Increase) in Inventories ₹(456.95) lakhs;
- b) Decrease/(Increase) in Trade receivables of ₹101.85 lakhs;
- c) Decrease/(Increase) in Other Non Current Assets of ₹(21.74)lakhs;
- d) Decrease/(Increase) in Short Term Loans & Advances of ₹32.91 lakhs;
- e) Decrease/(Increase) in Other Current Assets of ₹(113.65) lakhs;
- f) (Decrease)/Increase in Other Current Liabilities of ₹ 27.90 lakhs;
- g) Decrease)/Increase in Trade Payables of ₹ 348.63 lakhs;
- h) (Decrease)/Increase in Short Term Provisions of ₹0.05 lakhs.

Cash Flows from Investment Activities

For the Financial year ended March 31, 2026

Net Cash used in Investing Activities was ₹ (288.06) lakhs for the financial year ended March 31, 2026, primarily on account of purchase of fixed assets of ₹ (397.84) lakhs.

For the Financial year ended March 31, 2025

Net Cash used in Investing Activities was ₹ (327.47) lakhs for the financial year ended March 31, 2025, primarily on account of purchase of fixed assets of ₹ (385.73) lakhs.

For the Financial year ended March 31, 2024

Net Cash used in Investing Activities was ₹ (61.25) for the financial year ended March 31, 2024 primarily on account of purchase of fixed assets of ₹ (68.49) lakhs.

Cash Flows from Financing Activities

For the Financial Year ended March 31, 2026

Net Cash used in Financing Activities was ₹ 468.36 lakhs for financial year ended March 31, 2026, primarily on account of payment of long term loans of ₹ 129.21 lakhs, increase in short term borrowings of ₹ 900.94 lakhs and payment of interest and bank charges of ₹ 303.38 lakhs.

For the Financial year ended March 31, 2025

Net Cash used in Financing Activities was ₹ (835.13) lakhs for financial year ended March 31, 2025, primarily on

account of payment of long term loans of ₹ 377.65 lakhs, reduction in short term borrowings of ₹87.90 lakhs and payment of interest and bank charges of ₹ 369.58 lakhs.

For the Financial year ended March 31, 2024

Net Cash used in Financing Activities was ₹(112.20) lakhs for financial year ended March 31, 2024, primarily on account of payment of long term loans of ₹15.89 lakhs, increase in short-term borrowings of ₹ 27.11 lakhs and payment of interest and bank charges of ₹123.42 lakhs.

Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

Unusual or Infrequent Events or Transactions

As on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company's operations or are likely to affect income from continuing operations except as described in chapter titled "**Risk Factors**" on page 21 of this Draft Prospectus.

Known Trends or Uncertainties that have had or are expected to have a Material Adverse Impact on Sales, Revenue or Income from Continuing Operations

Other than as described in the section titled "**Risk Factors**" on 21 of this Draft Prospectus and in this chapter, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future Changes in Relationship between Costs and Revenues, in Case of Events Such as Future Increase in Labour or Material Costs or Prices that will Cause a Material Change are known

Other than as described in chapter titled "**Risk Factors**" on page 21 of this Draft Prospectus and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

Total Turnover of Each Major Industry Segment in Which the Issuer Operates

The Company operates in the textile industry. Relevant industry data, as available, has been included in the chapter titled "**Industry Overview**" beginning on page no.117 of this Draft Prospectus. Further, other than as disclosed in the Restated Financial Statement, we do not have any separate reportable business segments. For further details, please see section titled "**Restated Consolidated Financial Information**" on page no. 233 of this Prospectus.

Competitive Conditions

We have competition with other manufacturing companies. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled "**Risk Factors**" on page 21 of this Draft Prospectus.

Increase in income

Increases in our income are due to the factors described above in this chapter under "**Significant Factors Affecting Our Results of Operations**" and chapter titled "**Risk Factors**" on page 21 of this Draft Prospectus.

Status of any Publicly Announced New Products or Business Segments

Except as disclosed elsewhere in the Draft Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Dependence on a Single or Few Customers

Our Company is not dependent on a single customer but we have dependence on few customers.

Seasonality of Business

The nature of our business is not seasonal. For further details please refer chapter titled “***Risk Factors***” on page 21 of this Draft Prospectus.

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FINANCIAL INDEBTEDNESS

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from our Company's bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or up to such amount as may be approved by the shareholders from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities, such as change in its capital structure, change in its shareholding pattern and change in promoter's shareholding which has a possible change in the management control of our Company.

As on August 31, 2026, the aggregate borrowing of our Company from banks is ₹ 3674.78 Lakhs (both secured and unsecured), as per certificate issued by M/s B.M. Saraf & Co, Chartered Accountants (FRN: 109239W), having UDIN: 26117954VROPGV2726 dated September 25, 2026. Details of the borrowings of the Company outstanding as on August 31, 2026 is given below:

(₹ in Lakhs)

Nature of Borrowings of Anil Fashions Limited	Principal Amount outstanding as on August 31, 2026
Secured Borrowings	
Short term borrowings	2489.68
Long term borrowings	892.36
Total Secured Borrowings	3382.04
Unsecured Borrowings– from related parties	
Short term borrowings	--
Long term borrowings	292.74
Total Unsecured Borrowings	292.74
Total	3674.77

As on August 31, 2026, the aggregate borrowing of our Subsidiary from banks and financial institutions is ₹ 578.34 Lakhs (both secured and unsecured), as per certificate issued by M/s B.M. Saraf & Co, Chartered Accountants (FRN: 109239W), having UDIN: 26117954VROPGV2726 dated September 25, 2026. Details of the borrowings of the Company outstanding as on August 31, 2026 is given below:

(₹ in Lakhs)

Nature of Borrowings of Anil Organic Private Limited	Principal Amount outstanding as on August 31, 2026
Secured Borrowings	
Short term borrowings (including Current Maturities of Long Term Borrowing)	442.47
Long term borrowings	135.87
Total Secured Borrowings	578.34
Unsecured Borrowings– from related parties	
Short term borrowings	-
Long term borrowings	286.06
Total Unsecured Borrowings	286.06
Total	864.40

Details of Secured Loans of Anil Fashions Limited

(₹ in Lakhs)

Name of Lender	Type of Loan	Date of Sanction/ Loan Start Date	Principal amount outstanding as on August 31, 2026	Interest per annum (%)	Security	Tenor / Repayment Schedule

			(in ₹ Lakhs)			
Punjab National Bank	Cash Credit	06/02/2026	2489.68	8.60	As per below mentioned Terms	On Demand
Punjab National Bank	Working Capital Term Loan	04/06/2026	449.62	8.85	As per below mentioned Terms	60
Punjab National Bank	Term Loan	23/07/2025	313.37	7.75	As per below mentioned Terms	120
SIDBI	Term Loan	15/05/2024	129.37	8.85	As per below mentioned Terms	60
Total			3382.04			

- ❖ The Cash Credit Facility has been secured by:
Stocks and book debt: Current Asset: 1st Charge on all current assets, and first charge over Residential Bungalows no. 14,48 and 49 Satyam Bungalows, Nr Karnavati Club, Ahmedabad – 380051 and Plot no. 25 Orchid Greens, Gokuldham, Sanand Sarkhej Road, Sanathal, Ahmedabad and fixed assets of the company & personal guarantee of directors
- ❖ Term Loans are secured by:
- ❖ All Moveable Assets like Plant & Machinery, Spares, Tools, Accessories, Furnitures etc.
- ❖ Solar Plants Installed on the Roof Top as well as Ground Mounted.
- ❖ Collateral Security of FD of Rs. 64 Lakhs

Details of Unsecured Borrowings – from Related Parties

(₹ in Lakhs)

Name of Lenders	Amount Outstanding as on August 31, 2026
Anup Ramniwas Agarwal	88.72
Ashok Ramniwas Agarwal	144.20
Navin Ramniwas Agarwal	10.02
Neelam Anup Agarwal	49.80
Total	292.74

Details of Secured Loans of Anil Organics Private Limited (Subsidiary)

(₹ in Lakhs)

Name of Lender	Type of Loan	Date of Sanction / Loan Start Date	Principal amount outstanding as on August 31, 2026 (in ₹ Lakhs)	Interest per annum (%)	Security	Tenor/ Repayment Schedule
Nutan Nagrik Sahkari Bank	Car Loan	18/03/2026	21.35	7.80	As per below mentioned Terms	36
Nutan Nagrik Sahkari Bank	Working Capital Term Loan	28/07/2022	19.98	8.35	As per below mentioned Terms	18
Nutan Nagrik Sahkari Bank	Cash Credit	12/12/2025	356.01	9.40	As per below mentioned Terms	On Demand
Nutan Nagrik Sahkari Bank	GECL Term Loan	13/07/2026	94.54	8.75	As per below mentioned Terms	60

ICICI Bank Channel Finance	Channel Finance	11/11/2025	66.60	9.25	As per below mentioned Terms	On Demand
ICICI Bank Channel Finance	Channel Finance	19/08/2025	19.86	9.00	As per below mentioned Terms	On Demand
Total			578.34			

- ❖ The Cash Credit Facility has been secured by
Stocks and book debt: Current Asset: 1st Charge on all current assets of the company, fixed assets of the company & personal guarantee of directors.
- ❖ Term Loans are secured by:
- ❖ All Moveable Assets like Plant & Machinery, Spares, Tools, Accessories, Furnitures etc.
- ❖ Hypothecation of Toyota Innova Hycross Car.
- ❖ Hypothecation of 94 Hirabhai Market & 211 Dev Prime. Continuation of LIC Policies of Surrender Value of Rs.125 lakhs
- ❖ Channel Finance is secured by Personal Guarantee of Directors.

**Details of Unsecured Borrowings of Anil Organic Private Limited
(Subsidiary Company) – Related Parties & Inter Corporate**

(₹ in Lakhs)

Name of Lenders	Amount Outstanding as on August 31, 2026
Anup Ramniwas Agarwal	44.05
Ashok Ramniwas Agarwal	64.65
Navin Ramniwas Agarwal	86.96
Neelam Anup Agarwal	0.50
Priti Navin Agarwal	7.60
Ritesh Enterprises	10.00
Sakshi Akash Agarwal	3.40
Sachin Texfab Private Limited	6.00
Bhavna Mohit Agarwal	60.00
Deepesh Anup Agarwal	0.50
Devkinandan Phoolchand Bhimsaria	1.40
Pratik Navin Agarwal	1.00
Total	286.06

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SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding (i) criminal proceedings (including matters which are at FIR stage whether cognizance has been taken or not by any court or judicial authority) involving our Company, Directors, Promoters, Key Managerial Personnel and Senior Managerial Personnel of the Company (“**Relevant Parties**”); (ii) actions taken by regulatory or statutory authorities involving the Relevant Parties; (iii) disciplinary action including penalty imposed by SEBI or stock exchanges against the Relevant Parties in the last five Financial Years including outstanding action; (iv) claims involving the Company, Directors and Promoters related to direct and indirect taxes (disclosed in a consolidated manner giving the total number of claims and the total amount involved); (v) pending litigation involving a Group Entity which has a material impact on the Company; and (vi) proceedings involving the Relevant Parties (other than proceedings covered under (i) to (v) above) which has been determined to be “material” pursuant to the materiality policy approved by our Board in its meeting held on September 10, 2026 (“**Materiality Policy**”).*

*For the purpose of point (vi), our Board in its meeting held on September 10, 2026, has considered and adopted the Materiality Policy for identification of material outstanding litigation involving the Relevant Parties. In terms of the Materiality Policy, outstanding legal proceedings (other than litigations mentioned in points (i), (ii), (iii), (iv) and (v) above) involving the Relevant Parties will be considered as material litigation (“**Material Litigation**”) if:*

- a) litigation where the value or expected impact in terms of value, exceeds the lower of the following:
 - i. two percent of consolidated turnover, as per the latest annual restated financial statements of the Company; or*
 - ii. two percent of consolidated net worth, as per the latest annual restated financial statements of the Company, except in case the arithmetic value of the net worth is negative; or*
 - iii. five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated financial statements of the Company.**
- b) where the monetary impact is not quantifiable or the amount involved may not exceed the materiality threshold set out under (a) above, but an outcome in any such litigation would materially and adversely affect our Company’s business, operations, performance, prospects, financial position or reputation of the Company; and*
- c) any such litigation where the decision in one case is likely to affect the decision in similar matters and the aggregate monetary claim amount in all such litigation/arbitration proceedings equal to or in excess of threshold set forth above even though the amount involved in an individual litigation may not exceed the threshold set forth in (a) above.*

It is clarified that pre-litigation notices from third parties (other than those issued by governmental, statutory or regulatory authorities or notices threatening criminal action) received by the Relevant Parties, Key Managerial Personnel and Senior Managerial Personnel shall not be considered as litigation until such time that any of the Relevant Parties, Key Managerial Personnel or Senior Managerial Personnel, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority or any judicial authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

In addition to the litigation specified above, in accordance with the SEBI ICDR Regulations, the Company is also required to disclose any pending litigation involving its Group Companies, which has a material impact on the Company. Accordingly, based on the review of the certificates provided by the Group Companies, the Board shall consider such outstanding litigation involving the Group Companies as material, which are material from the perspective of Company’s business, operations, financial results, prospects or reputation, irrespective of the amount involved in such litigation.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors, KMPs, SMPs and Group Companies which are considered to be material. Unless otherwise stated to the contrary, the information provided is as of date of this Draft Prospectus.

Further, in terms of the Materiality Policy, our Company has considered such creditors to be 'material' to whom amounts due is equal to or in excess of 5% of the total trade payables of the Company as at the end of the latest period included in the Restated Financial Statements. (whichever is lower) as per the latest audited financial statements of the Company. Further, for outstanding dues to any party which is a micro, small or a medium enterprise ("MSME"), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditor.

Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus.

1. LITIGATIONS INVOLVING OUR COMPANY

A. Criminal litigation involving our Company

1. Criminal Litigations against our Company

Nil

2. Criminal Litigations initiated by our Company

Nil

B. Civil Litigations involving our Company

1. Civil Litigations against our Company

Nil

2. Civil Litigations initiated by our Company

Nil

C. Actions by Regulatory Authorities and Statutory Authorities involving our Company

Nil

D. Other Material Litigations

Nil

E. Disciplinary action including penalty imposed by SEBI or Stock Exchanges against the Company in the last five Financial Years including outstanding action

Nil

2. LITIGATIONS INVOLVING OUR PROMOTERS

A. Criminal Litigations involving our Promoters

1. Criminal Litigations against our Promoters

Nil

2. Criminal Litigations initiated by our Promoters

Nil

B. Civil Litigations involving our Promoters

1. Civil Litigations against our Promoters

Nil

2. Civil Litigations initiated by our Promoters

Nil

C. Actions by Regulatory Authorities and Statutory Authorities involving our Promoters

Nil

D. Other Material Litigation

Nil

E. Disciplinary action including penalty imposed by SEBI or Stock Exchanges against the Promoters in the last five Financial Years including outstanding action

Nil

3. LITIGATIONS INVOLVING OUR DIRECTORS (OTHER THAN PROMOTERS)

A. Criminal Litigations involving our Directors (other than Promoters)

1. Criminal Litigations against our Directors (other than Promoters)

Nil

2. Criminal Litigations initiated by our Directors (other than Promoters)

Nil

B. Civil Litigations involving our Directors (other than Promoters)

1. Civil Litigations against our Directors (other than Promoters)

Nil

2. Civil Litigations initiated by our Directors (other than Promoters)

Nil

C. Actions by Regulatory Authorities and Statutory Authorities involving our Directors (other than Promoters)

Nil

D. Other Material Litigation

Nil

4. LITIGATIONS INVOLVING OUR KEY MANAGERIAL PERSONNEL (OTHER THAN OUR PROMOTERS AND DIRECTORS)

A. Criminal Litigations involving our Key Managerial Personnel (other than our Promoters and Directors)

1. Criminal Litigations against our Key Managerial Personnel (other than our Promoters and Directors)

Nil

B. Criminal Litigations initiated by our Key Managerial Personnel (other than our Promoters and Directors)

Nil

C. Actions by Regulatory Authorities and Statutory Authorities involving our Key Managerial Personnel (other than our Promoters and Directors)

Nil

5. LITIGATIONS INVOLVING OUR SENIOR MANAGERIAL PERSONNEL

A. Criminal Litigations involving our Senior Managerial Personnel

1. Criminal Litigations against our Senior Managerial Personnel

Nil

B. Criminal Litigations initiated by our Senior Managerial Personnel

Nil

C. Actions by Regulatory Authorities and Statutory Authorities involving our Senior Managerial Personnel

Nil

6. LITIGATIONS INVOLVING OUR GROUP COMPANIES

A. Litigations having material impact on the business of the Company

Nil

B. Actions by Regulatory Authorities and Statutory Authorities involving our Group Companies

Nil

7. TAX PROCEEDINGS

(₹ in Lakhs)

Nature of Cases	Number of Cases	Amount Involved*
Company		
Direct Tax	1	46.19
Indirect Tax	Nil	Nil
Promoters		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Directors (other than Promoters)		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	1	46.19

* To the extent quantifiable.

