



DRAFT PROSPECTUS

Dated: August 08, 2025

Please read Section 26 of the Companies Act, 2013
(This Draft Prospectus will be updated upon filing with ROC)

FIXED PRICE ISSUE



SIHORA INDUSTRIES LIMITED

Corporate Identity Number: U13999GJ2023PLC143747

REGISTERED OFFICE DETAILS		CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
Plot 34/D-1, Laxminarayan, BRC Compound, Udhna, Mangrol, Surat-394210, Gujarat, India		N.A.	Mrs. Dhara Jatin Vaghasiya, Company Secretary and Compliance Officer	Mobile No: +91 98241 52000 Email Id: info@sihoragroup.com	www.sihoragroup.com
PROMOTERS OF OUR COMPANY: MR. GAUTAM VALLABHBHAI SIHORA AND MRS. PRIYAL GAUTAMKUMAR SIHORA					
DETAILS OF THE ISSUE					
TYPE	FRESH ISSUE SIZE (IN ₹ LAKHS)	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE	ELIGIBILITY	
Fresh Issue	16,00,000 Equity Shares aggregating to ₹ [●] Lakhs	N.A.	16,00,000 Equity Shares aggregating to ₹ [●] Lakhs	This Issue is being made in terms of Regulation 229 (1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.	
DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION					
NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES					
RISK IN RELATION TO THE FIRST ISSUE					
The face value of the Equity Shares is ₹ 10/- each and the Issue Price is [●] times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager as stated in chapter titled “Basis for Issue Price” beginning on Page No. 81 of this Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.					
GENERAL RISKS					
Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this 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 to the section titled “Risk Factors” beginning on Page No. 20 of this Draft Prospectus.					
ISSUER’S ABSOLUTE RESPONSIBILITY					
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.					
LISTING					
The Equity Shares Issued through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited (BSE SME) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited (“BSE”).					
LEAD MANAGER TO THE ISSUE					
Name and Logo		Name and Logo		Email & Telephone	
 SOBHAGYA CAPITAL OPTIONS PRIVATE LIMITED <small>A SEBI Registered Category-1 Merchant Banking Company</small>		Mr. Rishabh Singhvi		Tel. No: +91 7836066001 Email Id: mb@sobhagvacap.com	
REGISTRAR TO THE ISSUE					
 BIGSHARE SERVICES PRIVATE LIMITED		Mr. Sagar Pathare		Tel. Number: + 91 22-62638200 Email Id: ipo@bigshareonline.com	
ISSUE PROGRAMME					
ISSUE OPENS ON: [●]			ISSUE CLOSSES ON: [●]		

**DRAFT PROSPECTUS****DATED: AUGUST 08, 2025**

Please read Section 26 of the Companies Act, 2013

(This Draft Prospectus will be updated upon filing with ROC)

FIXED PRICE ISSUE**SIHORA INDUSTRIES LIMITED****Corporate Identity Number:** U13999GJ2023PLC143747

Our Company was incorporated as a private limited company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated August 10, 2023, issued by Registrar of Companies, Central Registration Centre. Thereafter, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated June 12, 2024 and consequently, the name of our Company was changed from "Sihora Industries Private Limited" to "Sihora Industries Limited" and a fresh certificate of incorporation dated July 17, 2024 was issued to our Company by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U13999GJ2023PLC143747. For details of change in name and registered office of our Company, please refer to chapter titled "History and Corporate Structure" beginning on page no. 131 of this Draft Prospectus.

Registered Office: Plot 34/D-1, Laxminarayan, BRC Compound, Udhna, Mangrol, Surat-394210, Gujarat, India.**Website:** www.sihoragroup.com; **E-Mail:** info@sihoragroup.com; **Telephone No:** +91 98241-52000;**Company Secretary and Compliance Officer:** Mrs. Dhara Jatin Vaghasiya.**PROMOTERS OF OUR COMPANY: MR. GAUTAM VALLABHBHAI SIHORA AND MRS. PRIYAL GAUTAMKUMAR SIHORA****THE ISSUE**

PUBLIC ISSUE OF 16,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF SIHORA INDUSTRIES LIMITED ("SIL") OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ [●] LAKHS ("THE ISSUE"), OF WHICH 80,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. NET ISSUE OF 15,20,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 30.03 % AND 28.53% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH AND THE ISSUE PRICE IS ₹ [●]. THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE.

In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, dated November 10, 2015 and the all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self-Certified Syndicate Banks ("SCSBs") for the same. Further pursuant to SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, for implementation of Phased II for UPI facility, which is effective from July 01, 2019, all potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts or UPI ID (in case of RIIs), in which the corresponding Application Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable. For details, please refer chapter titled "Issue Procedure" beginning on Page No. 202 of this Draft Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the shares is ₹ 10/- per Equity Shares and the Issue price is [●] times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager) as stated in the chapter titled "Basis for Issue Price" beginning on Page No. 81 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our Company nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. 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 offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on Page No. 20 of this Draft Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

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

LEAD MANAGER TO THE ISSUE

SOBHAGYA CAPITAL OPTIONS PRIVATE LIMITED
SEBI Registration Number: INM000008571
Address: C-7 & 7A, Gate No. 01, Hosiery Complex, Phase-II Extension
Noida - 201 305, Uttar Pradesh, India
Tel No: +91 7836066001
Email Id: mb@sobhagyacap.com
Investors Grievance Id: delhi@sobhagyacap.com
Website: www.sobhagyacapital.com
Contact Person: Mr. Rishabh Singhvi
CIN: U74899DL1994PTC060089

REGISTRAR TO THE ISSUE

BIGSHARE SERVICES PRIVATE LIMITED
SEBI Registration Number: INR000001385
Address: Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura
Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400093
Tel. Number: + 91 22-62638200; **Fax No:** + 91 22-62638299
Email Id: ipo@bigshareonline.com
Investors Grievance Id: investor@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Mr. Sagar Pathare
CIN: U99999MH1994PTC076534

ISSUE PROGRAMME**ISSUE OPENS ON: [●]****ISSUE CLOSES ON: [●]**

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

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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 or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time.

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 “Industry Overview”, “Key Industry Regulations”, “Statement of Possible Tax Benefits”, “Restated Financial Information”, “Basis for Issue Price”, “History and Corporate Structure”, “Other Regulatory and Statutory Disclosures”, “Outstanding Litigations and Material Developments” and “Main Provisions of the Articles Of Association” beginning on Page Nos. 90, 123, 86, 154, 81, 131, 175, 168 and 227, respectively, of this Draft Prospectus shall have the meaning ascribed to such terms in such sections.

General Terms

Term	Description
“Sihora Industries”, “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer”	Sihora Industries Limited, a public limited company, registered under the Companies Act, 2013 and having its registered office at Plot 34/D-1, Laxminarayan, BRC Compound, Udhna, Mangrol, Surat-394210, Gujarat, India.
You or Your or 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
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. 135 of this Draft Prospectus.
Auditors of our Company / Joint Statutory Auditor / Peer Review Auditor	The Statutory Auditors of our Company, being M/s. Lakhankiya & Dosi LLP, Chartered Accountants holding a valid Peer Review certificate as mentioned in the section titled “General Information” beginning on Page No. 47 of this Draft Prospectus.
Bankers to the Company	To be updated on filing of Prospectus with ROC.
Board of Directors / Board / BOD	The Board of Directors of Sihora Industries Limited unless otherwise specified.
Companies Act	The Companies Act, 2013 as amended from time to time.
CIN	Corporate Identification Number of our Company i.e., U13999GJ2023PLC143747
CMD	Chairman and Managing Director, being Mr. Gautam Vallabhbbhai Sihora.
Chief Financial Officer (CFO)	The Chief Financial officer of our Company being Mr. Paresh Haribhai Mangukiya.
Company Secretary and Compliance Officer (CS)	The Company Secretary and Compliance Officer of our Company being Mrs. Dhara Jatin Vaghasiya.
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number
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)/ED	“Executive Director” means a Whole Time Director as defined in clause (94) of section 2 of the Act”
Group Companies / Group Entities	Group Companies as defined under Regulation 2(1)(t) of the SEBI (ICDR) Regulations, 2018, Group companies shall include such companies (other than our Promoters and Subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and as disclosed under section titled “Information with respect to Group Companies/Entities” under Chapter titled “Our Promoters And Promoters Group” beginning on Page No. 148