1. Appeal against Show Cause Notice bearing ref. no. ITBA/AST/F/148A(SCN)/2021-22/1040738530(1) dated March 15, 2022	
Section	Section 143(3) of the Income Tax Act 1961
Authority	Commissioner of Income Tax (Appeals), National Faceless Appeal Centre
Case Details	Sanchem Fabrics Limited (now, Anil Fashions Limited) (“Appellant”) received a show cause notice dated March 15, 2022 relating to FY 2017–18 under Section 148A of the Income Tax Act 1961 (“Act”). Thereafter, the Appellant submitted its reply to the authority on March 17, 2022, however, an order was passed against the Appellant on April 07, 2022 stating that the ‘assessee has failed to explain the above mentioned transactions and income earned/derived therefrom, during the year under consideration and the same remained unexplained and unsubstantiated as per the relevant provisions of the Act’ and raising a demand of ₹46,18,850/- on account of alleged income chargeable to tax having escaped assessment for FY 2017-18. The Appellant filed its return of income in response to the notice under Section 148 on July 06, 2022, Thereafter, the Appellant had received a notice dated June 26, 2023, stating, ‘You had availed accommodation entry in the form of fictitious loan of Rs. 46,18,850/- from M/s. Dishman Carbogen Amics Limited (“DCAL”) during F.Y. 2017-18 and the same was explained’. In response to the said notice, the Appellant filed an affidavit of Mr. Navin Agarwal on July 11, 2023 on behalf of the Appellant, and through its Director’s affidavit, the Appellant reiterated that it has not availed any loans from DCAL along with relevant supporting documents. The above referred notice under Section 143(2) was followed by a notice dated September 26, 2023, stating the same as the previous notice with the same response from the Appellant attaching the copy of the affidavit vide its reply dated October 09, 2023. The Assessing Officer proceeded to pass the order wherein the addition of Rs. 46,18,850/- was made under Section 69A of the Act. Aggrieved by the impugned order, the Appellant submitted this appeal on May 06, 2025, against the said order, arguing that in law, on facts and in the circumstances of the case, there was no justification for the learned Assessing Officer to make addition of Rs. 46,18,850/- under Section 69A of the Act, including reopening of assessment, non-supply of evidence and the non-provision of cross examination. The Appellant has contested that the disputed entries are not fictitious loans from DCAL, but rather fully accounted raw material purchase transactions comprising duplicate sales orders and actual invoices, made from a legitimate, publicly listed supplier, United Polyfab Gujarat Limited (“UPGL”). Furthermore, the Appellant asserts that the reassessment is legally void because the Assessing Officer violated natural justice by relying on third-party statements without supplying the underlying documents or granting the right to cross-examination. Finally, the Assessee maintains that the reassessment notice issued on April 7, 2022, for Assessment Year 2018-19 is legally invalid under Section 151 of the Act, as it was issued after the mandatory three-year statutory limit using approval from a Principal Commissioner (PCIT) instead of the legally required higher authority such as the Chief Commissioner. Accordingly, the appellant seeks quashing of the notice and the addition. The appeal is pending before the authority and the management of the Company expects a favourable outcome.

8. OUTSTANDING DUES TO CREDITORS

In accordance with the Materiality Policy, our Company has considered such creditors material to whom the monetary value of the total outstanding dues of our Company is equal to or in excess of 5% of the total trade payables of the Company as at the end of the latest period included in the Restated Financial Statements. Details of outstanding dues towards our material creditors are available on the website of our Company at <https://www.anilfashions.com/>. It is clarified that such details available on our website do not form a part of this Draft Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any source of information including our Company’s website at <https://www.anilfashions.com/> would be doing so at their own risk.

The details of the total outstanding dues 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 on March 31, 2026 is as set forth below:

(₹ in Lakhs)

Sr. No.	Particulars	No. of Cases	Amount outstanding (₹ in Lakh)
1.	Dues to micro, small and medium enterprises		0
2.	Dues to other creditors		1573.42
	Total		1573.42
Material Creditors			1009.54

**As certified by B.M. Saraf & Co., Statutory Auditor of our Company vide their certificate dated September 25, 2026.*

9. MATERIAL DEVELOPMENTS

Except as disclosed in the section titled “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on page no. 312 of this Draft Prospectus, there have not arisen, since the date of the last financial information disclosed in this Draft 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 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 material approvals, registrations, permits and licenses from various governmental and regulatory authorities obtained by our Company which are considered material and necessary for the purpose of undertaking our business activities and operations. Except as mentioned below, our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Central and State Governments and other government agencies/ regulatory authorities/ certification bodies required to undertake the Issue or continue our business activities and no further approvals are required for carrying on our present or proposed business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Prospectus.

Unless otherwise stated herein and in the chapter “Risk Factors” beginning on page no. 21 of this Draft Prospectus, these material approvals are valid as of the date of this Draft Prospectus. For details in connection with the regulatory and legal framework within which we operate, see the section titled “Key Regulations and Policies” at page no. 188 of this Draft Prospectus. The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

We have also set out below: (i) material approvals or renewals applied for but not received; (ii) material approvals expired and renewal yet to be applied for; and (iii) material approvals required but not obtained or applied for, as on the date of this Draft Prospectus.

The Company has got following licenses/ registrations/ approvals/ consents/ permissions from the Government and various other Government agencies required for its present business.

I. Material approvals obtained in relation to the Issue

1. The Board of Directors has, pursuant to a resolution passed at its meeting held on August 24, 2026, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62 of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
2. The shareholders of the Company have, pursuant to a special resolution passed in the shareholders meeting held on September 01, 2026, authorized the Issue under Section 62 of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
3. Our Company's ISIN is INE0BUB01014.
4. Company has entered into a tripartite agreement dated September 16, 2026, with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Bigshare Servies Private Limited, for the dematerialization of its shares.
5. The Company has entered into an agreement dated September 29, 2026, with National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Bigshare Servies Private Limited, for the dematerialization of its shares.
6. The Company has obtained the in-principle listing approval from BSE, dated [●].

II. Material approvals obtained in relation to our business and operations

Our Company has obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

A. Incorporation details of our Company and Subsidiaries

(i) Company

1. Our Company was originally incorporated on February 01, 1999, under the name of “Sanchem Colour Limited”, a public limited company under the Companies Act, 1956, pursuant to a Certificate of Incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Thereafter, the name of our Company was changed to “Sanchem Fabrics Limited” in the extra-ordinary general meeting held on January 06, 2011, and a certificate of incorporation dated February 10, 2011, consequent to such name change was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli.
2. Pursuant to a Scheme of Amalgamation sanctioned by the National Company Law Tribunal, Ahmedabad on November 20, 2025, Anil Fashions Private Limited and Gray Solutions Private Limited were amalgamated with and merged into Sanchem Fabrics Limited with effect from April 01, 2024, and all the assets, liabilities, rights, obligations and undertakings of the said entities vested in Sanchem Fabrics Limited in accordance with the terms of the Scheme. Thereafter, the name of our Company was changed to “Anil Fashions Limited” pursuant to a special resolution passed in the extra-ordinary general meeting held on February 05, 2026, following which a fresh certificate of incorporation dated February 20, 2026, was issued to our Company by the Registrar of Companies, Central Processing Centre.
3. The CIN of our Company is U13990GJ1999PLC035368.

(ii) Subsidiary – Anil Organic Private Limited

1. Our Subsidiary was incorporated on May 21, 1997, under the name of “Anil Organic Private Limited”, a private limited company under the Companies Act, 1956, pursuant to a Certificate of Incorporation issued by the Registrar of Companies, Ahmedabad.
2. The CIN of our Subsidiary is U31300GJ1997PTC032371.

B. Tax-related approvals obtained by our Company and Subsidiary

Sr. No.	Nature of Registration / License	License / Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
<i>Company</i>					
1.	Permanent Account Number	AAFCS6716H	Income Tax Department	March 04, 2026	Valid till cancelled
2.	Tax Deduction Account Number	AHMS08861G	Income Tax Department	March 11, 2026	Valid till cancelled
3.	GST Registration Certificate- Gujarat	24AAFCS6716H1 ZC	State Tax Officer, Government of India	March 13, 2026	Valid till cancelled
4.	Professional Tax Certificate of Registration – Gujarat	PRC013460031	Ahmedabad Municipal Corporation	August 8, 2014	Valid till cancelled
<i>Subsidiary</i>					
5.	Permanent Account Number	AABCA3069M	Income Tax Department	March 11, 2011	Valid till cancelled
6.	Tax Deduction Account Number	AHMA00534C	Income Tax Department	March 21, 2011	Valid till cancelled
7.	GST Registration Certificate- Gujarat	24AABCA3069M 1ZN	State Tax Officer, Government of India	July 06, 2018	Valid till cancelled
8.	Professional Tax Certificate of Registration – Gujarat	PRC013460030	Ahmedabad Municipal Corporation	August 8, 2014	Valid till cancelled

C. Regulatory approvals for our Company and Subsidiary

Sr. No.	Nature of Registration / License	License / Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
Company					
1.	Udyam Registration Certificate	UDYAM-GJ-01-0046214	Government of India, Ministry of Micro, Small and Medium Enterprises	February 10, 2021	Valid until Cancelled
2.	Registration of Employees of the Factories and Establishments under the Employees' State Insurance Act, 1948 [#]	37001024510000108	Regional Office, Employees' State Insurance Corporation, Ahmedabad	December 26, 2012	Valid until cancelled
3.	Registration under Employees Provident Fund and Miscellaneous Provisions Act, 1952	GJVAT4056235000	Employees' Provident Fund Organization, Ministry of Labour and Employment, Government of India	August 15, 2026	Valid until cancelled
4.	Importer – Exporter Code (IEC)	0811004635	Government of India, Ministry of Commerce and Industry, Directorate General of Foreign Trade, Office of the Additional Director General of Foreign Trade, Ahmedabad, Gujarat	May 24, 2011	Valid until expiry
5.	Certificate of Establishment under Gujarat Shops and Commercial Establishments Act, 2019*	PII/MN/03/0001275	Deputy Municipal Commissioner, Ahmedabad Municipal Corporation	May 12, 2011	Valid until expiry
6.	Factory License [#]	3998/17115/2012	Directorate Industrial Safety and Health, Gujarat	October 13, 2023	December 31, 2028
7.	Legal Entity Identifier Certificate	894500AUS3YQ810 Q5V88	Global Legal Entity Identifier Foundation (GLIEF)	March 26, 2021	April 20, 2027
8.	License to Manufacture for Sale or for Distribution of Class A or Class B medical device	MFG/MD/2026/0007 33	Licensing and Controlling Authority, Food & Drugs Control Administration, Gujarat	September 28, 2026	September 28, 2031
Subsidiary					
9.	Certificate of Establishment under Gujarat	PII/MN/03/0001276	Deputy Municipal Commissioner, Ahmedabad	August 11, 2014	Valid until expiry

Sr. No.	Nature of Registration / License	License / Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
	Shops and Commercial Establishments Act, 2019		Municipal Corporation		

**Our Company is yet to make an application to the relevant authorities for updating each of the aforesaid certificates to reflect its current name pursuant to change in name of the Company.*

Our Company has made applications to the relevant authorities for updating each of the aforesaid certificates to reflect its current name pursuant to change in name of the Company

D. Environmental compliances related licenses

Sr. No.	Nature of Registration / License	License / Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
<i>Company</i>					
1.	Consent to Establish*	GPCB/ABD/CCA/NL-349/ID-51079/897308	Gujarat Pollution Control Board	April 02, 2026	February 16, 2033
2.	Provisional Consent Order (CCA Renewal) *	51079	Gujarat Pollution Control Board	April 13, 2026	April 02, 2031

** Our Company has made applications to the relevant authorities for updating each of the aforesaid certificates to reflect its current name pursuant to change in name of the Company.*

E. Material approvals or renewals for which applications are currently pending before relevant authorities

Nil

F. Material approvals expired and renewal yet to be applied for

Nil

G. Material approvals required but not obtained or applied for

Nil

H. Intellectual Property

As on the date of this Draft Prospectus, our Company does not have any trademark that is registered or pending registration with the Registrar of Trademarks under the Trademarks Act, 1999.

For risks associated with our intellectual property rights, see “**Risk Factors – Our Company does not own any registered intellectual property rights, and any inability to protect our brand, business processes or proprietary information may adversely affect our business, financial condition and results of operations.**” on page no. 41 of the Draft Prospectus.

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OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY TO THE ISSUE

The Board of Directors has, pursuant to a resolution passed at its meeting held on August 24, 2026 authorized the Issue, subject to the approval of the Shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act.

The Shareholders of the Company have, pursuant to a special resolution passed in the Annual General Meeting held on September 01, 2026 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act.

Our Company has received an in-principle approval letter dated [●] from BSE for using its name in the Draft Prospectus for listing of Equity Shares on the BSE SME Platform. BSE is the Designated Stock Exchange for the purpose of this Issue.

Our Board has approved this Draft Prospectus through its resolution dated September 30, 2026.

We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter “**Government and Other Statutory Approvals**” beginning on page no. 329 of this Draft Prospectus.

We have received NOC from our Lender / Bankers:

Name of the Bank/ Lender	Date of NOC
Punjab National Bank	September 21, 2026
Small Industries Development Bank of India	September 24, 2026

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, members of the Promoter Group, our Group Companies and our Directors have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any jurisdiction or any other authority / court.

Our Promoters and Directors are not directors or promoters of any other company which is debarred from accessing the capital market under any order or direction passed by SEBI or any other authorities.

Our Company, our Promoters or Directors have neither been declared as Wilful Defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on Wilful Defaulters nor Fraudulent Borrowers issued by the RBI.

Our Promoters and our Directors have not been declared as Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

ASSOCIATION WITH SECURITIES MARKET

None of our Directors in any manner are associated with the securities market and there has been no action taken by or against the Directors or in any other entity with which our Directors are associated as promoters or directors.

PROHIBITIONS BY RBI

Neither our Company, our Promoters, our Directors, the relatives (as defined under the Companies Act) of Promoters have been identified as a Wilful Defaulter or a Fraudulent Borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “**Outstanding Litigations and Material Developments**” beginning on page no. 323 of this Draft Prospectus.

CONFIRMATION UNDER COMPANIES ACT (SIGNIFICANT BENEFICIAL OWNERS) RULES, 2018

Our Company, our Directors, our Promoter and members of the Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Prospectus.

NON-APPEARANCE IN THE LIST OF COMPANIES STRUCK OFF BY THE MINISTRY OF CORPORATE AFFAIRS

We confirm that the names of Directors, Promoters or individuals forming part of the Promoter Group are not appearing in the list of directors of struck-off companies by the RoC or the MCA.

ELIGIBILITY TO THE ISSUE

Our Company is not ineligible in terms of Regulation 228 of the SEBI ICDR Regulations for this Issue as:

- Neither our Company, nor our Promoters, Promoter Group or Directors are debarred from accessing the capital market by SEBI.
- Neither our Promoters, nor any Directors of our Company is a promoter or director of any other company which is debarred from accessing the capital market by SEBI.
- Neither our Promoters nor any of our directors is declared as a Fugitive Economic Offender.
- Neither our Company, nor our Promoters, Promoter Group nor our Directors, are Wilful Defaulters or a Fraudulent Borrower.
- Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI ICDR Regulations as we are an Issuer whose post-Issue face value capital is more than ₹1,000 Lakhs and can issue Equity Shares to the public and propose to list the same on the Designated Stock Exchange.

We further confirm that:

- i. In accordance with Regulation 260 of the SEBI ICDR Regulations, this issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite a minimum of 15% of the total Issue Size. For further details pertaining to said underwriting please refer to the chapter titled “**General Information – Underwriting**” on page no. 67 of this Draft Prospectus.
- ii. In accordance with Regulation 268(1) of the SEBI ICDR Regulations, we shall ensure that the total number of proposed Allottees in the Issue is greater than or equal to 200, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within four days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of four days, be liable to repay such application money with interest as prescribed under Section 40 of the Companies Act and SEBI ICDR Regulations.
- iii. In terms of Regulation 246(1) of the SEBI ICDR Regulations, a copy of the prospectus will be filed with SEBI through the Lead Manager immediately upon filing of the Issue document with the RoC. However, as per Regulation 246(2) of the SEBI ICDR Regulations, SEBI will not issue any observation on the Issue document.
- iv. In accordance with Regulation 246(5) the SEBI ICDR Regulations, our Company shall also ensure that the Lead Manager submits a soft copy of the Issue document along with a Due Diligence Certificate including additional confirmations as required to the SEBI immediately upon filing the same with the Registrar of Companies and the Designated Stock Exchange. However, the SEBI, in terms of Regulation 246(2), shall not issue any observations on the Draft Prospectus and the Prospectus. Further, in terms of Regulation 246(3) of the SEBI ICDR Regulations, the Lead Manager will also submit a due diligence certificate as per the format prescribed by SEBI along with the Prospectus to SEBI.
- v. Further, in terms of Regulation 264(4) of the SEBI ICDR Regulations, the Prospectus will be displayed from the date of filling in terms of sub-regulation (1) of the website of the SEBI, the Lead Manager and the Designated Stock Exchange. Moreover, in terms of Regulation 246(5) of the SEBI ICDR Regulations, a copy of the prospectus shall also be furnished to the SEBI in a soft copy.
- vi. In accordance with Regulation 261 of the SEBI ICDR Regulations, the Lead Manager will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares

issued in the IPO. For details of the market making arrangement, please see section titled “**General Information**” beginning on page no. 61 of this Draft Prospectus.

- vii. In accordance with Regulation 228 (a) of the SEBI ICDR Regulations, neither the Issuer, nor any of its Promoters, Promoter Group or Directors are debarred from accessing the capital market by the Board.
- viii. In accordance with Regulation 228 (b) of the SEBI ICDR Regulations, none of the Promoters or Directors of the Issuer is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- ix. In accordance with Regulation 228 (c) of the SEBI ICDR Regulations, neither the Issuer nor any of its Promoters or Directors is a Wilful Defaulter or Fraudulent Borrower.
- x. In accordance with Regulation 228 (d) of the SEBI ICDR Regulations, none of the Issuer’s Promoters or Directors is a Fugitive Economic Offender.
- xi. In accordance with Regulation 230(1)(a) of the SEBI ICDR Regulations, application is being made to BSE and BSE is the Designated Stock Exchange.
- xii. In accordance with Regulation 230(1)(b) of the SEBI ICDR Regulations, our Company has entered into an agreement with depositories for dematerialization of specified securities already issued and proposed to be issued.
- xiii. In accordance with Regulation 230(1)(c) of the SEBI ICDR Regulations, all the present Equity Share Capital is paid-up.
- xiv. In accordance with Regulation 230(1)(d) of the SEBI ICDR Regulations, all the specified securities held by the Promoters are in dematerialized form.
- xv. Our Company is an “Unlisted Issuer” in terms of Regulation 2(1)(iii) of the SEBI ICDR Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI ICDR Regulations.

We confirm that there is no material clause of Articles of Association that has been left out from disclosure having bearing on the Issue.

We further confirm that we shall be complying with all the other requirements as laid down for such Issue under Chapter IX of the SEBI ICDR Regulations as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange:

- i. Our Company has facilitated trading demat securities and has entered into an agreement with both the depositories and the Registrar to the Issue. Our Company has entered into the tripartite agreements with CDSL dated September 16, 2026, along with the Registrar to the Issue and NSDL dated September 29, 2026, along with the Registrar to the Issue for dematerialization of the Equity Shares proposed to be issued.
- ii. Our Company has a website i.e. <https://www.anilfashions.com/> .
- iii. The Equity Shares of our Company held by our Promoters are in dematerialized form.
- iv. All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Prospectus; and
- v. There has been no change in the Promoters having significant change in control over the affairs of the Company in the one year preceding the date of filing application with BSE SME in relation to the Issue.

In terms of Regulation 229(3) of the SEBI ICDR Regulations, we confirm that we have fulfilled eligibility criteria for BSE SME in accordance with the Restated Consolidated Financial Statements, prepared in accordance with the Companies Act and restated, in accordance with the SEBI ICDR Regulations as below:

- 1. Our Company was incorporated on February 01, 1999, under the name of “Sanchem Colour Limited”, a public limited company under the Companies Act, 1956, pursuant to a Certificate of Incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Thereafter, the name of our Company

was changed to “Sanchem Fabrics Limited” in the extra-ordinary general meeting held on January 06, 2011 and a certificate of incorporation dated February 10, 2011, consequent to such name change was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, pursuant to a Scheme of Amalgamation sanctioned by the National Company Law Tribunal, Ahmedabad *vide* its order dated November 20, 2025, Anil Fashions Private Limited and Gray Solutions Private Limited were amalgamated with and merged into Sanchem Fabrics Limited with effect from April 01, 2024, and all the assets, liabilities, rights, obligations and undertakings of the said entities vested in Sanchem Fabrics Limited in accordance with the terms of the Scheme. Thereafter, the name of our Company was changed to “Anil Fashions Limited” in the extra-ordinary general meeting held on February 05, 2026 and a fresh certificate of incorporation dated February 20, 2026, consequent to such name change was issued by the Registrar of Companies, Central Processing Centre. The corporate identification number of our Company is U13990GJ1999PLC035368.

2. As on the date of this Draft Prospectus, the Company has a paid-up share capital of ₹ 17,11,05,830/- comprising 1,71,10,583 Equity Shares, and the post Issue paid up share capital of the Company will be [●] comprising of [●] Equity Shares with face value ₹ 10, which is less than ₹ 2,500 Lakhs.
3. The Objects of this Issue do not consist of repayment of loan from Promoter, Promoter Group or any related party, from the Issue proceeds, whether directly or indirectly.

4. Track Record of the Company

Our Company has a track record of more than three years as on the date of filing of this Draft Prospectus.

5. Net Tangible Assets should be at least ₹ 300.00 Lakhs in last preceding full Financial Year

The Company has fulfilled the criteria of having net tangible assets of at least ₹ 300.00 Lakhs in last preceding full Financial Year. The details are as mentioned below:

(₹ in Lakhs)

Particulars	As on March 31, 2026	As on March 31, 2025	As on March 31, 2024
Total Net Assets	8864.23	4998.04	2258.26
Less: Intangible Assets	-	-	-
Total Tangible Assets	8864.23	4998.04	2258.26

Notes: As per Regulation 2(gg) of the SEBI ICDR Regulations, “net tangible assets” mean the sum of all net assets of the Issuer, excluding intangible assets as defined in Accounting Standard 26 (AS 26) or Indian Accounting Standard (Ind AS) 38, as applicable, issued by the Institute of Chartered Accountants of India.

6. Earnings Before Interest, Depreciations and Tax

The Company has operating profit (earnings before interest, depreciation and tax) of ₹ 100.00 Lakhs from operations for at least two out of three previous Financial Years preceding the application. Below table depicts the positive profit:

(₹ in Lakhs)

Particulars	Financial Year ended on		
	March 31, 2026	March 31, 2025	March 31, 2024
Net worth	2,857.26	1,697.52	501.55
Operating Profit (EBITDA)	1,704.53	932.96	187.16

7. Net Worth at least ₹ 100.00 Lakhs for two preceding full Financial Years

The Company has fulfilled the criteria of having net-worth of at least ₹ 100.00 Lakhs for two preceding full Financial Years. The net worth of the Company as at March 31, 2026 is ₹ 2743.68 Lakhs.

(₹ in Lakhs)

Particulars	As on March 31, 2026	As on March 31, 2025	As on March 31, 2024
Share Capital	90.06	90.06	31.70
Add: Reserves and Surplus	2,767.19	1,607.46	469.85
Net Worth	2857.25	1697.52	501.55

Note:

(A) **Net Worth:** Net worth” has been defined as the aggregate value of the paid-up equity share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated consolidated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations, as amended.

8. Leverage Ratio of Not More Than 3:1

As per Restated Financial Statement, the leverage ratio (debt / equity ratio) of our Company in the preceding Financial Year is not more than 3:1. The details are as mentioned below:

(₹ in Lakhs)

Particulars	As on March 31, 2026	As on March 31, 2025	As on March 31, 2024
Long Term Debts	1,169.58	998.79	411.45
Short Term Debts	2870.60	1350.20	700.71
Total Borrowings (A)	4040.18	2348.99	1,112.16
Shareholder's Fund (B)	2857.26	1693.75	501.55
Leverage Ratio (Debt/ Equity) [A/B]	1.41	1.38	2.21

9. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of the Promoters, companies under the Promoter Group.
10. The Company changed its name from “Sanchem Fabrics Limited” to “Anil Fashions Limited” pursuant to the extra-ordinary general meeting held on February 05, 2026 and a fresh certificate of incorporation dated February 20, 2026 consequent to such name was issued by the Registrar of Companies, Central Processing Centre. In case of name change within the last one year, at least 50% of the revenue calculated on a restated and consolidated basis for the preceding one full Financial Year has been earned by it from the activity indicated by its new name, or, the activity suggesting name should have contributed to at least 50% of the revenue, calculated on a restated and consolidated basis, for the preceding one full Financial Year.
11. Our Promoters or Directors are not the promoters or the directors (other than independent directors) of compulsory delisted companies by any Stock Exchange and the applicability of consequences of compulsory delisting is attracted or companies that are suspended from trading on account of non-compliance.
12. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under the Insolvency and Bankruptcy Code against the Company and companies under the Promoter Group.
13. None of the issues managed by the Lead Manager have been returned by BSE in the last six months from the date of this Draft Prospectus.
14. There is no winding up petition against the Company, which has been admitted by a court of competent jurisdiction, or a liquidator has not been appointed.
15. There is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the Company.
16. The Directors of the Company are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years.
17. We confirm that:

- (a) There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of the Promoters, or companies promoted by the Promoters.
- (b) There is no default in respect of payment of interest and / or principal to the debenture / bond / fixed deposit holders, banks, financial institutions by the Issuer, its Promoters, promoting company(ies), group companies, companies promoted by the Promoters during the past three years.
- (c) There are no litigations on record against the Company and its Promoters and companies promoted by the Promoters.
- (d) We have disclosed all details of the track record of the Directors, the status of criminal cases filed or nature of investigation being undertaken with regard to the alleged commission of any offence by way 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, see “*Outstanding Litigations and Material Developments*” on page no. 323 of this Draft Prospectus.

We further confirm that we will comply with all other requirements as laid down for such Issue under Chapter IX of SEBI ICDR Regulations, as amended from time to time, and subsequent circulars and guidelines issued by SEBI and the BSE SME.

COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE ISSUE DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE ISSUE DOCUMENT. THE LEAD MANAGER, MARK CORPORATE ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE ISSUE DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT ISSUE DOCUMENT/ ISSUE DOCUMENT, THE LEAD MANAGER, MARK CORPORATE ADVISORS PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, MARK CORPORATE ADVISORS PRIVATE LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 30, 2026 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS ISSUE DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE ISSUE DOCUMENT.

ALL LEGAL REQUIREMENTS PERTAINING TO THE ISSUE WILL BE COMPLIED WITH AT THE TIME OF REGISTRATION OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, AHMEDABAD, GUJARAT IN TERMS OF SECTION 26 AND 32 OF THE COMPANIES ACT, 2013.

Note: The filing of this Draft Prospectus does not, however, absolve our Company from any liabilities under sections 34, 35 and 36(1) of 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 Lead Manager any irregularities or lapses in this Draft Prospectus.

All legal requirements pertaining to the Issue will be completed at the time of filing of the Prospectus with the RoC in terms of Sections 26, 33(1) and 33(2) of the Companies Act.

PRICE INFORMATION OF PAST ISSUES HANDLED BY THE LEAD MANAGER FOR LAST THREE YEARS INCLUDING CURRENT YEAR

Below are the details of the price information of past SME IPO issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by our Lead Manager, Mark Corporate Advisors Private Limited:

Sr. No.	Issuer Name	Issue Size (₹ in Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) - 30 th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) - 90 th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) - 180 th Calendar Days from Listing
1.	Panchatv Bharat Limited	24.58	140	September 18, 2026	128.95	-NA	-NA	-NA
2.	Riyaasat Lifestyle Limited	30.19	106	July 01, 2026	84.80	(-43.40%), (+1.52%)	(-13.68%), (-5.71%)	-NA
3.	Shivashrit Foods Limited	70.03	142	September 01, 2025	148.50	(-9.86%), (-0.06%)	(-7.08%), (+6.41%)	(-6.12%), (+2.25%)
4.	LGT Business Connexions Limited	28.09	107	August 26, 2025	85.60	(-62.62%), (+1.15%)	(-47.66%), (+5.50%)	(-48.43%), (+2.51%)
5.	C2C Advanced Systems Limited	99.07	226	December 03, 2024	429.40	(+279.27%), (-2.92%)	(+66.79%), (-9.54%)	(+99.03%), (+1.20%)

Notes:

1. Source: Price information from www.bseindia.com and www.nseindia.com, issue information from respective Prospectus.
2. The BSE SENSEX and CNX NIFTY are considered as the benchmark index.
3. Issue Price is taken as "Base Price" for calculating % change in closing price of the respective issues on 30th/90th/180th calendar days from listing.
4. Closing benchmark on the listing day of respective scripts is taken as "Base Benchmark" for calculating % change in closing benchmark on 30th / 90th/180th calendar days from listing. Although it shall be noted that for comparing the scripts with benchmark, the +/- % change in closing benchmark has been calculated based on the closing benchmark on the same day as that of calculated for respective script in the manner provided in Note No. 4 below.
5. In case 30th/ 90th/180th calendar day is not a trading day, closing price on BSE/NSE of the previous trading day for the respective scripts has been considered, however, if scripts are not traded on that previous trading day, then last trading price has been considered.

Summary Statement of Disclosure

The summary statement of price information of past SME IPO issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by our Lead Manager, Mark Corporate Advisors Private Limited, is set forth below:

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPO trading at discount as on 30th calendar day from listing date			Nos. of IPO trading at premium as on 30th calendar day from listing date			Nos. of IPO trading at discount as on 180th calendar day from listing date			Nos. of IPO trading at premium as on 180th calendar day from listing date		
			Over 50 %	Between 25-50 %	Less than 25 %	Over 50 %	Between 25-50 %	Less than 25 %	Over 50 %	Between 25-50 %	Less than 25 %	Over 50 %	Between 25-50 %	Less than 25 %
2026-27*	2	54.77	0	1	0	0	0	0	0	0	0	0	0	0
2025-26	2	98.12	1	0	1	0	0	0	0	1	1	0	0	0
2024-25	1	99.07	0	0	0	1	0	0	0	0	0	1	0	0

*Includes one IPO which is yet to complete 30th calendar day from the listing date.

Notes:

1. Issue opening date is considered for calculation of total number of IPOs in the respective Financial Year.
2. Source: www.bseindia.com and www.nseindia.com.

TRACK RECORD OF PAST ISSUES HANDLED BY OUR LEAD MANAGER

For details regarding track record of Lead Manager to the Issue as specified in circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012, issued by SEBI, please refer to the website of the Lead Manager at <https://www.markcorporateadvisors.com/>.

DISCLAIMER FROM OUR COMPANY, OUR DIRECTORS AND THE LEAD MANAGERS

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in the advertisements or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at their own risk.

The Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement/MOU entered between the Lead Manager and our Company on September 01, 2026 and as will be provided in the Underwriting Agreement entered into between the Underwriter, the Lead Manager our Company, and Market Maker Agreement entered among Market Maker, Lead Manager and our Company.

All information shall be made available by our Company, and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoters, our Promoter Group, Group Company, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoters, Promoter Group, Group Companies, and our affiliates or associates for which they have received and may in future receive compensation.

Note:

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company and

the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in Equity Shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), NBFCs or trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in Equity Shares, public financial institutions as specified under Section 2(72) of the Companies Act, state industrial development corporations, provident funds with minimum corpus of ₹ 2,500 Lakhs (subject to applicable law) registered with the Pension Fund Regulatory and Development Authority established under section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI, venture capital funds, permitted insurance companies and pension funds, permitted non-residents including Eligible NRIs, AIFs, FPIs registered with SEBI and QIBs. This Draft Prospectus does not, however, constitute an issue to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at Ahmedabad, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Prospectus has been filed with BSE SME for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

Applicants are advised to ensure that any applications from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Applicant where required must agree in the Allotment Advice that such Applicants will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

DISCLAIMER CLAUSE OF BSE

As required, a copy of this Draft Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Prospectus, shall be included in the Prospectus prior to the filing with the RoC.

FILING OF THE ISSUE DOCUMENT WITH THE DESIGNATED STOCK EXCHANGE / SEBI / ROC

The Draft Prospectus is being filed with BSE SME, 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra, India.

The Draft Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI ICDR Regulations 2018. Pursuant to Regulation 246(5) of SEBI ICDR Regulations, 2018 and SEBI ICDR Master Circular bearing reference no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, a copy of Prospectus and Prospectus is being filed online through SEBI Intermediary Portal at <https://sipportal.sebi.gov.in>.

A copy of the Draft Prospectus/Prospectus along with the material contracts and documents referred elsewhere in the Draft Prospectus/Prospectus, will be delivered to the RoC.

LISTING

An application will be made to BSE for obtaining permission to deal in and for an official quotation of our Equity Shares on BSE SME. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalised for the Issue.

Our Company has received an in-principle approval letter dated [●] from BSE for using its name in the Issue document for listing its shares on BSE SME.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the BSE SME, the Company shall refund through verifiable means the entire monies received within four days of receipt of intimation from the Designated Stock Exchange rejecting the application for listing of specified securities, and if any such money is not repaid within four day after the Company becomes liable to repay it, the Company and every Director of the Company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of 15% per annum as prescribed under Section 40 of the Companies Act.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the BSE SME mentioned above are taken within three Working Days from the Issue Closing Date.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- i. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- ii. 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
- iii. 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 to action under Section 447 of the Companies Act.