Term	Description
	of this Draft Prospectus.
Independent Director	A Non-executive & Independent Director as per the Companies Act, 2013.
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	INE0SFA01011
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the chapter titled “ <i>Our Management</i> ” beginning on Page No. 135 of this Draft Prospectus.
Materiality Policy Resolution	Resolution of Board of Directors dated November 18, 2024, for identification of group companies, material creditors and material litigation, in accordance with the requirements of the SEBI ICDR Regulations as amended vide Resolution of Board of Directors dated April 02, 2025.
MD/Managing Director	Managing Director
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Non-Residents	A person resident outside India, as defined under FEMA
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details, please refer chapter titled “ <i>Our Management</i> ” beginning on Page No. 135 of this Draft Prospectus.
Non-Executive Director	A Director not being an Executive Director or an Independent Director.
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulations, 2000.
Registered Office	Plot 34/D-1, Laxminarayan, BRC Compound, Udhna, Mangrol, Surat-394210, Gujarat, India.
Restated Financial Statements (RFS)	Restated Financial Information of our Company (SIL) of Sihora Narrow Fabrics (SNF) whose running business was taken over by SIL, comprises of the Restated Statement of Assets and Liabilities, the Restated Statement of Profit and Loss, the Restated Statement of Cash Flows covering the three financial years ended on March 31, 2025 along with the summary statement of significant 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. Reporting periods in the RFS are FY 23 (SNF), From 1 st April 2023 to 17 th October, 2023 (SNF), From August 10, 2023 to 31 st March 2024 (SIL), and FY 24-25 (SIL).
ROC / Registrar of Companies	Registrar of Companies, Ahmedabad.
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details, please refer chapter titled “ <i>Our Management</i> ” beginning on Page No.135 of this Draft Prospectus.
Whole Time Director (WTD)	“Whole-time director” includes a director in the whole-time employment of our Company.

Issue Related Terms

Term	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorizing 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 Applicant	Any prospective investor who makes an application pursuant to the terms of the Draft Prospectus and the Application Form including through UPI mode (as applicable).
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder	Any prospective investor(s) / Bidder (s) in this Issue who apply(ies) through the ASBA process.

Term	Description
ASBA Form(s)	An application form, whether physical or electronic, used by ASBA Bidders Bidding through the ASBA process, which will be considered as the application for Allotment in terms of the Prospectus and the Prospectus.
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Allotment/Allot/Allotted	Issue of the Equity Shares pursuant to the Issue to the successful applicants.
Allottee	The successful applicant to whom the Equity Shares are being / have been issued.
Basis of Allotment	The basis on which Equity Shares will be allotted to successful applicants under the Issue and which is described in 'Basis of allotment' under chapter titled "Issue Procedure" beginning on Page No. 202 of this Draft Prospectus.
Bankers to the Issue and Refund Banker	[●]
Business Day	Monday to Friday (except public holidays).
Broker Centers	Broker Centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
BSE SME	SME Platform of BSE Limited.
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids from relevant Bidders 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 Centers	Centers at which the Designated Intermediaries shall accept the ASBA Forms.
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.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
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 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 Bidders in the Offer.
Designated Intermediaries	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchange (www.bseindia.com), as updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes . Intermediaries or at such other website as may be prescribed by SEBI from time to time.

Term	Description
Designated Stock Exchange	SME Platform of BSE Limited.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
DP ID	Depository Participant's Identity Number
Draft Prospectus	This Draft Prospectus dated August 08, 2025 issued in accordance with Section 26 of the Companies Act filed with the SME Platform of BSE under SEBI (ICDR) Regulations.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Eligible FPI(s)	FPIs 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 Prospectus constitutes an invitation to subscribe to the Equity Shares.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Equity Shares	Equity Shares of our Company of face value ₹ 10/- each
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 [●].
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
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.
Foreign Portfolio Investor/ FPIs	Foreign Portfolio Investor as defined under SEBI FPI Regulations.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
Fresh Issue	Fresh issue of 16,00,000 Equity Shares by our Company aggregating up to ₹ [●] Lakhs to be issued by our Company as part of the Issue, in terms of the Draft Prospectus.
“General Information Document” or “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 and the circular no. SEBI / HO / CFD / DIL2 / CIR / P / 2020 / 50 dated March 30, 2020, as amended by SEBI from time to time.
Issue Closing date	The date on which the Issue closes for subscription.
Issue Opening Date	The date on which the Issue opens for subscription.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their application.
IPO	Initial Public Offering
Issue / Issue Size / Public Issue	The Public Issue of 16,00,000 Equity Shares of ₹ 10/- each at ₹ [●] per Equity Shares including Share Premium of ₹ [●] per Equity Share aggregating to ₹ [●] Lakhs by Sihora Industries Limited.
Issue Price	The price at which the Equity Shares are being issued by our Company through this Draft Prospectus, being ₹ [●] per Equity Share (including share premium of ₹ [●] per Equity Share).
Issue Agreement / MoU	The agreement dated August 08, 2025 amongst our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
LM / Lead Manager	Lead Manager to the Issue, in this case being Sobhagya Capital Options Private Limited.
Lot Size	Lot Size for the Issue being [●]
Listing Agreement	Unless the context specifies otherwise, this means the SME Equity Listing Agreement to be signed between our company and the SME Platform of BSE Limited (“BSE SME”).

Term	Description
Market Maker	The Market Maker to the Issue, in this case being [●].
Market Making Agreement	The Agreement entered into between the Market Maker and our Company dated [●].
Market Maker Reservation Portion	The Reserved portion of up to, 80,000 Equity shares of ₹ 10 each at an Issue Price of ₹ [●] per Equity Share aggregating to ₹ [●] Lakhs Designated Market Maker in the Public Issue of our Company.
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 RIIs to submit Bids using the UPI Mechanism.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended.
Net Proceeds	Proceeds of the Offer that will be available to our Company, i.e., gross proceeds of the Fresh Issue, less Offer expenses to the extent applicable to the Fresh Issue.
NCLT	National Company Law Tribunal
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 15,20,000 Equity Shares of ₹ 10/- each at ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share aggregating to ₹ [●] Lakhs by Sihora Industries Limited.
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Non-Retail Portion including Qualified Institution Buyers (NRII)	The remaining portion of the Net Issue, after retails portion, being not more than 50% of the Net issue which shall be available for allocation to NRIIs in accordance with the SEBI ICDR Regulations.
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please refer to the chapter titled “Objects of the Issue” beginning on page 66 of this Draft prospectus.
Prospectus	The Prospectus, to be filed with the ROC containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Qualified Institutional Buyers / QIBs	The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Registrar / Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Individual investors /(II)	Individual investors (including HUFs applying through their Karta and Eligible NRI Bidders) who applies or bids for the Equity Shares of a value of not more than ₹ 2,00,000/-
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. Reta Bidders can revise their Application Forms during the Issue Period and withdraw their Application Forms until Issue Closing Date.
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
Sponsor Bank	The Banker to the Offer 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

Term	Description
	requests and / or payment instructions of the Retail Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars.
TRS /Transaction Registration Slip	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.
UPI Circulars	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI RTA Master Circular (to the extent it pertains to UPI), along with the circulars issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022, SEBI ICDR Master Circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI linked mobile application and by way of an SMS on directing the RIB to such UPI linked mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment. In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Individual Investors Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 respectively, as updated from time to time.
UPI Mechanism	The mechanism that was used by an RIB to make a Bid in the Offer in accordance with the UPI Circulars on Streamlining of Public Issues.
UPI PIN	Password to authenticate UPI transactions.
Willful Defaulter	Willful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Days	“Working day” means all days on which commercial banks in the city as specified in the offer document are open for business. However, till issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. The time period between the bid/issue closing date and the listing of the specified securities on the stock exchanges, working day shall mean all trading days of the stock exchanges, excluding Sundays and bank holidays, as per circulars issued by the SEBI, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and in terms of regulation 2(1)(mmm) of SEBI ICDR Regulations 2018.