CONSENTS

Consents in writing of our Directors, our Promoters, our Company Secretary and Compliance Officer, Chief Financial Officer, our Statutory Auditor, Bankers to our Company, Lead Manager, Registrar to the Issue, Legal Advisor to the Issue, Chartered Engineer, Underwriter to the Issue*, Banker to the Issue*/ Sponsor Bank*, Syndicate Members*, Market Maker to the Issue* to act in their respective capacities has been obtained as required under section 26 and 32 of the Companies Act and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act and such consents will not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

**To be obtained prior to the filing of the Prospectus with Registrar of Companies.*

EXPERTS' OPINION

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

1. Our Company has received written consent dated September 25, 2026, from M/s. B.M. Saraf and Company, Statutory Auditor, holding a valid peer review certificate from ICAI, to include their name as required under Section 26(5) of the Companies Act read with the SEBI ICDR Regulations, in this Draft Prospectus, and as an "expert" identified under Section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated September 25, 2026 relating to the Restated Consolidated Financial Statements; (ii) the statement of special tax benefits

dated September 24, 2026; and (iii) certificates issued by them in relation to this Issue included in this Draft Prospectus, and such consent has not been withdrawn on the date of this Draft Prospectus.

2. Our Company has received written consent dated September 09, 2026 from Mr. Dinesh P. Jani, Independent Chartered Engineer to include its name as an “expert” as defined under Section 2(38) of the Companies Act and other applicable provisions of the Companies Act in respect of the certificate dated September 09, 2026, on independent verification of installed plant and machinery of the Company, and such consent has not been withdrawn as on the date of this Draft Prospectus.

However, the term “expert” and consents thereof do not represent an expert or consent within the meaning under the U.S. Securities Act.

FEES, BROKERAGE AND SELLING COMMISSION PAYABLE

The total fees payable to the Lead Manager will be as per the (i) Issue Agreement with the Lead Manager, (ii) the Underwriting Agreement with the Underwriter and (iii) the Market Making Agreement with the Market Maker, a copy of which was available for inspection at our office from 10.00 AM to 5.00 PM on Working Days from the date of the Draft Prospectus until the Bid/Issue Closing Date.

FEES PAYABLE TO THE REGISTRAR TO THE ISSUE

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company, and the Registrar to the Issue dated September 29, 2026, a copy of which is available for inspection at our Company’s Registered Office/ Corporate Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

PARTICULARS REGARDING PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE (5) YEARS

Our Company has not made any previous public or rights issue in India or abroad the five years preceding the date of this Draft Prospectus and this Issue is an “*Initial Public Offer*” in terms of the SEBI ICDR Regulations.

PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC / RIGHTS ISSUE OF THE LISTED SUBSIDIARIES / LISTED PROMOTERS OF OUR COMPANY

As on the date of this Draft Prospectus, our Company does not have any listed group companies, subsidiaries or associates.

PREVIOUS ISSUES OF EQUITY SHARES OTHER THAN FOR CASH

For further details, please refer to chapter titled “*Capital Structure*” on page no. 70 of this Draft Prospectus.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION ON PREVIOUS ISSUES

Since this is an initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing or agreeing to procure subscription for any of the Equity Shares since our incorporation.

PREVIOUS CAPITAL ISSUE DURING THE LAST THREE YEARS BY LISTED GROUP COMPANIES OF OUR COMPANY

Our Company does not have any listed group companies as on the date of this Draft Prospectus.

PERFORMANCE VIS-À-VIS OBJECTS

Our Company is an “Unlisted Issuer” in terms of the SEBI ICDR Regulations, and this Issue is an “Initial Public Offer” in terms of the SEBI ICDR Regulations. Therefore, data regarding promise versus performance is not applicable to us.

OUTSTANDING DEBENTURES OR BOND ISSUES OR REDEEMABLE PREFERENCE SHARES

As on the date of this Draft Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

PARTLY PAID-UP SHARES

As on the date of this Draft Prospectus, there are no partly paid-up Equity Shares of our Company.

OUTSTANDING CONVERTIBLE INSTRUMENTS

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Prospectus.

OPTION TO SUBSCRIBE

Investors will get the allotment of specified securities in dematerialisation form only.
The Equity Shares, on allotment, shall be traded on the stock exchange in demat segment only.

STOCK MARKET DATA OF EQUITY SHARES

This being an IPO of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three years from the last date of dispatch of the letters of allotment, or refund orders, demat credit or where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances. We hereby confirm that there are no investor complaints received during the three years preceding the filing of Draft Prospectus. Since there are no investor complaints received, none are pending as on the date of filing of this Draft Prospectus.

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

The Applicant should give full details such as name of the sole/ First Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the Applicant shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned above.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be 15 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 constituted a Stakeholders Relationship Committee in the meeting of our Board of Directors held on September 10, 2026. For further details on the Stakeholders Relationship Committee, please refer to the section titled “*Our Management*” beginning on page no. 208 of this Draft Prospectus.

Our Company has appointed Ms. Raina Singh as the Company Secretary and Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Ms. Raina Singh

Company Secretary & Compliance Officer

Anil Fashions Limited

Survey No. 169, Piplej Pirana Road, Opp Bharwad Vaas, Piplej, Ahmedabad, Gujarat, India, 382405

Telephone: +91 9428015692

Email: cs@anilfashions.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account, etc.

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.

STATUS OF INVESTOR COMPLAINTS

We confirm that we have not received any investor complaints during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

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

Our Company has not applied for or received any exemptions from SEBI from complying with any provisions of securities laws.

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SECTION VII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this Issue shall be subject to the provisions of the Companies Act, SCRA, SCRR, SEBI ICDR Regulations, SEBI Listing Regulations, MOA and AOA, the terms of this Draft Prospectus, Abridged Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN'), Allotment Advices and other terms and conditions as may be incorporated in the Allotment Advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the GoI, the Stock Exchanges, RoC, and / or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.

Please note that, in accordance with Regulation 256 of the SEBI ICDR Regulations read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the Applicant have to compulsorily apply through the ASBA process providing details of the bank account which will be blocked by the SCSBs. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by Individual Investors through Designated Intermediaries (Syndicate Members, Registered Stock-Brokers, Registrar and Transfer Agent and Depository Participants) along with the existing timeline of T+3 days.

Further, vide the said circular, Registrar to the Issue and Depository Participants have also been authorised to collect the Application Forms. Investors may visit the official website of the Designated Stock Exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

The Issue

The Issue comprises a Fresh Issue by our Company. Expenses for the Issue shall be borne by our Company in the manner specified in “**Objects of the Issue**” on page no. 89 of this Draft Prospectus.

Authority for the Issue

The present public Issue comprising of the Fresh Issue has been authorized by a resolution of the Board of Directors of our Company at their meeting held on August 24, 2026 and was approved by the Shareholders of the Company by passing special resolution at the EGM held on September 01, 2026 in accordance with the provisions of Section 62(1)(c) of the Companies Act.

Ranking of Equity Shares

The Equity Shares being issued and transferred pursuant to the Issue will be subject to the provisions of the Companies Act, SCRA, SCRR, the SEBI ICDR Regulations, the SEBI Listing Regulations, the MOA and the AOA and will rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of dividends, voting and other corporate benefits, if any, declared by our Company, after the date of Allotment. For more information, see the chapter titled “**Articles of Association of our Company**” on page no. 399 of this Draft Prospectus.

Mode of Payment of Dividend

Our Company shall pay dividend, if declared, to our Shareholders, as per the provisions of the Companies Act, the SEBI Listing Regulations, our MOA and the AOA, and any guidelines or directives that may be issued by the Government of India in this respect. Any dividends declared, after the date of Allotment in this Issue, will be payable to the Applicant who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable law. For more information, see the chapters titled “**Dividend Policy**” and “**Articles of Association of our Company**” on page no. 232 and 399 respectively of this Draft Prospectus.

Face Value and Issue Price

The face value of each Equity Share of ₹ 10 each are being issued in terms of this Draft Prospectus at the Issue Price of ₹ [●] per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled “**Basis for Issue Price**” beginning on page no. 104 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

The minimum application size will be decided by our Company in consultation with the Lead Manager, and will be advertised, at least two Working Days prior to the Issue Opening Date, in [●] edition of [●] (a widely circulated English national daily newspaper), in [●] edition of [●] (a widely circulated Hindi national daily newspaper) and in [●] edition of [●] (a widely circulated regional Gujarati newspaper, Gujarati also being the regional language of Ahmedabad, Gujarat where the registered office of our Company is located) each with wide circulation and shall be made available to the Designated Stock Exchange for the purpose of uploading on its website. The Issue Price, along with the relevant financial ratios, shall be pre-filled in the Application Forms available on the website of the Designated Stock Exchange.

Compliance with SEBI ICDR Regulations

Our Company shall comply with all the requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosures and accounting norms as specified by SEBI from time to time.

Compliance with disclosures and accounting norms

Our Company shall comply with all applicable disclosures 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 AOA, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to receive annual reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations, and our MOA and AOA.

For a detailed description of the main provisions of the AOA of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation / splitting, etc., see the chapter titled “**Articles of Association of our Company**” beginning on page no. 399 of this Draft Prospectus.

ALLOTMENT ONLY IN DEMATERIALIZED FORM

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, SEBI Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- 1) Tripartite Agreement dated September 29, 2026, between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.

- 2) Tripartite Agreement dated September 16, 2026, between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act the Equity Shares to be allotted must be in dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only. For details in relation to the Basis of Allotment, see the chapter titled “*Issue Procedure*” on page no. 361 of this Draft Prospectus.

Minimum Application Value, Market Lot and Trading Lot

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall be two lots per application. Provided that the application size shall be above ₹2.00 Lakhs.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by BSE SME from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful Applicant in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012.

For further details, see the chapter titled “*Issue Procedure*” on page no. 361 of this Draft Prospectus.

Minimum Number of Allottees

In accordance with Regulation 268 of SEBI ICDR Regulations, the minimum number of allottees in the Issue shall be 200 Shareholders. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Issue and the monies blocked by SCSBs shall be unblocked within four working days of closure of the Issue.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Ahmedabad, Gujarat.

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be 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 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.

Applicants are advised to ensure that any Application from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Applicant, where required must agree in the Allotment Advice that such Applicant will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Joint Holders

Subject to the provisions of the AOA, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination facility to Investors

In accordance with Section 72 of the Companies Act read with Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Applicant, or the 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 Applicant, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. 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 our registered office or to the Registrar and Transfer Agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue 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.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

ISSUE PERIOD

ISSUE OPENS ON*	[●]
ISSUE CLOSES ON	[●]

*Notes:

- ⁽¹⁾ UPI mandate end time and date is at 5.00 p.m. on Issue Closing Date.
- ⁽²⁾ Our Company, in consultation with the Lead Manager, may consider closing the Issue Period for QIBs one Working Day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations.

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Opening Date	[●]
Issue Closing Date (T)	[●]
Finalization of basis of Allotment with the Designated Stock Exchange (T+1)	On or before [●] (T+1)
Initiation of Allotment / refunds (if any) / unblocking of funds from ASBA Account or UPI ID linked bank account (T+2)	On or before [●] (T+2)
Credit of Equity Shares to demat account of the Allottees (T+2)	On or before [●] (T+2)
Commencement of trading of the Equity Shares on the Stock Exchange (T+3)	On or before [●] (T+3)

(i) In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Issue Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/withdrawal/deletion is placed in the Designated Stock Exchange's 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 blocked funds other than the original application amount shall be instantly revoked and the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock;

(iii) any blocking of amounts more than the Application Amount, the different amount (i.e., the blocked amount less the Application Amount) shall be instantly revoked and the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock;

(iv) any delay in unblocking of non-allotted/ partially allotted Applications, exceeding two Working Days from the Issue Closing Date, the Applicants shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

The Applicant shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

The processing fees for applications made by the UPI Applicant may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 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, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024.

The above time-table is indicative in nature and does not constitute any obligation or liability on our Company or the LM. While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on BSE SME are taken within three Working Days from the Issue Closing Date or such other period as may be prescribed by SEBI, the timetable may be subject to change for various reasons, including extension of Issue Period by our Company or any delays in receipt of final listing and trading approvals from the Designated Stock Exchange. The commencement of trading of the Equity Shares will be entirely at the discretion of the Designated Stock Exchange in accordance with applicable laws.

SEBI vide circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the post issue timeline for initial public offerings. The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Accordingly, the Issue will be made under UPI Phase III on mandatory T+3 days listing basis, subject to the timing of the Issue and any circulars, clarification or notification issued by the SEBI from time to time, including with respect to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.

In terms of the UPI Circulars, in relation to the Issue, the Lead Manager 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 of Issue Closing Date or such time 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. Any circulars or notifications from SEBI after the date of this Draft Prospectus may result in changes to the listing timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

Application Forms and any Revision forms will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Submission and Revision in Applications will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) for Individual investors who applies for minimum application. The time for applying for Individual Investors on the Issue Closing Date may be extended in consultation with the LM, RTA and BSE SME taking into account the total number of Applications received up to the closure of timings.

Standardization of cut-off time for uploading of applications on the Issue Closing Date:

- A standard cut-off time of 3.00 p.m. for acceptance of applications.
- A standard cut-off time of 4.00 p.m. for uploading of applications received from Non-Institutional Applicants.
- A standard cut-off time of 5.00 p.m. for uploading of applications received from only Individual Applicants, which may be extended up to such time as deemed fit by the Designated Stock Exchange after taking into account the total number of applications received up to the closure of timings and reported by LM to the Designated Stock Exchange within half an hour of such closure.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Issue closure time from the Issue Opening Date till the Issue Closing Date by obtaining the same from the Designated Stock Exchange. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the Lead Manager and the Registrar and Share Transfer Agent on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per applications /batch and as deemed fit by the Stock Exchange, after closure of the time for uploading applications.

It is clarified that Applications not uploaded on the electronic bidding system or in respect of which the full Application Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, will be rejected.

Due to the limitation of time available for uploading the Application Forms on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Issue Closing Date. Any time mentioned in this Draft Prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public Issue, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Neither our Company nor the Lead Manager is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise.

SEBI is in the process of streamlining and reducing the post offer timeline for IPOs. Any circulars or notifications from SEBI after the date of the Draft Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

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

In case of any revision to the Issue Price, the Issue Period will be extended by at least three additional Working Days after such revision of the Issue Price, subject to the Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may in consultation with the Lead Manager, for reasons to be recorded in writing, extend the Issue Period for a minimum of one Working Day, subject to the Issue Period not exceeding 10 Working Days. Any revision

in the Issue Price and the revised Issue Period, if applicable, will be widely disseminated by notification to the Designated Stock Exchange, by issuing a public notice, and also by indicating the change on the websites of the Lead Manager and by intimation to Designated Intermediaries and the Sponsor Bank, if applicable.

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Application Form for a particular Applicant, the details as per the Bid file received from the Designated Stock Exchange shall be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Minimum Subscription and Underwriting

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the Prospectus including devolvement of Underwriters, if any, within 60 days from the date of closure of the Issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act and applicable laws.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the Designated Stock Exchange where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from the Designated Stock Exchange rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the Issuer becomes liable to repay it, the Issuer and every Director of the Company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

In terms of Regulation 260 of the SEBI ICDR Regulations, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “**General Information – Underwriting**” on page no. 67 of this Draft Prospectus.

Further, in accordance with Regulation 268(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted shall not be less than 200.

In accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall be minimum of two lots. Provided that the minimum application size shall be above ₹ 2.00 Lakhs.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Migration to Main Board

Pursuant to guidelines specified by BSE by its notice bearing no. 20231124-55 dated November 24, 2023 and any other applicable rules, regulations as specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI ICDR Regulations, the Company is required to be listed on BSE SME for a minimum period of three years from the date of listing, and only after that it can migrate to the Main Board of BSE after complying with all the requirements, as applicable.

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, our Company may migrate to the Main Board of BSE from the BSE SME on a later date subject to the following:

- If the post Issue face value capital of the Company is likely to increase above ₹ 2,500.00 Lakhs by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than Promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the Main Board), we shall have to apply to BSE for listing our Equity Shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
- If the paid-up capital of our Company is more than ₹ 1,000.00 Lakhs and up to ₹ 2,500.00 Lakhs, our Company may still apply for migration to the Main Board. If our Company fulfils the eligibility criteria for listing laid down by the Main Board of BSE and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than Promoter shareholders against the proposal.