Technical and Industry Related Terms

Term	Description
BTRA	The Bombay Textile Research Association
BG	Bank Guarantee
CAI	Cotton Association of India
CAD	Current Account Deficit
CAGR	Compounded Annual Growth Rate
CGST	Central Goods and Services Tax
CPI	Consumer Price Index
DII	Domestic Institutional Investors
DGFT	Directorate General of Foreign Trade
ECA	Europe and Central Asia
ECGLS	Emergency Credit Line Guarantee Scheme
EMDE	Emerging Market & Developing Economies
FII	Foreign Institutional Investors
FDI	Foreign Direct Investments
FPI	Foreign Portfolio Investors

Term	Description
FTA	Free Trade Agreements
GDP	Gross Domestic Product
GST	Goods and Services Tax
IIP	Index of industrial Production
LMT	Lakh metric tonnes
MEIS	Merchandise Exports from India Scheme
MITRA	Mega Integrated Textile Region and Apparel
MMF	Man-Made Fibre
MoSPI	Ministry of Statistics & Programme Implementation
Mtrs	Meters
NABARD	National Bank for Agriculture and Rural Development
PLI	Production Linked Incentive Scheme
PPE	Personal Protective Equipment
PPP	Public-Private Partnership
SASMIRA	Synthetic and Art Silk Mills Research Association
SCBTS	Scheme for Capacity Building in Textile Sector
TEXPROCIL	The Cotton Textiles Export Promotion Council

Conventional and General Terms/ Abbreviations

Term	Description
A/c	Account
AS/ Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
Act or Companies Act	Companies Act, 1956 and/or the 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
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
BG	Bank Guarantee
CAGR	Compounded Annual Growth Rate
Calendar Year	Unless context otherwise requires, shall refer to the twelve month period ending December 31
CAN	Confirmation Allocation Note
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
CRR	Cash Reserve Ratio
CGST	Central Goods & Services Tax
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended from time to time
DIN	Director identification number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry,
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
DP ID	Depository Participant's Identification
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System
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
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year

Term	Description
FDI	Foreign Direct Investment
FDR	Fixed Deposit Receipt
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/ Government/GoI	Government of India
GST	Goods and Services Tax
GSTIN	GST Identification Number
HUF	Hindu Undivided Family
IGST	Integrated GST
IFRS	International Financial Reporting Standard
ICSI	Institute of Company Secretaries of India
ICAI	Institute of Chartered Accountants of India
IBEF	India Brand Equity Foundation
IMPS	Immediate Payment Service
Indian GAAP	Generally Accepted Accounting Principles in India
I.T. Act	Income Tax Act, 1961, as amended from time to time
ITAT	Income Tax Appellate Tribunal
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
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 Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
Mn	Million
MOF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
MSME	Micro, Small, and Medium Enterprises
NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
No	Number
NR/ Non-Residents	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from

Term	Description
	time to time
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
ROE	Return on Equity
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
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
SCSBs	Self-Certified Syndicate Banks
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI Rules and Regulations	SEBI (ICDR) Regulations, 2018, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended
S&P BSE SENSEX	S&P Bombay Stock Exchange Sensitive Index
SEZ	Special Economic Zones
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
Stock Exchanges	Unless the context requires otherwise, refers to, the BSE
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
TIN	Taxpayer Identification Number
TRS	Transaction Registration Slip
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America
VAT	Value Added Tax
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.
WCTL	Working Capital Term Loan
w.e.f.	With effect from
WEO	World Economic Outlook

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

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

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

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

Financial Data

Unless stated otherwise, the financial data in this Draft Prospectus is derived from our Restated Financial Statements which includes Restated Financial information for the three financial years ended on March 31, 2025 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP which are included in this Draft Prospectus, and set out in the section titled “Restated Financial Information” beginning on Page No. 154 of this Draft Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Years are to the twelve-month period ended March 31 of that year. In this Draft Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the Restated Financial Statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled “Risk Factors”, “Business Overview” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on Page Nos. 20, 102 and 158, respectively of this Draft Prospectus and elsewhere in this Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our Restated Financial Statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP.

Industry and Market Data

Unless stated otherwise, industry data used throughout this Draft Prospectus has been obtained or derived from industry and government publications, publicly available information, and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although our Company believes that industry data used in this Draft Prospectus is reliable, it has not been independently verified.

Further, the extent to which the industry and market data presented 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 we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

Currency and units of presentation

In this Draft Prospectus, unless the context otherwise requires, all references to;

- ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India.
- ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America.
- EURO or “€” are Euro currency.

All references to the word ‘Lakh’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten Lakhs’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One thousand Million’.

Exchange Rates

This Draft Prospectus contains conversions of certain other currency amounts into Rupees that have been presented solely to comply with the requirements of SEBI ICDR Regulations. Such conversion should not be considered as a representation that such currency amounts have been, 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 Indian Rupee and other foreign currencies:

Currency	Exchange Rate as on March 31, 2025	Exchange Rate as on March 31, 2024	Exchange Rate as on October 17, 2023	Exchange Rate as on March 31, 2023
1 USD	85.58	83.37	83.26	82.21
1 Euro	92.32	90.21	87.72	89.61

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

Source: www.fbiil.org.in

FORWARD LOOKING STATEMENTS

All statements contained in this Draft Prospectus that are not statements of historical fact constitute forward looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward-looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

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

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India, 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, regulations, taxes, changes in competition in our industry and incidents of any natural calamities and/or acts of violence.

- Our manufacturing and operational facilities are concentrated in a single geographical region, and any adverse developments in this region could materially impact our business operations and financial performance;
- We have only one Manufacturing facility, continued operation of our manufacturing facility is critical to our business and any disruption in the operation of our manufacturing facility may have a material adverse effect on our business, results of operations and financial condition;
- A significant portion of our revenue is derived from a limited number of customers. Our top five customers contributed 57%, 56.82%, 48.57%, and 43.93% of our total revenue during Fiscal 2025, the period October 18, 2023 to March 31, 2024, the period April 1, 2023 to October 17, 2023, and Fiscal 2023, respectively, based on our Restated Financial Statements. Any loss of such major customers or a significant reduction in their demand could materially and adversely affect our business, financial condition, cash flows, and results of operations;
- We rely on our top five suppliers for a significant portion of our revenues and raw material sourcing, and lack of long-term agreements with them may adversely affect our business;
- Our operations are conducted from premises not owned by us, and any disruption in our current arrangements may affect our business;
- Our manufacturing operations are subject to risks including equipment failure, accidents, and natural disasters which could disrupt production;
- 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;
- Any failure in our quality control processes may have an adverse effect on our business, results of operations and financial condition;
- Fluctuations, customer purchasing patterns, and broader macroeconomic trends, which may impact our revenue and capacity utilization;

- We are subject to fluctuations in the prices and availability of raw materials ;
- Increased revenue may not necessarily lead to higher margins, as they are affected by raw material costs, finance expenses, and other operational costs;
- Our operations and business information may be vulnerable to cyber security threats, data breaches, or technology disruptions, which may adversely affect our operations and reputation;

For further discussions of factors that could cause our actual results to differ, please refer the section titled “Risk Factors” and chapter titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 20, 102 and 158 of this Draft Prospectus, respectively. By their nature, certain market risk disclosures are only estimating and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflect the current views as of the date of this Draft Prospectus and are not a guarantee of future performance.

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.

These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although our Company believes 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. None of our Company, the Directors, the Lead Manager, or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

SECTION II - SUMMARY OF DRAFT PROSPECTUS

The following is a general summary of certain disclosures included in this Draft Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Draft Prospectus, when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Prospectus, including “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Industry Overview”, “Our Business”, “Our Promoters and Promoter Group”, “Restated Financial Information”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Outstanding Litigation and Material Developments”, “Issue Procedure” and “Main Provisions of The Articles Of Association” on pages 20, 42, 54, 66, 90, 102, 148, 154, 158, 168, 202 and 227, respectively.

SUMMARY OF OUR BUSINESS

Our Company, Sihora Industries Limited, was incorporated on August 10, 2023, as a private limited company and was converted into a public limited company on July 17, 2024. Our Company was founded by Mr. Gautam Vallabhbhai Sihora and Mrs. Priyal Gautamkumar Sihora to take over the business of ‘Sihora Narrow Fabrics’. Based in Surat, Gujarat, our Company is engaged in the manufacturing and sale of narrow woven fabrics and industrial textiles such as laces, tapes, elastics, zippers and ribbons. Our manufacturing unit operates on promoter-owned infrastructure and is equipped with modern machinery, with further automation planned through the Issue proceeds.

For further details, please refer chapter titled “Our Business” on page 102 of this Draft Prospectus.

SUMMARY OF OUR INDUSTRY

India’s textile industry is one of the oldest and most diverse sectors, ranging from hand-woven crafts to advanced mills. Its strength lies in a robust base of natural and synthetic fibres. The decentralised power loom, hosiery, and knitting segments form a major share of the industry. India is the world’s 3rd largest exporter of textiles and apparel, with exports expected to reach US\$ 100 billion. The sector contributes 2.3% to GDP and 12% to exports. By 2030, the domestic market is projected to reach US\$ 350 billion, while the global market is set to grow significantly across categories.

For further details, please refer chapter titled “Industry Overview” on page 90 of this Draft Prospectus.

NAME OF PROMOTERS

Promoters of our company are Mr. Gautam Vallabhbhai Sihora and Mrs. Priyal Gautamkumar Sihora. For detailed information on our Promoters and Promoters’ Group, please refer to chapter titled “Our Promoters and Promoters’ Group” beginning on page 148 of this Draft Prospectus.

SIZE OF THE ISSUE

The following table summarizes the details of the Issue. For further details, see “The Issue” and “Issue Structure” on pages 42 and 200, respectively.

Issue ^{(1) (2)}	The Issue comprises of a fresh Issue of 16,00,000 Equity Shares of our Company at an Issue Price of ₹ [●] Equity Share. We intend to utilize the proceeds of the Issue.
of which	
Fresh Issue	Up to 16,00,000 Equity Shares aggregating up to ₹ [●] Lakhs
Offer for Sale	NIL

⁽¹⁾ The Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (1) of SEBI ICDR Regulations and amendments thereto read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being issued to the public for subscription.

⁽²⁾ The Issue has been authorized by the Board of Directors vide a resolution passed at their meeting held on December 09, 2024 and by the Shareholders of our Company, vide a special resolution passed pursuant to the Companies Act, 2013 at the Extra Ordinary General Meeting held on December 12, 2024.

OBJECT OF THE ISSUE

Sr. No.	Particulars	Amount (₹ in) Lakhs	% of Net Issue Proceeds
1.	Funding Capital Expenditure towards purchase of additional plant & machinery	200.00	[●]
2.	Repayment or prepayment, in full or in part, of borrowings availed by our Company from banks and financial Institutions	257.63	[●]
3.	To meet additional working capital requirements	350.00	[●]
4.	General Corporate Purposes*	[●]	[●]
Net Issue Proceeds		[●]	[●]

* The amount utilized for general corporate purpose shall not exceed 15% of the gross proceeds of the Issue or ₹ 1,000 lakhs whichever is lower in accordance with Regulation 230(2) of the SEBI ICDR Regulation, 2018 read along with SEBI ICDR Regulation (Amendment) Regulations, 2025.

For further details, please refer to chapter titled “Objects of the Issue” beginning on page 66 of this Draft Prospectus.

SHAREHOLDING

The shareholding pattern of our Promoters and Promoters’ Group and Public before and after the Issue:

Sr. No.	Name of shareholders	Pre-issue		Post issue	
		No. of equity shares	As a % of Issued Capital*	No. of equity shares	As a % of Issued Capital*
Promoters					
1.	Gautam Vallabhbhai Sihora	3132900	84.05	3132900	58.81
2.	Priyal Gautamkumar Sihora	588225	15.78	588225	11.04
Total - A		3721125	99.83	3721125	69.85
Promoters' Group					
3.	Minakshi Vipul Vaghani	2055	0.06	2055	0.04
4.	Gautam Vallabhbhai Sihora HUF	55	0.00	55	0.00
5.	Vasantben Vallabhbhai Sihora	55	0.00	55	0.00
6.	Saritababen Rajeshkumar Mangukiya	2055	0.06	2055	0.04
7.	Pinal Pragnesh Patel	2055	0.06	2055	0.04
Total - B		6275	0.17	6275	0.12
Public **		0	0.00	1600000	30.03
Total-C		0	0.00	1600000	30.03
Total Promoters and Promoters' Group and Public (A+B+C)		3727400	100.00	5327400	100.00

* Rounded off

** 16,00,000 equity shares to be allotted to Public Shareholders under Initial Public Offer.

SUMMARY OF RESTATED FINANCIAL INFORMATION

(₹ In Lakhs unless mentioned otherwise)

Sr. No.	Particulars	FOR THE PERIOD / YEAR ENDED			
		For the year ended / As at March 31, 2025	For the Period from August 10, 2023 to March 31, 2024 / As at March 31, 2024	For the Period from April 01, 2023 to October 17, 2023 / As at October 17, 2023	For the year ended / As at March 31, 2023
1.	Equity Share Capital / Proprietary Capital	372.74	67.77	50.32	50.42
2.	Net worth [#]	526.03	338.77	40.90	13.48
3.	Revenue from operations	1,456.20	621.10	534.99	1,209.77
4.	Profit before Tax from continuing operations	250.24	40.63	36.78	17.55

Sr. No.	Particulars	FOR THE PERIOD / YEAR ENDED			
		For the year ended / As at March 31, 2025	For the Period from August 10, 2023 to March 31, 2024 / As at March 31, 2024	For the Period from April 01, 2023 to October 17, 2023 / As at October 17, 2023	For the year ended / As at March 31, 2023
5.	Profit After Tax	187.26	32.14	27.53	29.98
6.	Earnings Per Share (Basic & Diluted) @	5.02	0.86	1.00	1.09
7.	NAV per Equity Shares Post Bonus*	14.11	11.02	1.49	0.49
8.	Total Borrowings (as per Restated)	513.99	247.36	282.49	386.12

#Net Worth = the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account reduced by miscellaneous expenditure and the debit of Profit & Loss Account.

@Earnings per share (Basic & Diluted) = Restated profit after tax for the period divided by Restated weighted average number of Equity Shares outstanding during the period.

***Net Asset Value per Equity Share** = Restated Net worth divided by Restated weighted average number of Equity Shares outstanding during the period.

AUDITOR QUALIFICATION

There is no Auditor qualification which has not been given effect to in the Restated Financial Statements.

SUMMARY OF OUTSTANDING LITIGATION

Nature of Cases	Number of Cases	Total Amount Involved (in ₹ Lakhs) ^
Proceedings against our Company / Proprietorship		
Criminal	Nil	Nil
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax (GST)	1	11.75 + interest
Proceedings by our Company		
Criminal	Nil	Nil
Civil	Nil	Nil
Proceedings against our Director		
Criminal	Nil	Nil
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	Nil	Nil
Proceedings by our Director		
Criminal	Nil	Nil
Civil	Nil	Nil
Proceedings against our Promoter / Promoter Group		
Criminal	Nil	Nil
Civil	1	Infringement of Trade Mark #
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Income Tax	1	10.80 + interest
Proceedings by our Promoter		
Criminal	Nil	Nil
Civil	Nil	Nil
Proceedings against our KMP / Senior Management		
Criminal	Nil	Nil
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil

Nature of Cases	Number of Cases	Total Amount Involved (in ₹ Lakhs) ^
Income Tax	Nil	Nil
Proceedings by our KMP / Senior Management		
Criminal	Nil	Nil
Civil	Nil	Nil

^ Rounded off to closest decimal

Partnership Firm part of Promoter Group

RISK FACTORS

Any investment in equity securities involves a high degree of risk. 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 more complete understanding, you should read this section together with Sections titled, “Business Overview”, “The Issue”, “Industry Overview”, “Restated Financial Information”, “Outstanding Litigation and Other Material Developments”, and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on page no. 102, 42, 90, 154, 168 and 158 respectively, as well as the other financial and statistical information contained in this Draft Prospectus.

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 and Draft Prospectus.

CONTINGENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
Related to Direct Tax Matters	-	-	-	-
Related to Indirect Tax Matters - Disputed GST Demand	11.75	11.75	11.75	11.75
Total	11.75	11.75	11.75	11.75

SUMMARY OF RELATED PARTY TRANSACTIONS

List of Related Parties where Control exists and Relationships:

Sr. No.	Name of the Related Party	Relationship
1	Gautam Vallabhbhai Sihora HUF	Entities where Promoters are interested
2	Gautam Vallabhbhai Sihora	Promoter and Chairman & Managing Director
3	Pinal Pragnesh Patel	Relative of promoter
4	Priyal Gautam Sihora	Promoter and Whole Time Director
5	Saritababen Rajeshkumar Mangukiya	Relative of Promoter
6	Vaghani Minakshi Vipul	Relative of Promoter
7	Vasantben Vallabhbhai Sihora	Relative of Promoter
8	Shloka International	Entities where Promoters /Directors are interested
9	Anaadi Global Co	Entities where Promoters /Directors are interested
10	Paresh Haribhai Mangukiya	Key Managerial Personnel (Chief Financial Officer)
11	Ms. Dhara Jatin Vaghasiya	Key Managerial Personnel (Company Secretary w.e.f. June 18, 2025)
12	Chirag Rameshbhai Dhameliya	Non-executive Director

(₹ in Lakhs)