Eligibility Criteria for Migration of SME Companies to BSE Main Board

Pursuant to Regulation 277 of SEBI ICDR Regulations, an issuer, whose specified securities are listed on a SME Exchange and whose post-offer paid up capital is more than ten crore rupees and up to twenty five crore rupees, may migrate its specified securities to the main board of the stock exchanges if its shareholders approve such a migration by passing a special resolution through postal ballot to this effect and if such issuer fulfils the eligibility criteria for listing laid down by the Main Board;

Provided that the special resolution shall be acted upon if and only if the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Further, BSE has reviewed its criteria for Migration of SME Companies to BSE Main Board dated August 20, 2025 vide notice no. 20250820-11 effective from August 11, 2025 as follows:

Details	Unified Eligibility Criteria
Paid up capital	<i>Atleast ₹ 10 crores.</i>
Market Capitalisation	Average of 6 months market cap Migration: ₹ 100 crores Direct listing: ₹ 1000 crores <i>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.</i>
Market Liquidity	• At least 5% of the weighted average number of shares listed should have been traded during such six months' period • Trading on at least 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 <i>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.</i>
Operating Profit (EBIDTA)	Average of ₹ 15 Crores. on a restated consolidated basis, in preceding 3 years (of 12 months each), with operating profit in each of these 3 years, with a minimum of ₹ 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.
Networth	₹ 1 Crore - 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 Crores 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 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 Compliance	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	Min. 1000 as per latest shareholding pattern
Other Parameters	1. No pending Defaults w.r.t bonds/ debt instrument/ FD by company, promoters/ promoter group /promoting company(ies), Subsidiary Companies 2. Certificate from CRA for utilization of IPO proceeds and further issues post listing on SME. 3. Not under any surveillance measures/actions i.e “ESM”, “ASM”, “GSM category” or T-to-T for surveillance reasons at the time of filing of application. 2 months cooling off from the date the security has come out of T to-T category or date of graded surveillance action/measure.
Score ID	No pending investor complaints on SCORES.
Business Consistency	Same line of business for 3 years at least 50% of the revenue from operations from such continued business activity.
Audit Qualification	No audit qualification w.r.t. going concern or any material financial implication and such audit qualification is continuing at the time of application.

Market Making

The Equity Shares offered through this Issue are proposed to be listed on BSE SME, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of BSE SME for a minimum period of three years from the date of listing on BSE SME. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to the chapter titled “**General Information - Details of the Market Making Arrangements for this Issue**” on page no. 67 of the Draft Prospectus.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, 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 BSE SME.

As per the extant Guidelines of the GoI, OCBs cannot participate in this Issue

The current provisions of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 (“**FEMA NDI Rules**”), provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the FEMA NDI Rules, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Allotment of Equity Shares in Dematerialized Form

Pursuant to Section 29 of the Companies Act, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Designated Stock Exchange.

New Financial Instruments

As on the date of this Draft Prospectus, there are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

Application by Eligible NRI's, FPI's, VCF's and, AIF's registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be offered is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy (“**FDI Policy**”) and the non-resident shareholding is within the sectoral limits under the FDI Policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Issue capital of our Company, the Minimum Promoter's Contribution in the Issue as detailed in the chapter titled “**Capital Structure**” on page no. 70 of this Draft Prospectus and except as provided in the AOA as detailed in the chapter titled “**Articles of Association of our Company**” on page no. 399 of this Draft Prospectus, there are no restrictions on transfers and transmission of Equity Shares / debentures and on their consolidation/ splitting.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after filing the Draft Prospectus with the RoC/Stock Exchange and publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one Gujarati regional newspaper (Gujarati being the regional language of Ahmedabad, Gujarat, where the registered office of our Company is situated) with wide circulation.

In the pre-Issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Withdrawal of the Issue

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Fresh Issue at any time before the Issue Opening Date without assigning any reason thereof. In such an event, our Company could have offered a public notice in the newspaper in which the pre-Issue advertisements were published, within two days of the Issue Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar of the Issue, could notify the SCSBs to unblock the bank accounts of the ASBA Applicant within one working day from the date of receipt of such notification. Our Company could also inform the same to the stock exchange on which Equity Shares are proposed to be listed. The notice of withdrawal could be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchanges will also be informed promptly. If our Company, in consultation with the Lead Manager withdraw the Issue after the Issue Closing Date and thereafter determines that it will proceed with a public offering of the Equity Shares, our Company shall file a fresh Draft Prospectus with the Stock Exchange.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Designated Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of the Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.

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ISSUE STRUCTURE

The Issue is being made in terms of Regulation 229 (2) of Chapter IX of the SEBI ICDR Regulations as amended from time to time, whereby, an issuer whose post issue paid up capital is more than ₹ 1,000 Lakhs and up to ₹2500 Lakhs*, shall issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“**SME Exchange**”), in this case being the BSE SME. For further details regarding the salient features and terms of such an issue, see “**Terms of Issue**” and “**Issue Procedure**” on page nos. 346 and 361 respectively of this Draft Prospectus.

**Subject to finalization of Basis of Allotment.*

The Issue comprises of a Public Issue of up to 68,02,000 Equity Shares of face value of ₹ 10/- each fully paid for cash at price of ₹ [●] (including a share premium of ₹ [●] per Equity Share) (“**Issue Price**”) aggregating up to ₹ [●] Lakhs (“**Issue**”) comprising of all Fresh Issue by our Company.

The Issue comprises of a reservation of [●] Equity Shares of face value of ₹ 10 each at a price of ₹ [●] aggregating to ₹ [●] Lakhs for subscription by Market Maker (“**Market Maker Reservation Portion**”). The Issue less Market Maker Reservation Portion, i.e., Issue of [●] Equity Shares of face value of ₹ [●] each, at an Issue Price of ₹ [●] per Equity Share for cash, aggregating up to ₹ [●] Lakhs is hereinafter referred to as the “**Net Issue**”.

The Issue and the Net Issue will constitute [●] % and [●] %, respectively of the post-issue paid-up Equity Share capital of our Company.

The Issue is being made through a Fixed Price Process:

Particulars of the Issue	Market Maker Reservation Portion	Net Issue to Public*
Number of Equity Shares available for allocation	[●] Equity Shares.	[●] Equity Shares.
Percentage of Issue Size available for allocation	[●]% of Issue Size.	[●]% of the Issue Size (50% for the Individual Investors who apply for minimum application size and the balance 50% for other than Individual Investors who apply for more than minimum application size).
Basis of Allotment / Allocation if respective category is oversubscribed	Firm Allotment.	Proportionate subject to minimum Allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each. For further details, please refer to section explaining the “ Basis of Allotment ” in the GID and “ Issue Procedure ” on page no. 386 and 361 of this Draft Prospectus.
Mode of Application	All the Applicant shall make the application (online or physical) through the ASBA process only (including UPI Mechanism for Individual Investors (who apply for minimum application size) using Syndicate ASBA).	
Minimum Application Size	[●] Equity Shares.	<i>For other than Individual Investors who apply for minimum application size:</i> Such number of Equity Shares in multiples of [●] Equity Shares at an Issue Price of ₹ [●] each, such that the application value exceeds ₹ 2.00 Lakhs.

		<i>For Individuals Investors who apply for minimum application size:</i> [●] Equity Shares at an Issue Price of ₹ [●] each.
Maximum Application Size	[●] Equity Shares.	<i>For other than Individual Investors who apply for minimum application size:</i> Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the Net Issue to the public, i.e. [●] Equity Shares, subject to limits the Investor has to adhere to under the relevant laws and regulations, as applicable. <i>For Individuals Investors who apply for minimum application size:</i> Such number of Equity Shares in multiples of [●] Equity Shares at an Issue Price of ₹ [●] each, not more than the minimum application size.
Mode of Allotment	Compulsorily in dematerialized form.	
Trading Lot	[●] Equity Shares. However, the Market Maker may accept odd lots, if any, in the market as required under the SEBI ICDR Regulations.	[●] Equity Shares.
Terms of Payment	In case of ASBA, the entire Application Amount will be payable at the time of submission of the Application Form and in case of UPI, Application Amount shall be blocked at the time of confirmation of mandate collection request by the Applicant.	

**As per the Regulation 253(3) of the SEBI ICDR Regulations, as amended, as the present Issue is a fixed price Issue, the allocation in the Net Issue to the public category shall be made as follows:*

- a) Minimum 50% to Individual Investors; and;*
- b) Remaining to:*
 - i. Individual Applicant who applies for more than minimum application size; and*
 - ii. Other Investors including corporate bodies or institutions, irrespective of the number of specified securities applied for.*

Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to Applicants in the other category. If the Individual Investors category (who apply for the minimum application size) is entitled to more than 50% of the Issue size on a proportionate basis, such Individual Investors shall be allocated that higher percentage.

Note:

- 1. The Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time. The Issue is being made by our Company in terms of Regulation 229 (1) of SEBI ICDR Regulations, read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post Issue paid-up Equity Share capital of our Company are being offered to the public for subscription.*
- 2. The Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on August 24, 2026 and by our shareholders pursuant to a resolution passed at the AGM held on September 01, 2026. This Issue is made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time. For further details please refer to section titled “**Issue Structure**” beginning on page no. 357 of this Draft Prospectus.*
- 3. In case of joint application, 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.*

4. *Applicant will be required to confirm and will be deemed to have represented to our Company, the LM, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.*
5. *SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.*

Lot Size

SEBI vide circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 (“**the Circular**”) standardized the lot size for initial public offer proposing to list on SME platform and for the secondary market trading on such exchange/platform, as under:

Issue Price (in ₹)	Lot Size (No. of shares)
Up to 14	10000
More than 14 up to 18	8000
More than 18 up to 25	6000
More than 25 up to 35	4000
More than 35 up to 50	3000
More than 50 up to 70	2000
More than 70 up to 90	1600
More than 90 up to 120	1200
More than 120 up to 150	1000
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 1000	160
Above 1000	100

Further to the Circular, at the initial public offer stage, the Registrar to Issue in consultation with LM, 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 Initial Public Offer lot size at the application/allotment stage, facilitating secondary market trading.

Withdrawal of the Issue

In accordance with the SEBI ICDR Regulations, the Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, but before the Board meeting for Allotment without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated National newspapers (one each in English and Hindi) and one in regional newspaper where the registered office of our Company is located within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs and the Sponsor Bank, in case of Individual Applicant using the UPI Mechanism to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Designated Stock Exchange on which Equity Shares are proposed to be listed. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If the Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, the Company will file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

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

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ISSUE PROCEDURE

All Applicant should review the General Information Document for “Investing in Public Issue”, prepared and issued in accordance with the SEBI circular no. (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 notified by SEBI (the “**General Information Document**”) and SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section “**PART B – General Information Document**” which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of Stock Exchange, and the Lead Manager. The document will be updated to reflect the enactments and regulations including then Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, to the extent applicable to a public offer. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue. Investors are required to note that the details and process provided in the General Information Document should be read along with this section.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public offer of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

Further, 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, our Company shall ensure that the minimum application size shall be two lots per application:

“Provided that the minimum application size shall be above ₹ 2 Lakhs.”

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) payment Instructions for ASBA Applicants; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI through its UPI Circular bearing reference 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 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for Individual Investors applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days (“**UPI Phase I**”). The UPI Phase I was effective till June 30, 2019.

Subsequently, for applications by Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”), with effect from July 1, 2019, by SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. Further, as per the SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further

extended by SEBI until further notice, by its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020.

Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Individual Investors ("**UPI Phase III**"), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of the Draft Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all Individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 5 Lakhs shall use the UPI Mechanism. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). These circulars are effective for initial public offers opening on/or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Draft Prospectus.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing six Working Days to three Working Days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023, and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Issue will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbrokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by BSE SME to act as intermediaries for submitting Application Forms are provided on <https://www.bseindia.com/> For details on their designated branches for submitting Application Forms, please see the abovementioned website of BSE SME.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Issue Closing Date, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, has reduced the timelines for refund of Application money to four days.

The LM shall be the nodal entity for any issues arising out of public issuance process.

Our Company and the LM does not accept any responsibility for the completeness and accuracy of the information stated in this section and the GID and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Applicant are advised to make their independent investigations and ensure that their Applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Draft Prospectus, when filed.

Further, the Company and the LM is not liable for any adverse occurrences' consequent to the implementation of the UPI Mechanism for application in this Issue.

PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE AS PER THE UPI CIRCULAR

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an Individual Investor had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019. SEBI *vide* its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI *vide* its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public Issue closure to listing would continue to be six Working Days during this phase.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, *vide* SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“**T+3 Notification**”). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue, shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Individual Applicants into the UPI Mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Lead Manager.

FIXED PRICE ISSUE PROCEDURE

The Issue is being made in compliance with the provisions of Chapter IX of the SEBI ICDR Regulations and through the Fixed Price Process. As per Regulation 253(3) of the SEBI ICDR Regulations, as amended, as present Issue is a fixed price offer, the allocation in the net offer to the public category shall be made as follows:

- a) Minimum 50% to Individual Investors who applies for minimum application size; and
- b) Remaining to:
 - i. Individual Applicant other than who applies for more than minimum application size; and
 - ii. Other Investors, including corporate bodies or institutions, irrespective of the number of specified securities applied for.
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the Applicant in the other category.

If the category of Individual Investors who applies for minimum application size is entitled to more than 50% of the Issue Size on a proportionate basis, such Individual Investors shall be allocated that higher percentage.

Applicant are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicant, the Company in consultation with the Lead Manager may reject applications at the time of acceptance of Application Form, provided that the reasons for such rejection shall be provided to such Applicant in writing.

Subject to the valid Applications being received at an Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Individual Investor portion (who applies for minimum application size) where Allotment to each such Investors shall not be less than the minimum lot, subject to availability of Equity Shares in such 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 LM and the Stock Exchange.

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

APPLICATION FORM

Copies of the Application Form and the Abridged Prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries at specified locations, and at the of our Company.

All Applicants shall mandatorily participate in the Issue only through the ASBA Process.

ASBA Applicants must provide either (i) the bank account details or authorisation 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 Individual Investors using third party bank account or using third party linked bank account UPI ID are liable for Registered Office rejection. Since the Issue is made under Phase III of the UPI Circulars, ASBA Applicant may submit the ASBA Form in the manner below:

- i. Individual Investors (other than the Individual Investors using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- ii. Individual Investors using the UPI Mechanism, may submit their ASBA Forms with the Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Registered Brokers, RTAs or CDPs.

Applicants are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount which can be blocked by the SCSB.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour*
Indian Public / Eligible NRIs applying on a non-repatriation basis (ASBA)	[●]
Non-residents including Eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	[●]

**Excluding Electronic Application Forms*

Designated Intermediaries (other than SCSBs) after accepting the Application Form submitted by IIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the Applicant has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Applicant shall only use the specified Application Form for making an Application in terms of the Draft Prospectus.

The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicant wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Applicant are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS

An Investor, intending to subscribe to this Issue, shall submit a completed Application Form to any of the following Designated Intermediaries:

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A stock broker registered with a recognized Stock Exchange (and whose name is mentioned on the website of the Stock Exchange as eligible for this activity) ('broker')
3.	A Depository Participant ('DP') (whose name is mentioned on the website of the Stock Exchange as eligible for this activity)
4.	A Registrar to an Issue and Share Transfer Agent ('RTA') (whose name is mentioned on the website of the Stock Exchange as eligible for this activity)

Individual Investors submitting application with any of the entities at (ii) to (iv) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Application Form.

The aforesaid Designated 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 applications submitted by investors to intermediaries other 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 Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment	After accepting the Application Form, respective Designated 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.
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Stock Exchange shall validate the electronic application 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 resubmission within the time specified by Stock Exchange.

Stock Exchanges 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 Application details already uploaded.

Upon completion and submission of the Application Form to application collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Draft Prospectus, without prior or subsequent notice of such changes to the Applicant.

The Equity Shares have not been, and will not be, registered under 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 are being offered or 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.

For Individual Investors using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to IIs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to Individual Investors, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Applicant with a confirmation cut-off time of 12:00 pm on the first Working Day after the Issue Closing Date ("**Cut-Off Time**"). Accordingly, Individual Investors should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every Application entered in the Stock Exchange bidding platform, and the liability to compensate IIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

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 were not made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

AVAILABILITY OF DRAFT PROSPECTUS AND APPLICATION FORMS

Copies of the Application Forms and the Draft Abridged Prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries at Bidding Centres, and Registered office/ Corporate Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of SCSBs (via internet banking) and BSE SME (www.bseindia.com). at least one day prior to the Issue Opening Date.

WHO CAN APPLY?

Each Applicant should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies.

Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Draft Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint 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 Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Applicant's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI;
- k) State Industrial Development Corporations;
- l) Foreign Venture Capital Investors registered with the SEBI;
- m) 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;
- n) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- o) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- p) Provident Funds with minimum corpus of ₹ 2500.00 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- q) Pension Funds and Pension Funds with minimum corpus of ₹2500.00 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- r) 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;
- 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; and
- w) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

APPLICATIONS NOT TO BE MADE BY:

- 1. Minors (except through their guardians)
- 2. Partnership firms or their nominations
- 3. Foreign Nationals (except NRIs)
- 4. Overseas corporate bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments

as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

For Individual Applicants who apply for minimum application Applications

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 not less than 2 lots per application provided that the minimum application size shall be above ₹2.00 Lakhs. In case of revision of Applications, the Individual Applicants, who has applied for minimum application size, not less than 2 lots per application provided that the minimum application size shall be above ₹2.00 Lakhs.