Transactions during the year / Period:	For the Period/ Year ended on			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Purchase				
Sholka International	21.44	-	-	-
Payment of Rent				
Gautam Vallabhbhai Sihora	60.00	-	-	-
Rent Deposit				
Gautam Vallabhbhai Sihora	5.00	10.00	-	-
Remuneration				
Gautam Vallabhbhai Sihora	36.00	-	-	-
Priyal Gautam Sihora	24.00	10.00	-	-
Paresh Haribhai Mangukiya	3.88	1.74	1.60	3.14
Unsecured Loans Taken				
Gautam Vallabhbhai Sihora	14.00	0.75	-	-
Priyal Gautam Sihora	-	0.25	-	-
Unsecured Loans Repaid				
Gautam Vallabhbhai Sihora	14.75	-	-	-
Priyal Gautam Sihora	0.25	-	-	-
Total	179.32	22.74	1.60	3.14

(₹ in Lakhs)

Outstanding Balance as at close of the year / Period	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Remuneration				
Priyal Gautam Sihora	-	1.00	-	-
Paresh Haribhai Mangukiya	0.33	0.33	-	0.27
Loan Payable				
Gautam Vallabhbhai Sihora	-	0.75	-	-
Priyal Gautam Sihora	-	0.25	-	-
Closing Balance of Proprietary Capital				
Gautam Vallabhbhai Sihora	-	-	40.90	13.48
Rent Deposit				
Gautam Vallabhbhai Sihora	15.00	10.00	-	-
Purchase				
Sholka International	3.64	-	-	-
Total	18.96	12.33	40.90	13.75

FINANCING ARRANGEMENTS

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

AVERAGE COST OF ACQUISITIONS OF SHARES FOR PROMOTERS AND PROMOTER GROUP:

Average price at which the Equity Shares were acquired by our Promoters since incorporation of the Company:

Sr. No.	Name of Promoters/ Promoter Group	No. of Equity Shares Acquired	Average Cost of Acquisition per equity share (in ₹)*
Promoters			
1.	Gautam Vallabhbhai Sihora	3132900	10.05
2.	Priyal Gautamkumar Sihora	588225	0.28

Sr. No.	Name of Promoters/ Promoter Group	No. of Equity Shares Acquired	Average Cost of Acquisition per equity share (in ₹)*
Promoters' Group			
3.	Minakshi Vipul Vaghani	2055	0.91
4.	Gautam Vallabhbhai Sihora HUF	55	10.91
5.	Vasantben Vallabhbhai Sihora	55	10.91
6.	Saritababen Rajeshkumar Mangukiya	2055	0.91
7.	Pinal Pragnesh Patel	2055	0.91

**The average cost of acquisition of Equity Shares for last one year by our Promoters and persons part of the Promoter group 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.*

PRE IPO-PLACEMENT

Our Company has not allotted any shares under pre-IPO Placement.

ISSUE OF SHARES FOR CONSIDERATION OTHER THAN CASH

Except as disclosed in chapter titled as “*Capital Structure*”, our company has not issued any equity shares for consideration other than cash. For further details regarding issuance of shares, please refer section titled “*Capital Structure*” beginning on Page no. 54 of this Draft Prospectus.

SPLIT / CONSOLIDATION

No Split or Consolidation has been done during the last one year.

SEBI EXEMPTIONS

Our Company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

SECTION III – RISK FACTORS

Any investment in equity securities involves a high degree of risk. 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 more complete understanding, you should read this section together with Sections titled, “Business Overview”, “The Issue”, “Industry Overview”, “Restated Financial Information”, “Outstanding Litigation and Other Material Developments”, and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on page no. 102, 42, 90, 154, 168 and 158 respectively, as well as the other financial and statistical information contained in this Draft Prospectus.

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 and Draft Prospectus.

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 elsewhere in this Draft Prospectus.

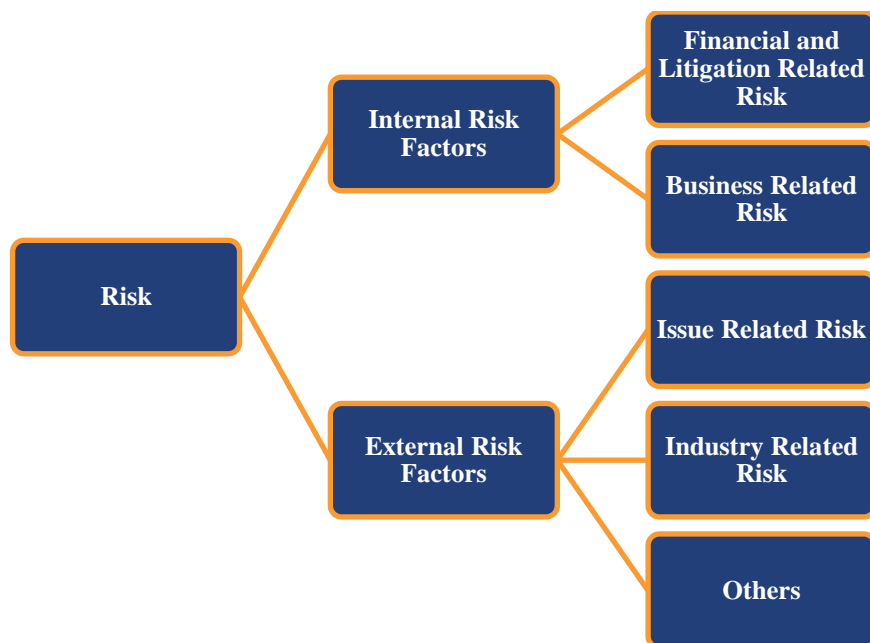
The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in this Issuing 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 Standalone Financial Statements prepared in accordance with Indian GAAP, as per the requirements of the Companies Act, 2013, and SEBI (ICDR) Regulations.

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

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

Classification of Risk Factors:



Note:

The risk factors as envisaged by the management 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 “Risk Factors” beginning on page 20 and “Management Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 158 unless otherwise indicated, has been calculated based on the amount disclosed in the “Restated Financial Statements”.

INTERNAL RISK FACTORS:

1. Our manufacturing and operational facilities are concentrated in a single geographical region, and any adverse developments in this region could materially impact our business operations and financial performance.

Our sole manufacturing facility is located in Surat, Gujarat, and we do not currently have any additional manufacturing units in other parts of India. As a result, our operations are significantly dependent on the economic, regulatory, and infrastructural conditions prevailing in this region. Any adverse local developments such as natural disasters (floods, earthquakes, etc.), political unrest, labor shortages or strikes, epidemics, power supply disruptions, transportation delays, or changes in local laws and policies may interrupt or delay our manufacturing and supply chain activities.

Our Registered Office, processing units, and warehouses are also based in or around Surat in Gujarat, further concentrating our operational footprint. This geographic concentration increases our exposure to region-specific risks. For example, any disruption to the local transport infrastructure, power supply, or communication systems could halt or delay production and distribution, thereby affecting our ability to fulfill customer orders on time and maintain customer relationships.

Furthermore, as Surat is a key textile hub, any disruption in the regional ecosystem such as shortages in skilled labor, delays in raw material supply, or logistical bottlenecks could have a cascading effect on our operations. Given that we currently do not have alternate manufacturing facilities elsewhere in India, such events could significantly impact our production schedules, revenue generation, customer satisfaction, and overall financial performance.

While we maintain insurance coverage for certain risks, such coverage may not be adequate to fully compensate for losses incurred due to operational disruptions. Additionally, there can be no assurance that any contingency plans, if implemented, will be effective in mitigating these risks. Accordingly, our reliance on a single geographical region makes us vulnerable to local disruptions, which could adversely affect our business, results of operations, and financial condition.

2. We have only one Manufacturing facility, continued operation of our manufacturing facility is critical to our business and any disruption in the operation of our manufacturing facility may have a material adverse effect on our business, results of operations and financial condition.

As of the date of this Draft Prospectus, we operate a single manufacturing facility located at Surat, Gujarat, India, engaged in the manufacturing of various textile products including narrow woven fabrics (such as labels, laces, borders), rapier jacquard fabrics, suit, dupatta, garment fabrics, zippers, woven name tapes, and elastics. The operation of this facility is subject to inherent risks, including but not limited to the unavailability of critical spare parts, machinery breakdowns, obsolescence or failure of production equipment, disruptions in power supply, and performance inefficiencies. Additionally, unforeseen events such as local social unrest, natural disasters, or interruptions in essential utilities could materially and adversely affect our business, financial condition, and operational results. Any prolonged shutdown of the manufacturing unit could significantly impact our ability to meet supply commitments, thereby adversely affecting our earnings, financial condition, and overall operations. Rising living costs in the vicinity of the facility may result in increased labour expenses, potentially eroding our profit margins and cost competitiveness. Moreover, any industrial accidents or safety incidents could compel us to suspend operations, impairing our ability to meet production schedules and contractual obligations, which could negatively impact our business. We cannot guarantee that we will not experience work stoppages or disruptions resulting from labor disputes or other employment-related issues, which could materially affect our production schedules and have an adverse impact on our business, financial condition, cash flows, and results of operations.