For Other than Individual Applicants (Non-Institutional Applicant and QIBs) who apply for minimum application Applications

The Application must be for a minimum of such number of Equity Shares not less than 3 lots that the Application Amount exceeds ₹ 2.00 Lakhs and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2.00 Lakhs for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

PARTICIPATION BY ASSOCIATES /AFFILIATES OF LEAD MANAGER

The Lead Manager, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager, if any, may subscribe the Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

OPTION TO SUBSCRIBE IN THE ISSUE

- a. As per Section 29(1) of the Companies Act, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on Allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single 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

1. Our Company and the Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Draft Prospectus to be filed with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a Gujarati regional newspaper (Gujarati being the regional language of Ahmedabad, Gujarat) with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Draft Prospectus with the RoC at least three days before the Issue Opening Date.
3. Copies of the Application Form along with Abridged Prospectus and copies of the Draft Prospectus will be available with the Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.
4. Any Applicant who would like to obtain the Draft Prospectus and/ or the Application Form can obtain the same from our Registered Office.
5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. 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 Applicant whose beneficiary account is inactive shall be rejected.
7. 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. The Individual Applicant has 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.
8. 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.
9. 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 Applicant, 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 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 Applicant for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicant.
10. The Applicant 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.

APPLICATIONS BY ELIGIBLE NRIs

Eligible NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants 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") ASBA Accounts, and eligible NRI Applicants 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 Application Amount, at the time of the submission of the Application Form.

- Eligible NRIs bidding on non-repatriation basis are advised to use the Application Form for residents (white in colour). By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment.

- Eligible NRIs bidding on a repatriation basis are advised to use the Application Form meant for Non Residents (blue in colour). Under FEMA general permission is granted to companies *vide* notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for Allotment to NRI's on repatriation basis.

Participation of Eligible NRIs in the Issue shall be subject to the FEMA Non-debt Instrument Rules. Only Applications accompanied by payment in Indian rupees or fully convertible foreign exchange will be considered for allotment.

For details of restrictions on investments by NRIs, please refer to the chapter titled “**Restrictions on Foreign Ownership of Indian Securities**” on page no. 395 of this Draft Prospectus.

APPLICATIONS BY FPI INCLUDING FIIs

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an 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 a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. 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 Issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-offer Equity Share capital. Further, in terms of the FEMA Non-debt Instruments Rules, the total holding by each FPI, of an investor group, shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be the sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA NDI Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. Applications by FPIs which utilise the multi-investment manager structure, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs may not be treated as multiple Applications.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Applications made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason.

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 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 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 an 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 (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

The FPIs who wish to participate in the Issue are advised to use the Application Form for Non-Residents (blue in colour) Application Form

APPLICATIONS BY SEBI-REGISTERED VCFs, AIFs AND FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an IPO. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an IPO of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Issue) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Issue, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares. All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the applicant on account of conversion of foreign currency. **There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

APPLICATIONS BY HUFs

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with Applications from individuals.

APPLICATIONS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

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 Applications has been made.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

APPLICATIONS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis a net worth certificate from its statutory auditor(s), and such other approval as may be required by the Systematically Non-Banking Financial Companies must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

The investment limit for NBFC-SI shall be prescribed by RBI from time to time.

For more information, please read the General Information Document.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Issue.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA Process.

APPLICATIONS BY INSURANCE COMPANIES

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

APPLICATIONS UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reasons thereof.

Our Company in consultation with the Lead Manager in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company and the Lead Manager may deem fit.

APPLICATIONS BY PROVIDENT FUNDS / PENSION FUNDS

In case of Applications made by provident funds with minimum corpus of ₹2500 Lakhs (subject to applicable law) and pension funds with minimum corpus of ₹2500 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, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

APPLICATIONS BY BANKING COMPANY

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 reserves the right to reject any Application by a banking company without assigning any reason thereof.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "**Banking Regulation Act**"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 as amended.

APPLICATIONS BY SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 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 SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

ISSUANCE OF CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE

1. Upon approval of the basis of Allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicant who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicant who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA) APPLICANT

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the

date of this Draft Prospectus. ASBA Applicant are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

TERMS OF PAYMENT

The entire Issue price of ₹ [●] per Equity 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 Applicant.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Applicant should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicant.

METHOD AND PROCESS OF APPLICATIONS

1. Applicants are required to submit their applications during the Issue Period only through the Designated Intermediaries.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed ten Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days.
3. During the Issue 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 be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. The Designated 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. The upload of the details in the electronic bidding system of Stock Exchange and post that blocking of funds will be done by as given below:

For the applications submitted by the Investors to SCSB using UPI for payment	After accepting the Application 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 Application Form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment	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 the Issue.

6. The Designated Intermediaries will enter each application 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.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the controlling branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

TERMS OF PAYMENT

The entire Issue price of ₹ [●] per Equity 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 Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Applicants should note that the arrangement with Banker to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

PAYMENT MECHANISM

The Applicant 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 Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI ICDR Regulations all the investors applying in a public Issue shall use only ASBA Process for application providing details of the bank account which will be blocked by the SCSBs for the same. Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

PROCEDURE FOR UNIFIED PAYMENT INTERFACE (UPI)

In accordance to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, to streamline the process of public issue of equity shares and convertibles, Phase II shall become effective from July 01, 2019, thereafter for applications by Individual Investors who apply for minimum application size through Designated Intermediaries, where the existing process of Investor submitting Application Form with any Designated Intermediaries along with bank account details and movement of such Application

Forms from Designated Intermediaries to Self-Certified Syndicate Banks (SCSBs) for blocking of funds, will be discontinued. For such applications only the UPI Mechanism would be permissible mode.

Who can apply through UPI mode

Only Individual Investors who applies for minimum application size are allowed to use UPI for the payment in public issues. Qualified Institutional Buyers and high-net worth Investors shall continue to apply as per the existing process.

Process

Applications through UPI in IPOs (public issue) can be made only through the SCSBs / mobile applications whose name appears on the SEBI website: www.sebi.gov.in.

Blocking of Funds

- a) Investors shall create UPI ID.
- b) Investors shall submit their IPO applications through intermediaries and the investors shall enter UPI ID in the Application Form.
- c) Thereafter, intermediary shall upload the application details and UPI ID in the electronic bidding system of the Stock Exchange.
- d) Stock Exchange shall validate the application details on the real time basis with depository's records and shall bring the inconsistencies to the notice of intermediaries for rectification and re-submission.
- e) Stock Exchange shall share the details including UPI ID with Sponsor Bank, to enable the Sponsor Bank to initiate the request for the blocking of funds.
- f) Thereafter the Investor shall receive notification and shall confirm the request by entering valid UPI PIN and upon such acceptance of request, funds would get blocked and intimation shall be given to the Investor regarding blocking of funds.

Unblocking of Funds

- a) After the Issue Closing Date, the RTA on the basis of applications and blocking received from Stock Exchange undertake a reconciliation and shall prepare basis of Allotment.
- b) Upon approval of such basis, instructions would be sent to the Sponsor Bank to initiate process for credit of funds in the Public Issue Account and unblocking of excess funds.
- c) Based on authorization given by the Investor using UPI PIN at the time of blocking of funds equivalent to the Allotment, would be debited from Investors account and excess funds, if any, would be unblocked.

Further, Issuers would continue to have an option to modify or withdraw the application till the closure of the Issue period. For each such modification of application, Issuers shall submit a revised application and shall receive a mandate request from the Sponsor Bank to be validated as per the process indicated above. Hence, applications made through UPI ID for payment, shall be revised by using UPI ID only.

Rejection Grounds Under UPI Mechanism

An Investor making application using any of channels under UPI Mechanism shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI IDs are liable for rejection. Sponsor Bank shall provide the Investors' UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical review of all applications to reject applications made using third party bank accounts.

List of Banks Providing UPI Facility

- a. An Investor shall ensure that when applying in the IPO using UPI facility, the name of his bank shall appear in the list of SCSBs as displayed on the SEBI website.
- b. A list of SCSBs and mobile application which are live for applying in public issues using UPI Mechanism is provided on the SEBI website at the following path:
Home >> Intermediaries/Market Infrastructure Institutions >> Recognised Intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI
- c. Investors whose bank is not live on UPI as on the date of the aforesaid circular, may use the other alternate channels available to them viz. submission of Application Form with SCSBs or using the facility of linked

online trading, demat and bank account (Channel I or II at para 5.1 SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018).

- d. SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022 has prescribed that all Individual Investors applying in initial public offerings opening on or after May 1, 2022, where the Application Amount is up to ₹ 5.00 Lakhs may use UPI.

ELECTRONIC REGISTRATION OF APPLICATIONS

1.The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.

2.The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 5.00 p.m. of the Issue Closing Date.

3.The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,

- a) the applications accepted by them;
- b) the applications uploaded by them;
- c) the applications accepted but not uploaded by them; or
- d) With respect to applications by the Applicant, the applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.

4.Neither the Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,

- (i) The applications accepted by any Designated Intermediaries
- (ii) The applications uploaded by any Designated Intermediaries; or
- (iii) The applications accepted but not uploaded by any Designated Intermediaries

5.The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.

6.With respect to applications by Applicant, 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:

S. 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 Exchanges 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 Applicant into in the on-line system:

- Name of the Applicant;
- IPO Name;
- Application Form Number;
- Investor Category;
- PAN;
- 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 Issue 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.

10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

11. In case of Non-Individual Applicant and Individual Applicant, applications would not be rejected except on the technical grounds as mentioned in the Draft Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 5.00 p.m. on the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.

15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

WITHDRAWAL OF APPLICATIONS

a) Individual Investors can withdraw their Applications until Issue Closing Date. In case an Individual Investor wishes to withdraw the Bid during the Issue Period, the same can be done by

submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Applications at any stage.

ALLOCATION

- a. The Issue is being made through the Fixed Price Process wherein [●] Equity Shares shall be reserved for the Market Maker and [●] Equity Shares will be allocated on a proportionate basis to Individual Investors who apply for minimum application size, subject to valid applications being received from the Individual Investors who applies for minimum application size at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Individual Investors who applies for more than minimum application size.
- b. The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Applicant in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue Size available for allocation to each category is disclosed overleaf of the Application Form and in the Prospectus. For details in relation to allocation, the Applicant may refer to the Prospectus.
- c. Under-subscription in any category is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and the in consultation with the Lead Manager and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations.
- d. In case of the Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage. In terms of SEBI ICDR Regulations, Individual Investors who applies for more than minimum application size shall not be allowed to either withdraw or lower the size of their applications at any stage.
- e. Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- f. Allotment status details shall be available on the website of the Registrar to the Issue.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF DRAFT PROSPECTUS WITH ROC

- a) Our Company has entered into an Underwriting Agreement dated [●].
- b) A copy of Draft Prospectus will be filed with the RoC and copy of Prospectus will be filed with RoC in terms of Section 32 of Companies Act and Section 26 of Companies Act.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, our Company shall, after filing the Draft Prospectus with the Designated Stock Exchange, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in (i) English national newspaper; (ii) Hindi national newspaper; and (iii) Gujarati regional newspaper (Gujarati being the regional language of Ahmedabad, Gujarat where the registered office of the Company is located) each with wide circulation. In the pre-Issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date and the Issue Price along with necessary details subject to Regulation 250 of SEBI ICDR Regulations. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

The information set out above is given for the benefit of the Applicants/Applicant. Our Company, the LM and the members of the Syndicate is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants/Applicant are advised to make their independent investigations and ensure that the number of Equity Shares for do not exceed the prescribed limits under applicable laws or regulations.

ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS

Our Company will issue a statutory advertisement after the filing of the Draft Prospectus/ Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Draft Prospectus and the date of Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS

Please note that the NIIs are not permitted to withdraw their Applications or lower the size of Applications in terms of quantity of Equity Shares or Application Amount) at any stage. Individual Investor can revise their Applications during the Issue Period and withdraw their Applications until Issue Closing Date.

Do's:

1. 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 and March 30, 2022, read with press release dated March 28, 2023;
2. Check if you are eligible to apply as per the terms of the Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals;
3. Read all the instructions carefully and complete the Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Applicant depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Specified Locations;
6. In case of joint Applications, ensure that first Applicant is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Applicant is included in the Application Form;
7. Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Applicant is included in the Application Forms. PAN of the First Applicant is required to be specified in case of joint Applications;
8. Applicant should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Application Form;
9. Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form under the ASBA process to any of the Designated Intermediaries;
10. Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicant should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
11. Ensure that the Demographic Details are updated, true and correct in all respects;
12. Ensure that the category and the investor status is indicated in the Application Form to ensure proper upload of your Application in the electronic Bidding system of the Stock Exchange;
13. 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;
14. Ensure that the category and the investor status is indicated in the Application Form to ensure proper upload of your Application in the electronic Bidding system of the Stock Exchange;
15. Ensure that in case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
16. Individual Investors who applies for minimum application Investors applying using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
17. Note that in case the DP ID, UPI ID (where applicable), 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, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Applications are liable to be rejected;
18. However, Applications received from FPIs bearing the same PAN shall not be treated as multiple Applications in the event such FPIs utilise the MIM Structure and such Applications have been made with different beneficiary account numbers, Client IDs and DP IDs;
 19. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Issue Closing Date;
 20. FPIs making MIM Applications using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, were required to submit a confirmation that their Applications are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Applications are liable to be rejected;
 21. Ensure that while applying through a Designated Intermediary, the Application Form (other than RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI (at www.sebi.gov.in) or such other websites as updated from time to time;
 22. Ensure that you have correctly signed the authorization /undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application ;
 23. Individual Investors who applies for minimum application using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, the Individual investors who applies for minimum application Investor shall be deemed to have verified the attachment containing the application details of the Individual Investors who applies for minimum application Investor Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to Issue a request to block the Application Amount mentioned in the Application Form in his/her ASBA Account;
 24. Individual Investors who apply for minimum application Investors Bidding using the UPI Mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the First Applicant (in case of joint account) in the Application Form;
 25. Individual Investors who apply for minimum application Investors Bidding using the UPI Mechanism, who have revised their Applications subsequent to making the initial Application, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Application Amount in his/her account and subsequent debit of funds in case of allotment in a timely manner and;

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not apply for lower than the minimum Application size;
2. Do not apply on another Application Form after you have submitted an Application to a Designated Intermediary;
3. Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms;
6. Do not submit the Application Forms to any non-SCSB bank or our Company or at a location other than the Specified Locations;
7. Do not Bid on an Application Form that does not have the stamp of the relevant Designated Intermediary;
8. Do not fill up the Application Form such that the Equity Shares Application exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Draft Prospectus;
9. Do not submit your Application after 3:00 pm on the Issue Closing Date;

10. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA Process;
11. If you are an Individual Applicant and are using UPI mechanism, do not submit more than one Application Form for each UPI ID.
12. Do not Bid for an Application Amount exceeding ₹2.00 Lakhs for Applications by Individual Investors who apply for minimum application Investors);
13. Do not submit the General Index Register (GIR) number instead of the PAN;
14. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
15. Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account;
16. Do not withdraw your Application or lower the size of your Application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Applicant.
17. Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
18. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by Individual Investors who applies for minimum application Investors using the UPI Mechanism;
19. Do not submit an Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
20. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
21. Do not submit more than one Application Form per ASBA Account. If you are an Individual investor who applies for minimum application Investor Bidding using the UPI Mechanism, do not submit Applications through an SCSB and/or Mobile Applications and/or UPI handle that is not listed on the website of SEBI;
22. Do not submit an Application using UPI ID, if you are not a Individual Investors who applies for minimum application Investor;
23. Do not Bid for Equity Shares more than specified by respective Stock Exchange for each category;
24. IIs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a banks which is not mentioned in the list provided in the SEBI website is liable to be rejected;
25. Do not submit an Application Form with third party UPI ID or using a third party bank account (in case of Applications submitted by Individual Investors who applies for minimum application Investors using the UPI Mechanism);
26. Do not apply if you are an OCB; and
27. Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA account.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

OTHER INSTRUCTIONS FOR THE APPLICANT

Joint Applications

In the case of Joint Applications, the Applications should be made in the name of the Applicant 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 Applicant would be required in the Application Form/Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Multiple Applications

An Applicant should submit only one application (and not more than one) for the total number of Equity Shares required. Two or more applications will be deemed to be multiple applications if the Sole / First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- i) All applications are electronically strung on first name, address (1st line) and Applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.
- ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.
- iv) For applications from mutual funds and FII sub-accounts, submitted under the same PAN, as well as applications on behalf of the Applicant for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

In case of a mutual fund, a separate application can be made in respect of each scheme of the mutual fund registered with SEBI and such applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications, provided that the applications clearly indicate the scheme concerned for which the application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post Allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple applications in any or all categories.

No separate applications for demat and physical is to be made. If such applications are made, the applications for physical shares will be treated as multiple applications and rejected accordingly.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB and submission of a second application in such manner will be deemed a multiple application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the LM reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories.

Permanent Account Number or PAN

Pursuant to the SEBI circular no. MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his / her PAN allotted under the IT Act. Applications without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Please note that, Central or State Government and the officials appointed by the courts and investors residing in the State of Sikkim are exempted from specifying their PAN, subject to the Depository Participants' verifying the veracity of such claims of the investors in accordance with the conditions and procedures under this section on Issue Procedure.

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. 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. Allottee's 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.

Investor Grievance

In case of any pre-issue or post issue related problems regarding demat credit/ refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

Nomination Facility to Applicant

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicant should inform their respective DP.