3. A significant portion of our revenue is derived from a limited number of customers. Our top five customers contributed 57%, 56.82%, 48.57%, and 43.93% of our total revenue during Fiscal 2025, the period October 18, 2023 to March 31, 2024, the period April 1, 2023 to October 17, 2023, and Fiscal 2023, respectively, based on our Restated Financial Statements. Any loss of such major customers or a significant reduction in their demand could materially and adversely affect our business, financial condition, cash flows, and results of operations.

Our business is highly dependent on a concentrated group of customers for a significant portion of our revenues. Although the composition of our top five customers has changed across the reporting periods, our revenue remains substantially reliant on a few large customers. We do not have firm commitment-based or long-term contracts with these customers; instead, sales are typically made on the basis of purchase orders, which are subject to change or cancellation at the discretion of the customer.

The loss of any one or more of our major customers, or a decrease in their order volumes whether due to changing procurement policies, demand cycles, internal financial stress, shifts in sourcing strategies, or market preferences could have a material adverse effect on our revenue, business continuity, and future growth prospects. Our bargaining power with such customers may be limited, and we may be required to offer more competitive pricing or credit terms to retain their business, which could adversely affect our margins.

Furthermore, while we endeavor to maintain high service levels and customer relationships, there can be no assurance that our top customers will continue to engage with us or place orders at similar levels. Our ability to attract and retain customers is also influenced by external factors such as industry competition, pricing volatility, and changes in technology or fabric trends.

The details of Top 1, Top 5, and Top 10 customers and their revenue contribution for past three years and stub period of our Company are as follows:

(₹ in lakhs, except for percentages)

Particulars	Top Customers as a percentage (%) of revenue from operations							
	For the year ended on March 31, 2025		For the period from August 10, 2023 to March 31, 2024		For the period from April 01, 2023 to October 17, 2023		For the year ended on March 31, 2025	
	Amount	%	Amount	%	Amount	%	Amount	%
Top 1	265.54	18.23	132.98	21.41	138.08	25.81	177.73	14.69
Top 3	660.94	45.39	266.80	42.96	212.14	39.65	378.33	31.27
Top 5	830.06	57.00	352.93	56.82	259.82	48.57	531.41	43.93
Top 10	1,025.66	70.43	435.00	70.04	348.41	65.12	742.32	61.36

Percentage (%) is calculated as a percentage of Total Sale of Products.

Additionally, we do not have long-term contracts with our key suppliers either. Any disruption in the supply of critical raw materials, delays, or price increases from these vendors could result in production interruptions, increased costs, and loss of customer confidence. While none of our top ten customers are related to our Promoters or Promoter Group, and we continuously explore diversification of both our customer and supplier base, there is no assurance that such efforts will sufficiently mitigate these concentration risks.

As a result, our dependence on a limited number of customers and suppliers exposes us to risks that could materially impact our business operations, revenues, profitability, and overall financial health.

4. We rely on our top five suppliers for a significant portion of our revenues and raw material sourcing, and lack of long-term agreements with them may adversely affect our business.

Our manufacturing operations are significantly dependent on the timely and consistent supply of raw materials from a limited number of suppliers. Our top five suppliers contributed 43.30%, 58.60%, 58.33%, and 50.60% of our total purchases during Fiscal 2025, the period October 18, 2023 to March 31, 2024, the period April 1, 2023 to October 17, 2023, and Fiscal 2023, respectively, based on our Restated Financial Statements.

The composition of our top suppliers and the volume of purchases from each of them has varied over time and may continue to change as we seek better pricing, quality, or credit terms. However, we do not have firm commitment-based or long-term supply agreements with any of our key suppliers. Consequently, we are exposed to the risk of supply chain disruptions, unexpected price fluctuations, or unfavorable changes in terms.

Any delay or failure by these suppliers to deliver raw materials in a timely manner, or at acceptable prices and specifications, could adversely affect our production schedules, lead to increased operational costs, and impact our ability to fulfill customer orders. Furthermore, if we are unable to identify or onboard alternative suppliers on commercially acceptable terms within a reasonable timeframe, it could materially affect our business operations and profitability.

Particulars	Top Suppliers as a percentage (%) of Purchase							
	For the year ended on March 31, 2025		For the period from August 10, 2023 to March 31, 2024		For the period from April 01, 2023 to October 17, 2023		For the year ended on March 31, 2025	
	Amount	%	Amount	%	Amount	%	Amount	%
Top 1	167.40	19.04	73.13	17.64	41.18	18.87	119.81	18.04
Top 3	289.29	32.90	179.43	43.29	100.08	45.86	252.49	38.01
Top 5	380.67	43.30	242.87	58.60	127.30	58.33	336.09	50.60
Top 10	551.98	62.78	322.36	77.78	161.79	74.13	478.43	72.03

Percentage (%) is calculated as a percentage of Total Sale of Products

5. Our operations are conducted from premises not owned by us, and any disruption in our current arrangements may affect our business.

Our Registered Office, manufacturing area as disclosed under the chapter titled as “Business Overview” on page no. 102 are not owned by our Company. A major portion of the premises is owned by our Promoter, Mr. Gautam Vallabhbai Sihora, while a minor portion is owned by Mr. Ramesh Nagjibhai Dhameliya, a relative of the Promoter not forming part of promoter group. Specifically, approximately 1,723.08 Sq. Mtrs. (or 75.00%) of the total premises is owned by our Promoter, and approximately 574.36 sq. Mtrs. (or 25.00%) is owned by a relative of the Promoter, Mr. Ramesh Nagjibhai Dhameliya, not forming part of promoter group. Both the Promoter and Mr. Ramesh Nagjibhai Dhameliya have created an English Mortgage as defined under Section 58(e) of the Transfer of Property Act, 1882 in respect of their respective portions of the property, in favour of ICICI Bank Limited, as security for the credit facilities availed by our Company. In addition, they have provided personal guarantees to the secured lenders. We cannot assure you that we will be able to continue the above arrangement on commercially acceptable / favourable terms in the future. If we are required to vacate the current premises, we would be required to make alternative arrangements for new office and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

6. Our manufacturing operations are subject to risks including equipment failure, accidents, and natural disasters which could disrupt production.

We have manufacturing and processing unit situated at Surat, Gujarat. Our business is dependent upon our ability to manage our operations which involves manufacturing, storage and transportation, which are subject to various operating risks, including planned shutdowns of our manufacturing unit for maintenance, statutory inspections and testing and those beyond our control, such as the breakdown or failure of equipment, industrial accidents, severe weather conditions, and natural disasters. Any significant malfunction or breakdown or occurrence of any accident involving any of our machinery, our equipment, our automation systems, our IT systems or any other part of our manufacturing operations or systems (together, our “Manufacturing Assets”) may entail significant repair and maintenance costs, cause delays, suspension or full or partial shutdown of our operations. If we are unable to repair or rectify our Manufacturing Assets in a timely manner or at all which could have an adverse effect on our business, financial condition and results of operations. For details, see heading “Existing Capacity And Capacity Utilisation” under chapter titled as “Business Overview” starting from on page 102 of this Draft Prospectus.

7. 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.

As a manufacturing entity, a significant portion of our assets at any given time comprises inventories of raw materials, work-in-progress, and finished goods. Maintaining an adequate level of raw material inventory is critical to our operations, including as a safeguard against potential supply disruptions. Ineffective management of such inventories in response to evolving market dynamics may result in adverse consequences for our financial condition and operational efficiency.

An overestimation of raw material requirements relative to actual product demand may result in surplus inventories, thereby leading to higher carrying costs, tying up working capital, and exposing us to risks associated with obsolescence, spoilage, or price volatility. Conversely, underestimation of such requirements may constrain our ability to meet production schedules, adversely impacting our capacity to fulfill customer orders in a timely and cost-effective manner, which may result in loss of revenue, customer dissatisfaction, and reputational harm.

Furthermore, any delay in dispatch, improper storage, or damage to finished goods inventory may lead to loss or impairment of such goods, which could disrupt our production cycle and negatively impact our business operations and financial

performance. Inefficient inventory practices may also restrict our ability to procure raw materials on favorable terms, thereby escalating operational costs and adversely affecting our working capital position.