GROUND'S OF TECHNICAL REJECTIONS

Applicant are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

1. Amount blocked does not tally with the amount payable for the Equity Shares applied for;
2. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
3. Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
4. PAN not mentioned in the Application Form;
5. GIR number furnished instead of PAN;
6. Application for lower number of Equity Shares than specified for that category of investors;
7. Applications at Cut-off Price by NIIs and QIBs;
8. Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the Draft Prospectus;
9. The amounts mentioned in the Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Applied for;
10. Applications for lower number of Equity Shares than the minimum specified for that category of investors;
11. Category not ticked;
12. Multiple Applications as defined in the Draft Prospectus;
13. In case of Applications under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
14. Application accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
15. Signature of sole Applicant is missing;
16. Application Forms not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Draft Prospectus and as per the instructions in the Draft Prospectus and the Application Forms;
17. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicant (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
18. Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
19. Application by OCBs;

20. Applications by US persons other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
21. Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
22. Applications not uploaded on the terminals of the Stock Exchanges;
23. Where no confirmation is received from SCSB for blocking of funds;
24. Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form/Application Form. Applications not duly signed by the sole/First Applicant;
25. Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
26. Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
27. Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
28. 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;
29. Details of ASBA Account not provided in the Application Form.

For details of instructions in relation to the Application Form, Applicant may refer to the relevant section the GID.

APPLICANT 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 EXCHANGES BY THE APPLICATIONS 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.

Names of Entities Responsible for Finalising the Basis of Allotment in a Fair and Proper Manner

The authorized employees of the Stock Exchange, along with the Lead Manager and the Registrar, shall ensure that the basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of Allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares offered through the Issue through the Prospectus, except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. The Allotment of Equity Shares to Applicants other than to the Individual Investors who applies for minimum application size shall be on a proportionate basis within the respective Investor categories and the number of securities Allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size.

The Allotment of Equity Shares to each Individual Investors who applies for minimum application size shall not be less than the minimum lot, subject to the availability of Equity Shares in Individual Investors who applies for minimum application size category, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis.

BASIS OF ALLOCATION

- a) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Applicant in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Application Form and in the Draft Prospectus. For details in relation to allocation, the Applicant may refer to the Draft Prospectus.
- b) Under-subscription in any category (except QIB Portion) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the Lead Manager and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, Unsubscribed portion in QIB Portion is not available for subscription to other categories.

- c) In case of under subscription in the issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Applicant may refer to the Draft Prospectus.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Applicants other than Individual Investors and Non-Institutional Investors may be done on a proportionate basis. No Individual Investor will be Allotted less than the minimum Application Lot subject to availability of shares in Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. No Non-Institutional Investor will be Allotted less than the minimum Application Lot subject to availability of shares in Non-Institutional Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Issue 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 Application 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 Application details
- RTA identifies cases with mismatch of account number as per bid file / FC and as per Applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with LM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of Allotment with the Designated Stock Exchange (DSE).
- The 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 Applicant in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the BSE SME. In the event of oversubscription, the Allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Equity Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis, i.e., the total number of Equity Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Applicant in the category X number of Equity Shares applied for).

2. The number of Equity Shares to be allocated to the successful Applicant will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Equity 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:

1. Each successful Applicant shall be allotted [●] Equity Shares; and
2. The successful Applicant out of the total Applicant for that category shall be determined by the drawl of lots in such a manner that the total number of Equity Shares allotted in that category is equal to the number of Equity 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 Equity Shares by rounding off to the nearest multiple of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares.

- (a) If the Equity Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Applicant 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 Applicant in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of Applicant applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual Allotment being higher than the shares offered, the final Allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.
- (b) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual Applicant as described below:
 1. As the Individual Investor category is entitled to more than fifty percent on proportionate basis, the Individual Investors shall be allocated that higher percentage.
 2. The balance net offer of shares to the public shall be made available for allotment to:
 - (a) Individual Applicant other than Individual Investors; and
 - (b) 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 Applicant in the other category, if so required.

Individual Investor' means an investor who applies for minimum application size of 2 Lots per application, provided that the application size shall be above ₹ 2 Lakhs. Investors may note that in case of over subscription, Allotment shall be on proportionate basis and will be finalized in consultation with BSE SME.

The Executive Director / Managing Director of BSE SME – the Designated Stock Exchange in addition to Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of Allotment is finalized in a fair and proper manner in accordance with the SEBI ICDR Regulations.

For Individual Investors who apply for minimum applicable Applicant

Applications received from the Individual Applicant at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Individual Applicant will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Applicant shall be available for Allotment to Individual Applicant who have applied in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Individual Applicant to the extent of their valid Applications.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

For Non-Institutional Applicants

Applications received from Non-Institutional Applicants at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Applicants will be made at the Issue Price.

The Issue size less Allotment to QIBs and Individual Applicants shall be available for Allotment to Non-Institutional Applicants who have applied in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non Institutional Applicants to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

For QIBs

For the Basis of Allotment, Applicants may refer to the SEBI ICDR Regulations or Draft Prospectus / Prospectus. Applications received from QIBs Bidding in the QIB Portion at or above the Issue Price may be grouped together to determine the total demand under this category. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
 - In the event that Applications by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
 - In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Applications received above the Issue Price.
 - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Applicant as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
 - In the event that the oversubscription in the QIB Portion, all QIB Applicant who have submitted Applications above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
 - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares applied for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Applicant.
 - Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Applicant on a proportionate basis. The aggregate Allotment to QIB Applicant shall not be more than [●] Equity Shares.

Basis of Allotment for QIBs and NIIs in case of Over Subscribed Issue:

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with BSE SME (Designated Stock Exchange). The Allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- i) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Applicants in the category multiplied by number of Shares applied for).

- ii) The number of Shares to be allocated to the successful Applicant 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).
- iii) 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 Applicant out of the total Applicant for that category shall be determined by drawing lots in such a manner that the total number of Equity Shares allotted in that category is equal to the number of Equity Shares worked out as per (ii) above.
- iv) If the proportionate allotment to a Applicant works out to a number that is not a multiple of [●] Equity Shares, the Applicant would be allotted Equity Shares by rounding off to the nearest multiple of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares.
- v) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Applicant in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Applicant in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Applicant applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual Allotment being higher than the shares offered, the final Allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Draft Prospectus.

Individual Investor means an investor who applies for minimum two lots i.e. [●] Equity Shares and value exceeds ₹2 Lakhs. Investors may note that in case of over subscription, Allotment shall be on proportionate basis and will be finalized in consultation with BSE SME.

Flow of Events from the closure of Issue Period (T DAY) Till Allotment

- On T Day, RTA To validate the electronic application 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 application details.
- RTA identifies cases with mismatch of account number as per application file / FC and as per Applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with LM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange.
- The Designated Stock Exchange, 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:

- 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. 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 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 application s will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.

On the basis of the above, the RTA will work out the allottees, partial allottees and non-allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

ISSUANCE OF ALLOTMENT ADVICE

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicant are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.
- 3) The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicant who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.
- 4) Issuer will make the Allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Applicant Depository Account within two Working Days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicant Depository Account is completed within one working Day from the date of Allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

The Executive Director / Managing Director of BSE SME - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI ICDR Regulations.

DESIGNATED DATE

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of Allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of four Working Days of the Issue Closing Date. The Company will intimate the details of Allotment of securities to Depository immediately on Allotment of securities under relevant provisions of the Companies Act or other applicable provisions, if any Instructions for Completing the Application Form.

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, *vide* circular no. CIR/CFD/14/2012 dated October 04, 2012, has introduced an additional mechanism for investors to submit Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of 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 Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application Forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com.

APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details, PAN nos., 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.

Applicant should note that on the basis of name of the Applicant, 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 Issue will obtain from the Depository the demographic details including address, Applicant bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the

Applicant including mailing of the Allotment Advice. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

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.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicant Depository Account Details, number of Equity Shares applied for, date of Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of Allotment, credit of allotted shares in the respective beneficiary accounts, etc.

DISPOSAL OF APPLICATION AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two Working Days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at BSE SME where the Equity Shares are proposed to be listed are taken within three Working Days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (three) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than two Working Days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI ICDR Regulations, the Companies Act and applicable law. Further, in accordance with Section 40 of the Companies Act, 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 Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

IMPERSONATION

Attention of the Applicant is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act which is reproduced below:

“Any person who-

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹10 Lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months period extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹10 Lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹50 Lakhs or with both.

COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange are taken within three Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment advise within three Working Days of the Issue Closing Date.

MODE OF REFUND

1. In case of ASBA Applicants: Within three Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful application, for any excess amount blocked on application, for any ASBA Application withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Issue.
2. In the case of applications from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and / or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.
3. In case of Other Investors: Within three Working Days of the Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Issue may obtain from the depositories, the Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

Mode of Making Refund for ASBA Applicants

In case of an ASBA Application, the Registrar of the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Applications or in the event of withdrawal or failure of the Issue.

Mode of making refunds for Applicants other than ASBA Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

- NECS - Payment of refund may be done through NECS for Applicants having an account at any of the centres specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Applicant as obtained from the Depository;
- NEFT - Payment of refund may be undertaken through NEFT wherever the branch of the Applicant's bank is NEFT enabled and has been assigned the Indian Financial System Code (“IFSC”), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a

date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicant through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

- Direct Credit – Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- RTGS – Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the Demographic Details. Investors should note that on the basis of PAN of the Applicant, DP ID and beneficiary account number provided by them in the application Form, the Registrar to the Issue will obtain from the Depository the Demographic Details including address, Applicants account details, IFSC code, MICR code and occupation. The bank account details would be used for giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch / credit of refunds to Applicants at their sole risk and neither the Lead Manager or the Registrar to the Issue or the Escrow Collection Bank nor the Company shall have any responsibility and undertake any liability for the same;

Please note that refunds, on account of our Company not receiving the minimum subscription, shall be credited only to the bank account from which the Amount was remitted to the Escrow Bank. For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres etc., Applicants may refer to the Prospectus.

INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer shall make the Allotment within the period prescribed by SEBI. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Issue Closing Date, the Applicant shall be compensated in accordance with applicable law, i.e. the Applicant shall be compensated at a uniform rate of ₹ 100.00 per day for the entire duration of delay exceeding three Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the 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 2, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 in case of delays in resolving Investor grievances in relation to blocking/unblocking of funds.

UNDERTAKINGS BY OUR COMPANY

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That if the Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws, failing which interest will be due to be paid to the Applicants at the rate prescribed under the applicable laws for the delayed period;
3. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within three Working Days from Issue Closure date;
4. That the funds required for making refunds as per the modes disclosed or dispatch of Allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
5. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Applicant within two Working Days from the Issue Closing Date, giving

details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

6. That our Promoter's contribution in full has already been brought in;
7. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.;
8. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
9. If our Company does not proceed with the Issue after the Issue Opening Date but before Allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The Stock Exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
10. If our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Draft Prospectus with the Stock Exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
11. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI Regulations and applicable law for the delayed period.

UTILIZATION OF ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act.
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our Company indicating the purpose for which such monies have been utilized.
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- 6) The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Tripartite Agreement dated September 29, 2026, between NSDL, the Company and the Registrar to the Issue; and
- Tripartite Agreement dated September 16, 2026, between CDSL, the Company and the Registrar to the Issue.

The Company's Equity Shares bear an ISIN: INE0BUB01014.

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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 Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991 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 Reserve Bank of India (“**RBI**”), the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”) and other concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“**FDI**”) through press notes and press releases. The DPIIT issued, the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020FDI Policy dated October 15, 2020 (“**FDI Policy**”) which, with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases, clarifications, circulars on FDI issued by the DPIIT, which were in force and effect prior to October 15, 2020. The FDI Policy will be valid until DPIIT issues an updated circular.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval. The transfer of shares between an Indian resident and a Non-Resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the Non-Resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI.

In accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA NDI Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA NDI Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Subsequently, vide Press Note No. 2 (2026 Series), dated March 15, 2026 issued by the DPIIT, the FDI Policy has been further amended to, inter alia, define the expression “beneficial owner” and to provide that prior approval of the Government of India shall be required only where citizen(s) and/or entity(ies) of a country sharing a land border with India hold, directly or indirectly, individually or cumulatively, more than 10% of the shares, capital or profits of the investor entity, or exercise control over such investor entity, or exercise ultimate effective control over the investee entity. The amendments under Press Note No. 2 (2026 Series) have come into effect on May 02, 2026, being the date of notification of the corresponding amendments to the FEMA NDI Rules.

As per the FDI Policy, read with FEMA NDI Rules, 100% foreign direct investment is permitted under the automatic route in the manufacturing sector, subject to compliance with certain prescribed conditions. However, investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Each Applicant should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines, etc. as amended by RBI, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/ restrictions for overseas entities

Under the current FDI Policy, the maximum amount of investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, investment vehicles and DRs under FEMA NDI Rules. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio investment upto aggregate foreign investment level of 49% or sectoral/ statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in our Company will not exceed the sectoral/statutory cap.

INVESTMENTS BY NON-RESIDENT INDIANS AND OVERSEAS CITIZEN OF INDIA

Investment by NRI or OCI on repatriation basis

The purchase/ sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (“**Capital Instruments**”) of a listed Indian company on a recognised Stock Exchange in India by NRI or OCI on repatriation basis is allowed subject to certain conditions under FEMA NDI Rules.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Investment by NRI or OCI on non-repatriation basis

As per Schedule IV of the FEMA NDI Rules, purchase by an NRI or OCI, including a company, a trust and a partnership firm incorporated outside India and owned and controlled by NRIs or OCIs, on non-repatriation basis of shares and convertible debentures or warrants issued by a company without any limit either on the stock exchange or outside, will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions. However, NRI or OCI, including a company, a trust and a partnership firm incorporated outside India and owned and controlled by NRIs or OCIs, is prohibited from making any investment, under Schedule IV, in Capital Instruments or units of a Nidhi company or a company engaged in agricultural/ plantation activities or real estate business or construction of farmhouses or dealing in transfer of development rights.

Investment by Non-Resident Entities in India under FDI Policy

The FDI Policy provides that a non-resident entity can invest in India, subject to the FDI Policy except in those sectors/activities which are prohibited. However, an entity of a country, which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, can invest only under the Government route. Further, a citizen of Pakistan or an entity incorporated in Pakistan can invest, only under the Government route, in sectors/activities other than defence, space, atomic energy and sectors/activities prohibited for foreign investment. In the event of the transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the

restriction/purview as mentioned herein, such subsequent change in beneficial ownership will also require Government approval.

INVESTMENT BY FOREIGN PORTFOLIO INVESTORS

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS, the total holding by each FPI or an investor group as referred in SEBI FPI Regulations shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24% may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

With effect from April 01, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as laid out in sub-paragraph (b) of paragraph 3 of Schedule I of the FEMA NDI Rules, with respect to its paid-up equity capital on a fully diluted basis or such same sectoral cap percentage of paid-up value of each series of debentures or preference shares or share warrants. The aggregate limit as provided above may be decreased by the Indian company concerned to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its Board of Directors and its general body through a resolution and a special resolution, respectively before March 31, 2020. The Indian company which has decreased its aggregate limit to 24% or 49% or 74%, may increase such aggregate limit to 49% or 74% or the sectoral cap or statutory ceiling respectively as deemed fit, with the approval of its Board of Directors and its general body through a resolution and a special resolution, respectively; however, once the aggregate limit has been increased to a higher threshold, the Indian company cannot reduce the same to a lower threshold.

INVESTMENTS BY OTHER NON-RESIDENTS

As per Schedule I of the FEMA NDI Rules, a person resident outside India may purchase Capital Instruments of a listed Indian company on a stock exchange in India provided the person resident outside India making the investment has already acquired control of such company in accordance with SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and continues to hold such control and the amount of consideration may be paid as per the mode of payment as prescribed by RBI i.e. Regulation 3 of Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instrument) Regulations, 2019 under or out of the dividend payable by Indian investee company in which the person resident outside India has acquired and continues to hold the control in accordance with SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, provided the right to receive dividend is established and the dividend amount has been credited to a specially designated non-interest bearing rupee account for acquisition of shares on the recognised stock exchange.

Investors are advised to refer to the exact text of the relevant statutory provisions of the law before investing and/or subsequent purchase or sale transaction in the Equity Shares of our Company.

No person shall make an application in the Issue, unless such person is eligible to acquire Equity Shares of our Company in accordance with applicable laws, rules, regulations, guidelines and approvals.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“**US Securities Act**”) or any other state securities laws in the United States of America and may not be sold or issued within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the Equity Shares are being issued and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those issues and sale occur.

Further, no issue to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “**Prospectus Directive**”) has been or will be made in respect of the Issue in

any member State of the European Economic Area which has implemented the Prospectus Directive except for any such issue made under exemptions available under the Prospectus Directive, provided that no such issue shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be 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.

The above information is given for the benefit of the Applicant. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicant are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

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SECTION VIII – ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013

(A COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION

OF

ANIL FASHIONS LIMITED

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the Annual General Meeting of the Company held on September 01, 2026 in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Association of the Company.