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

Our products may contain quality issues or undetected errors or defects. We experience sales returns and quality compensation in our normal course of business. We have implemented quality checks & tests and regularly conduct inspections of raw materials sourced from suppliers and finished products manufactured by us on the basis of our internal quality standards. However, we cannot assure you that our quality control processes will not fail or the quality tests and inspections conducted by us will be accurate at all times. Any shortcoming in the raw materials procured by us or in the production of our products due to failure of our quality assurance procedures, negligence, human error or otherwise, may damage our products and result in deficient products. We also face the risk of legal proceedings and product liability claims being brought against us by our customers for defective products sold. We cannot assure you that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims. A product liability claim may adversely affect our reputation and brand image, as well as entail significant costs in defending such claims.

9. Fluctuations, customer purchasing patterns, and broader macroeconomic trends, which may impact our revenue and capacity utilization.

Although our Company's operations are not formally classified as seasonal, our sales volumes and customer demand may still be subject to certain indirect and cyclical patterns influenced by broader industry dynamics, festival-related spending, monsoon-dependent sectors, or the financial health of our customer segments. For instance, in periods leading up to major Indian festivals, election cycles, or fiscal year closings, there may be a temporary increase in demand for specific finished goods or raw materials, depending on the industry verticals we serve. Conversely, periods of economic slowdown, high inflation, rising interest rates, or political uncertainty may lead to contraction in industrial activity, postponed procurement, or reduced order flow.

Moreover, if our Company caters directly or indirectly to sectors such as construction, real estate, infrastructure, textile, or consumer durables all of which have inherent demand cycles we may be exposed to off-peak phases, reduced capacity utilization, or extended payment cycles during lean periods. Such fluctuations may not be immediately predictable and could result in underutilization of our production capacities, inefficiencies in working capital, or volatility in revenues.

10. We are subject to fluctuations in the prices and availability of raw materials.

Prices of yarns, dyes, zippers, elastics, and other key inputs used in our manufacturing process are subject to high volatility due to global supply-demand imbalances, geopolitical factors, transportation disruptions, and changes in commodity prices. A significant portion of these raw materials is sourced from third-party suppliers, and any disruption in supply or substantial increase in procurement costs could materially affect our cost structure. Inability to pass on such increased costs to customers in a timely manner could compress our margins. Further, shortages or delays in the availability of critical materials may disrupt production schedules, delay order deliveries, and adversely impact customer satisfaction and retention. Prolonged price volatility or supply constraints could have a material adverse effect on our business, financial condition, and results of operations.

11. Increased revenue may not necessarily lead to higher margins, as they are affected by raw material costs, finance expenses, and other operational costs.

Our margins are subject to various cost elements, including raw material expenses, finance charges, and operational costs. While we are focused on increasing revenue, it is important to note that improvements in revenue may not always directly result in higher margins due to these factors.

The cost of raw materials represents a component of our production expenses. We actively manage our procurement strategies to mitigate the impact of fluctuations in raw material prices. However, unexpected price increases or supply disruptions could challenge our ability to maintain optimal margins. Finance costs, associated with our debt obligations, also influence our cost structure. We continuously monitor interest rate movements and seek to manage our financial obligations prudently. Nevertheless, changes in interest rates or our credit profile could affect our profitability despite revenue growth. Moreover, operational expenses such as logistics and overhead costs are carefully controlled to optimize efficiency. However, unforeseen increases in these expenses could affect our margins.

While we pursue revenue growth initiatives, investors should recognize that margin expansion may be tempered by these

operational dynamics. We remain committed to managing costs effectively and enhancing operational efficiencies to sustain profitability and deliver long-term value to our stakeholders.

12. Our operations and business information may be vulnerable to cyber security threats, data breaches, or technology disruptions, which may adversely affect our operations and reputation.

As part of our day-to-day operations, we rely significantly on digital systems for inventory tracking, accounting, vendor and customer communication, statutory compliance, and internal records. With increasing digitization of business processes and reliance on cloud-based systems, third-party software, email platforms, and data storage tools, we are exposed to the risk of cyber threats including data breaches, malware attacks, ransomware, phishing, and unauthorized access.

Although our Company has not experienced any material cyber security incident so far, the risk of future cyberattacks cannot be discounted. A successful cyberattack could result in loss or manipulation of sensitive business data, theft of proprietary or financial information, disruption of operations, financial loss, or liability under data protection laws. In the event of a significant data breach or prolonged system downtime, we may face reputational harm, customer distrust, and potential legal consequences under the Information Technology Act, 2000 and other applicable regulations.

13. Our Company has negative cash flows from its operating, investing and financing activities in the past years, details of which are given below. Sustained negative cash flow could impact on our growth and business.

Our Company had negative cash flows from our operating activities, investing activities as well as financing activities in the previous year(s) as per the Restated Financial Statements and the same are summarized as under:

(₹ in lakhs)

Particulars	For the Period/ Year Ended On			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Net Cash from Operating Activities	(14.35)	49.98	127.01	(8.47)
Net Cash from Investing Activities	(209.98)	(273.08)	(0.19)	(0.38)
Net Cash Flow in Financing Activities	224.39	223.14	(123.85)	(19.70)

Additionally, if we fail to protect our own intellectual property, our competitors or other third parties may copy, steal, or misuse our ideas, products, or services. This can lead to lost revenues, decreased market share, or erosion of our competitive advantage. Moreover, any unauthorized use, reproduction, or distribution of our copyrighted material without our permission will result in legal action and may lead to financial penalties, damage to our brand reputation. It is essential for us to protect our copyrighted material and ensure that it is used only with our permission, to avoid any negative impact on our business operations. Defending our intellectual property rights can be expensive and time consuming, and we may not be able to prevent others from infringing or challenging our rights.

14. Our business is working capital intensive. Any inability to secure adequate working capital or efficiently manage our working capital cycle may adversely affect our business, financial condition, results of operations and cash flows.

Our operations are working capital intensive, primarily due to the nature of our manufacturing cycle, inventory holding requirements, and the credit terms extended to our customers. As on March 31, 2025, our net working capital was ₹517.06 Lakhs and is projected to increase to ₹739.04 Lakhs and ₹1,058.93 Lakhs for Fiscal 2026 and Fiscal 2027 respectively, in line with our anticipated growth in scale and operations.

Our working capital requirements are driven by:

- The need to maintain adequate raw material inventory, which is projected to be held for up to 75 days;
- Work-in-progress and finished goods inventory cycles of 15 and 30 days respectively;
- Credit terms offered to customers, with receivables projected to be realized in 60 days; and
- Relatively limited trade credit from suppliers (45 days), especially in relation to imported machinery or raw materials.

Any mismatch between cash inflows and outflows could result in liquidity strain. Delays in recovering trade receivables or increases in inventory levels could lead to additional dependence on short-term borrowings or other forms of external financing, thereby impacting our margins and financial condition. We intend to utilize ₹350.00 Lakhs from the Net Proceeds of the Issue towards meeting our working capital requirements (₹50.00 Lakhs in FY 2026 and ₹300.00 Lakhs in FY 2027).

While this infusion is expected to support our short-term needs, there can be no assurance that our internal accruals or alternate sources of financing will be sufficient to meet our future working capital requirements.

Our failure to maintain an efficient working capital cycle or to secure timely access to additional working capital financing may adversely impact our business operations and profitability.

Further, we have significant outstanding amount due from our debtors which may result in a high risk in case of non-payment by these debtors. Any such defaults from our debtors, may affect our business operations and financials. For details regarding working capital requirement, please refer to the section “Objects of the Issue” on page 66 of this Draft Prospectus.

15. In addition to regular remuneration and lease rent, our Promoters and Directors hold a vested interest in our Company through their shareholding and the associated dividend entitlements. They also have an interest in transactions involving our Company when conducted with themselves individually. In the future, our Company may enter into related party transactions, subject to compliance with applicable laws and regulations.

Our Promoters/ Directors are interested in our Company to the extent of their shareholding and associated dividend entitlements thereon in our Company, in addition to regular remuneration and recovery of lease rental and expenses reimbursement. Our Promoters and Directors are interested in the transactions entered into between our Company and themselves as well as between our Company. All transactions with related parties entered into by the company in past were at arm’s length basis, in compliance with applicable provisions of Companies Act, 2013 and other applicable provisions. Our company, promoters may enter into such related party transaction in the future as well which may be or may not be at Arms’ Length price and in ordinary course of business.