Preliminary

- I. The regulations contained in Table “F” of Schedule I to the Companies Act, 2013 shall apply to the Company except to the extent that they are inconsistent with, expressly excluded, modified or altered by these Articles.

Interpretation

- I. (1) In these regulations—

“**The Act**” means the Companies Act, 2013.

“**Articles**” means Articles of Association for the time being in force or as may be altered from time to time or any statutory modifications thereof.

“**Annual General Meeting**” means a general meeting of the members held as such, in accordance with the provisions of the Act.

“**Beneficial Owner**” means a person as defined by section 2(1)(a) of the Depositories Act, 1996.

The “**Board**” or the “**Board of Directors**” means the collective body of the Directors of the Company.

“**Board Meeting**” means a meeting of the Directors or a Committee thereof duly called and constituted or as the case may be the Directors assembled at the meeting of the Board of Directors of the Company collectively.

“**Capital**” means the share capital, for the time being, raised or authorised to be raised, for the purposes of the Company.

“**Company**” means “**Anil Fashions Limited (formerly known as “Sanchem Fabrics Limited”)**”.

“**Debenture**” includes debenture stock, bonds or any other instrument of the Company evidencing the debts whether constituting the charge on the assets of the Company or not.

“**Depositories Act, 1996**” means The Depositories Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.

“**Directors**” means the directors appointed to the Board of the Company.

“**Dividend**” includes any interim dividend.

“**In writing**” or “**written**” include printing, lithography and other modes of representing or reproducing words in a visible form.

“**Meeting or General Meeting**” means a meeting of the members of the Company.

“**Member**” means member as defined under section 2(55) of the Companies Act, 2013.

“**Month**” means a calendar month.

“**Office**” means the registered office, for the time being, of the Company.

“**Register of Members**” means the Register of Members to be kept pursuant to the Act, and includes index of Beneficial Owners mentioned by a Depository.

“**Section**” means Sections of the Act.

“**Secretary**” means a Company Secretary, within the meaning of clause (c) of sub section (1) of section 2 of Company Secretaries Act, 1980, who is appointed by the Company to perform the functions of the Company Secretary under this Act.

“**Seal**” means the common seal, if any, of the Company.

“**SEBI**” shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.

“Share” means a Share in the capital of the Company, and includes stock, except where a distinction between Stock and Shares is express or implied.

“Ordinary Resolution” and “Special Resolution” shall have the same meaning assigned thereto by the Act.

“Year” means a calendar year and “financial year” shall have the same meaning as assigned thereto by or under the Companies Act, 2013.

**Words importing the singular number include where the context admits or requires the plural number and vice versa.*

**Words importing the masculine gender include the feminine gender.*

- (2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

Share capital and variation of rights

- II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

1A. The authorised Share Capital of the Company shall be such amount, divided into such class(es), denomination(s) and number of Shares in the Company as may from time to time be provided in Clause V(a) of the Memorandum of Association, with power to increase or reduce such capital from time to time and power to divide share capital into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to consolidate or sub-divide the shares and issue shares of higher or lower denominations and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with these Articles, subject to the provisions of applicable law for the time being in force.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, —

- (a) one certificate for all his shares without payment of any charges; or
- (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

(iv) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and issue securities in dematerialised form in accordance with the Depositories Act, 1996 and applicable law.

3. (i) If any share certificate is 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 in accordance with applicable law.

(ii) The provisions relating to share certificates and issue of duplicate shares shall *mutatis mutandis* apply to debentures of the Company.

4. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or any other rights in respect of any share except an absolute right thereto in the registered holder or Beneficial Owner, as applicable.

5. (i) The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rule made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further share ranking *pari passu* therewith.

8. Subject to the provisions of the Act, any preference shares may be issued on such terms and conditions and in such manner as may be permitted under applicable law.

Lien

9. (i) The Company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company:

Provided that the Board of directors may at any time declare any share to 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 dividend bonuses declared from time to time in respect of such shares.

10. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made—

(a) Unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

(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 such member's shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom such sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at such rate as the Board may determine.

(ii) The Board may waive payment of such interest wholly or in part.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by such member and may pay interest on the monies so advanced at such rate as may be agreed upon between the Board and the member paying such amount in advance.

Transfer of shares

19. (i) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.

20. Subject to the provisions of the Act and applicable law, the Board may decline to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom the Board does not approve;
or

(b) any transfer of shares on which the Company has a lien.

21. The Board may decline to recognise any instrument of transfer unless—

(a) the instrument of transfer complies with the provisions of the Act and applicable law, where applicable;

(b) the instrument of transfer is accompanied by the relevant share certificate, and such other evidence as the Board may reasonably require to establish the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

The provisions of this Article relating to transfer instruments and share certificates shall not apply to transfers of securities of the Company effected in dematerialised form through a recognised depository system in the case of securities listed on a recognised stock exchange, in accordance with applicable law.

22. The Register of Members and the Register of Debenture Holders or other security holders may be closed for such periods as the Board may determine, subject to the provisions of the Act, SEBI Regulations and other applicable law.

Provided that such closure shall not exceed thirty days at any one time or forty-five days in the aggregate in any year.

22A. In the case of transfer of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply.

22B. Notwithstanding anything contained in these Articles, in the case of securities held in dematerialized form, the provisions of the Depositories Act, applicable SEBI regulations and applicable law shall prevail.

22C. Notwithstanding anything contained in these Articles, but subject to the provisions of the Act and applicable law, any securities of the Company which are subject to lock-in requirements under applicable law, including the regulations, guidelines and directions issued by the Securities and Exchange Board of India (“SEBI”), shall be identified as locked-in securities and shall be non-transferable during the subsistence of such lock-in period.

The Company shall not register any transfer, transmission, pledge invocation, encumbrance or other disposition of such locked-in securities during the lock-in period, except as may be permitted under applicable law.

Any pledge, hypothecation or encumbrance created over such locked-in securities shall remain subject to the applicable lock-in restrictions and any invocation or enforcement thereof shall be subject to applicable SEBI regulations and other applicable laws.

The Board and/or the depositories shall be entitled to give effect to and record such lock-in and non-transferability restrictions in such manner as may be required under applicable law.

Transmission of shares

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where the member was a sole holder, shall be the only persons recognised by the Company as having any title to the interest of the deceased member 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 such holder with other persons.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

27. The provisions of this Article relating to One Person Company shall not apply to the Company.

Forfeiture of shares

28. 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.

29. 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.

30. 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.

31. (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.

32. (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.

33. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

34. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

35. The Company may, from time to time, by Ordinary Resolution and subject to the provisions of the Act and applicable law, increase its authorized share capital by such amount, divided into shares of such amount, as may be specified in the resolution.

36. 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.

37. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

38. 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;

(c) any share premium account; or

(d) any other reserve in the nature of share capital.

Capitalisation of profits and reserves

39. (i) The Company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

40. (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 capitalised 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 authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, 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

41. 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

42. All general meetings other than Annual General Meeting shall be called extraordinary general meeting.

43. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

44. (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.

45. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.

46. 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.

47. 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.

47A. In the case of an equality of votes, whether on a show of hands or on a poll the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.

48. The provisions of this Article relating to One Person Company shall not apply to the Company.

Adjournment of meeting

49. (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

50. 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.

51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

52. (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.

53. 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.

54. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

55. 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.

56. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

57. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company, or at such

other place as may be specified in the notice convening the meeting, 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.

58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

59. 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

60. The following were the first Directors of the Company:

1. Mr. NAVIN AGARWAL
2. Mr. ASHOK RAMNIWAS AGARWAL
3. Mrs. NEELAM ANUP AGARWAL

61. (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 provide and maintain residential accommodation, together with such amenities, facilities and conveniences as may be determined by the Board from time to time, for the use and occupation of the Managing Director and/or Whole-time Director, as part of their remuneration, perquisites and conditions of service, in accordance with the Act and applicable law.

62. Not Applicable, the Company being an existing company already incorporated and registered under the applicable provisions of law.

63. The Company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that (section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.

64. 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 by the Managing Director or by such other person or persons as may be authorized by the Board from time to time.

65. 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.

66. (i) Subject to the provisions of the Act and applicable law, the Board shall have the power at any time, and from time to time, to appoint a person as an additional director.

(ii) Such person shall hold office up to the date of the next Annual General Meeting of the Company or the last date on which the Annual General Meeting should have been held, whichever is earlier, and shall be eligible for appointment as a director by the Company at such meeting, subject to the provisions of the Act and applicable law.

(iii) Unless otherwise determined by the Company in general meeting, the total number of directors, including additional directors, shall not be less than 3 (three) and shall not exceed 15 (fifteen).

Proceedings of the Board

67. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, in such manner, as it may deem fit.

(ii) A director may, and the Company Secretary or any person authorized by the Board on the requisition of a director shall, at any time, convene a meeting of the Board.

68. (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.

69. 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.

70. (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.

71. (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.

72. (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.

73. (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.

74. 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.

74A. The directors, officers and committees of the Company shall be entitled to rely in good faith upon the books of account, records, reports, certificates, opinions, information and advice furnished by officers of the Company, auditors, legal counsel, consultants or other professionals engaged by the Company.

75. Save as otherwise expressly provided in the Act and applicable law, a resolution circulated in draft, together with the necessary papers, if any, to all the directors or members of the committee entitled to receive notice of a meeting of the Board or committee, and approved by the requisite majority in accordance with the provisions of the Act and applicable law, shall be as valid and effective as if it had been passed at a meeting of the Board or committee duly convened and held.

76. Not Applicable, as the Company not being a One Person Company within the meaning of the Act.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

77. 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, to the extent permitted under the Act and applicable law, be appointed as Chief Executive Officer, Managing Director, Whole-time Director or Manager of the Company.

78. 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

79. The Company may, if deemed necessary by the Board and in accordance with the provisions of the Act and applicable law, have a common seal, the custody and use whereof shall be determined by the Board from time to time.

Dividends and Reserve

80. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

81. 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.

82. (i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

83. (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.

84. 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.

85. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque, warrant, electronic transfer or through such other permissible banking channels, sent or remitted to the registered address or bank account details of the holder or, in the case of joint holders, to the registered address

or bank account details of the joint holder first named in the register of members, or to such person and in such manner as the holder or joint holders may direct in writing or through such electronic means as may be permitted under applicable law.

(ii) Every cheque, warrant or other payment instrument shall be made payable to or in favour of the person entitled thereto.

86. 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.

87. 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.

88. No dividend shall bear interest against the Company.

Accounts, Inspection and Confidentiality

89. (i) The Board shall cause proper books of account to be maintained under Section 128 and other applicable provisions of the Act. The Board shall, from time to time, in accordance with the Act, determine whether and to what extent and at what times and places and under what conditions or regulations all 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) or other Person shall have any right of inspecting any account book or document of the Company except as conferred by Law or authorised by the Board or by the Company in General Meetings.

(iii) Subject to the provisions of the Act, applicable law and the confidentiality obligations applicable to directors, each director shall be entitled, upon reasonable prior written notice and for the purpose of discharge of his duties as a director, to inspect the books, accounts and records of the Company during business hours and in accordance with such internal policies and procedures as may be adopted by the Board from time to time.

89A. No Member shall be entitled to inspect the Company's works without the permission of the managing director/Directors or to require discovery of any information respectively and detail of the Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the managing director/Directors will be inexpedient in the interest of the Members of the Company to communicate to the public.

89B. Every director shall maintain confidentiality in respect of all confidential information, trade secrets, unpublished price sensitive information and proprietary information of the Company obtained in the course of performance of duties as a director, except where disclosure is required under applicable law or authorised by the Board.

Winding up

90. (i) If the Company is wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required under the Act and applicable law, divide amongst the members, in specie or in kind, the whole or any part of the assets of the Company, whether such assets consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

91. 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.

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SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office/ Corporate Office of the Company between 10 a.m. and 5 p.m. on all Working Days from date of the Draft Prospectus until the Issue Closing Date and it shall also made available for inspection on website of the Company, i.e., <https://www.anilfashions.com/>.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

MATERIAL CONTRACTS FOR THE ISSUE

1. Issue Agreement dated September 01, 2026 between our Company and the Lead Manager.
2. Registrar Agreement dated September 29, 2026 entered into amongst our Company and the Registrar to the Issue.
3. Tripartite Agreement dated September 16, 2026 between CDSL, our Company and the Registrar to the Issue.
4. Tripartite Agreement dated September 29, 2026 between NSDL, our Company and the Registrar to the Issue.
5. Banker to the Issue Agreement dated [●] between our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
6. Market Making Agreement dated [●] between our Company, the Lead Manager and Market Maker.
7. Underwriting Agreement dated [●] between our Company and the Underwriter.

MATERIAL DOCUMENTS FOR THE ISSUE

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company, as amended from time to time.
2. Certificate of Incorporation dated February 01, 1999, issued by the RoC, Gujarat, Dadra and Nagar Haveli in the name of “Sanchem Colour Limited”.
3. Certificate of Incorporation dated February 10, 2011, issued by the RoC, Gujarat, Dadra and Nagar Haveli, pursuant to change in name of the Company to “Sanchem Fabrics Limited”.
4. Certificate of Incorporation dated February 20, 2026, issued by the RoC, Central Processing Centre pursuant to change in name of the Company to “Anil Fashions Limited”.
5. Certified copy of the Scheme of Amalgamation sanctioned by the National Company Law Tribunal, Ahmedabad Bench, pursuant to its order dated November 20, 2025, for amalgamation and merger of Anil Fashions Private Limited and Gray Solutions Private Limited into our Company.
6. Resolution of Board of Directors dated August 24, 2026, in relation to this Issue and other related matters.
7. Shareholders’ resolution dated September 01, 2026, in relation to this Issue and other related matters.
8. Resolution of the Board of Directors dated September 25, 2026 approving the Objects of the Issue.
9. Resolution of the Board of Directors of the Company dated September 30, 2026 taking on record and approving the Draft Prospectus.
10. The examination report dated September 25, 2026 of our Statutory Auditor on our Restated Consolidated Financial Statements, included in this Draft Prospectus.
11. Copies of Restated Consolidated Financial Statements for the Financial Years 2025-26, 2024-2025 and 2023-24.

12. Copies of Annual Reports of our Company for the Financial Years 2025-26, 2024-2025 and 2023-24.
13. Statement of Tax Benefits dated September 25, 2026 from the Statutory Auditor included in this Draft Prospectus.
14. Certificate on KPIs issued by our Statutory Auditor dated September 25, 2026.
15. Resolution of the Audit Committee dated September 25, 2026 approving the KPIs.
16. Industry Report titled “Textile Industry Report” issued by B2K Analytics Private Limited.
17. Consent letter dated September 15, 2026, for use of Industry Report titled “Textile Industry Report” issued by B2K Analytics Private Limited for acting as the Industry Data Provider in connection with the Issue.
18. Consent of Promoters, Directors, Lead Manager, Legal Advisor to our Issue, Registrar to the Issue, Company Secretary and Compliance Officer and Chief Financial Officer, to act in their respective capacities.
19. Consent of the Statutory and Peer Review Auditor dated September 25, 2026 to include their name in this Draft Prospectus and as an “Expert” defined under Section 2(38) of the Companies Act, read with Section 26 of the Companies Act, in respect of the reports of the Statutory Auditor on the Restated Consolidated Financial Statements dated September 25, 2026, proforma consolidated financial information dated September 25, 2026 and the statement of special tax benefits dated September 25, 2026 included in this Draft Prospectus.
20. Consent of the Independent Chartered Engineer, Mr. Dinesh P. Jani, dated September 09, 2026, to include their name in this Draft Prospectus as an “Expert” defined under Section 2(38) of the Companies Act, read with Section 26 of the Companies Act, in respect of the certificate dated September 09, 2026, on independent verification of installed plant and machinery and assessment of the manufacturing capacity of the manufacturing unit of the Company.
21. Due diligence certificate dated September 30, 2026 issued by the Lead Manager.
22. In principle listing approval dated [●] issued by BSE Limited.
23. Appointment letter dated April 01, 2026, issued to Mr. Navin Ramniwas Agarwal with respect to the terms and conditions of his appointment as Managing Director.
24. Site visit report dated August 24, 2026 prepared by the Lead Manager.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

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DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Name: Navin Ramniwas Agarwal
Designation: Managing Director
DIN: 00790629

Sd/-

Name: Ashok Ramniwas Agarwal
Designation: Non-Executive Director
DIN: 01790639

Sd/-

Name: Anup Ramniwas Agarwal
Designation: Non-Executive Director
DIN: 01790620

Sd/-

Name: Ajay Govind Agarwal
Designation: Independent Director
DIN: 11761372

Sd/-

Name: Raghav Sunil Modi
Designation: Independent Director
DIN: 11767712

Sd/-

Name: Ummay Amen Hitawala
Designation: Independent Director
DIN: 10594350

SIGNED BY KEY MANAGERIAL PERSONNEL OF OUR COMPANY

Sd/-

Name: Mr. Pratik Agarwal
Designation: Chief Financial Officer

Sd/-

Name: Ms. Raina Singh
Designation: Company Secretary and Compliance Officer

Date: September 30, 2026

Place: Ahmedabad