If such future transactions are not on Arms’ Length price and in ordinary course of business, our financial position may get affected to that extent. Additionally, our Company may enter in related party transactions in the future subject to necessary compliances in accordance with relevant acts, rules and regulations. For details of transactions already executed by our Company with our Promoters, Directors since incorporation of the Company, please refer to the “Annexure - IX - titled Statement of Related Party & Transactions, As Restated” under the Chapter titled “Restated Financial Information” beginning on Page No. 154 of this Draft Prospectus.

Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

16. Our operations are heavily dependent on the procurement of polyester yarn, which constitutes approximately 52.12% respectively of our total raw material cost. Any disruption in the availability, quality, or price of this raw material could adversely impact our business operations, profitability, and financial condition.

Polyester yarn is one of the primary raw materials used in our manufacturing process, particularly in the production of narrow woven fabrics, laces, elastics, and other textile products. During the financial year FY 2025, the cost of polyester yarn constituted approximately 52.12% of our total raw material consumption.

(₹ In lakhs, except for percentage)

Raw Materials	For the year ended on March 31, 2025		For the period from August 10, 2023 to March 31, 2024		For the period from April 01, 2023 to October 17, 2023		For the year ended on March 31, 2025	
	Amount	%	Amount	%	Amount	%	Amount	%
Jari	39.08	4.44	4.12	0.99	12.03	5.51	16.59	2.50
Narrow Woven Fabric-Gota Pati	90.01	10.24	61.60	14.86	29.55	13.54	73.05	11.00
Mono Filament	159.25	18.11	0.00	0.00	0.00	0.00	0.00	0.00
Other	3.97	0.45	0.25	0.06	0.07	0.03	0.00	0.00
Polyester Film	90.82	10.33	140.08	33.80	48.75	22.34	134.95	20.32
Polyester Yarn	458.38	52.12	197.39	47.62	111.28	50.99	408.32	61.47

Raw Materials	For the year ended on March 31, 2025		For the period from August 10, 2023 to March 31, 2024		For the period from April 01, 2023 to October 17, 2023		For the year ended on March 31, 2025	
	Amount	%	Amount	%	Amount	%	Amount	%
Rubber	3.88	0.44	0.00	0.00	1.66	0.76	0.00	0.00
Spare & Parts	34.00	3.87	11.04	2.66	14.89	6.82	31.33	4.72
Total	879.39	100.00	414.47	100.00	218.24	100.00	664.24	100.00

Given this high level of dependency, any significant fluctuation in the prices or supply of polyester yarn whether due to changes in crude oil prices (as polyester is petroleum-based), currency exchange rates (if imported), trade restrictions, logistical disruptions, or supplier-specific issues may result in increased production costs or interruptions in manufacturing activities.

Moreover, our ability to pass on increased raw material costs to our customers is limited by competitive pressures and pricing sensitivities in the textile market. This could lead to margin compression and adversely affect our profitability. Additionally, if the quality or specifications of the polyester yarn procured do not meet our production requirements, it could result in defective output, production delays, and damage to customer relationships.

Although we maintain relationships with multiple vendors for polyester yarn, our procurement is not fully diversified, and we do not have long-term supply contracts that could ensure stable pricing or availability. Consequently, our business remains exposed to the inherent risks associated with raw material dependency, and any adverse developments relating to polyester yarn could have a material impact on our business, results of operations, and financial position.

17. Our plans for international expansion expose us to various cross-border risks that could adversely impact our financial performance and strategic objectives.

Our Company intends to explore opportunities for international expansion, including exporting our products and potentially entering into new foreign markets. While this strategic direction may offer growth and diversification benefits, it also exposes us to a wide range of international risks. These include, but are not limited to, foreign exchange rate volatility, differences in consumer preferences, unfamiliar legal and regulatory frameworks, customs and trade compliance issues, and increased logistic costs and delays.

Entering new geographies may require significant investments in distribution networks, market research, and local partnerships. Additionally, we may face stiff competition from well-established global players with better brand recognition and local insights. Political instability, economic uncertainty, or diplomatic tensions between India and the countries we target may further create unpredictability.

Any failure to effectively manage these international risks or to gain sufficient traction in overseas markets could result in underperformance of our investments, delays in achieving revenue targets, or even loss-making ventures. As we currently have limited experience operating beyond domestic boundaries, our ability to execute this strategy successfully is unproven and subject to substantial uncertainties.

18. Our business is susceptible to adverse changes in general economic conditions, which may result in reduced demand for our products and adversely affect our results of operations.

Our operations and revenue are significantly influenced by the prevailing macroeconomic environment, both in India and globally. During periods of economic downturn, our customers particularly in the textiles, garments, fashion, and industrial manufacturing sectors may experience financial stress, reduced consumer demand, or cutbacks in spending. This, in turn, may lead to order reductions, delayed payments, or even cancellation of orders. Additionally, factors such as rising inflation, interest rate fluctuations, global trade instability, geopolitical tensions, or disruptions in logistics and supply chains may adversely impact our input costs and operational efficiency. If economic conditions deteriorate materially, our ability to sustain growth, maintain profitability, and meet working capital requirements could be severely affected.

19. If we are unable to collect our receivables from our clients, our results of operations and cash flows could be adversely affected.

Credit risk is the risk of financial loss to our Company, if a customer or counterparty to a financial instrument fails to meet its contractual obligations. In the ordinary course of business, we provide our customers with certain credit periods as part of our payment terms. While we generally limit the credit, we extend to our customers based on their financial condition and payment history, we may still experience losses because of a customer being unable to pay. We are exposed to credit risk

from our operating activities, primarily from trade receivables.

As of March 31, 2025, we had trade receivables of ₹ 244.70 Lakhs which were outstanding for a period less than one year. Actual losses on client balances could differ from those that we currently anticipate and as a result we might need to adjust our provisions. We might experience delays in collection of and/or be unable to collect our client balances, and if this occurs, our results of operations and cash flows could be adversely affected.

20. Our Company has not entered into any agreements/contracts with the Suppliers and Customers.

We do not have long-term arrangements with our vendors/suppliers and we operate on a purchase order basis. There are no long-term supply agreements for our raw material and other utilities. Our inability to obtain high quality raw materials in a timely and cost-effective manner would cause delays in our production and delivery schedules besides increasing cost of production, which may result in us losing some customers and hence could lead to reduction in revenues. Any shortfall or non-availability of raw material and other utilities may adversely affect our manufacturing processes and have an adverse impact on our operations and financial condition. Hence, we also face market risks for each of these products.

We do not have firm commitment in the form of long-term supply agreements with most of our key customers and we rely on purchase orders to govern the volume and other terms of our sales of products. We do not have exclusivity arrangements with most of our customers. While we have developed long-term relationships with certain of our customers, there is no commitment on the part of our key customers to continue to place new purchase orders with us and as a result, our cash flow and consequent revenue may fluctuate significantly from time to time. Further, we may not find any other customers for the surplus or excess ‘un-utilized’ capacity, in which case we may be forced to incur a loss. The loss of one or more of these significant customers or a significant decrease in business from any such key customer may materially and adversely affect our business, results of operations and financial condition.

21. We may not be able to accurately manage our inventory, which may adversely affect our goodwill, business, financial condition, and results of operations.

Our operations rely heavily on accurate forecasting of customer demand and proper inventory management. A mismatch between inventory levels and demand could lead to excess stock or shortages, impacting our ability to fulfil orders timely. Overstocking increases our capital requirements and risk of obsolescence, while understocking may result in loss of business and reputation. Although we strive to optimize inventory through planning, disruptions in transportation, supply chain, or demand patterns may adversely affect our inventory management, working capital cycle, and profitability.

22. We may be subject to potential conflicts of interest arising from our promoters’ interests in group entities, which could adversely affect our business and the decisions made by our management.

Our Promoters and members of our Promoter Group have interests in other business entities, including certain associates, or ventures in similar or complementary lines of business. While we operate independently, the involvement of our Promoters in multiple entities can give rise to actual or perceived conflicts of interest. These overlaps may influence decisions related to business strategy, allocation of opportunities, use of common resources, or pricing arrangements for goods or services transacted with such entities. Our promoter Group entity i.e. Shloka International may be engaged in businesses that are either similar to ours or may compete with certain aspects of our operations. Further, there may be transactions past, present or proposed between our Company and such related parties, including loans, advances, guarantees, or service arrangements. Although all such transactions are intended to be conducted on an arm’s-length basis and are disclosed in the “Related Party Transactions” section of this Draft Prospectus, the possibility of preferential treatment, revenue diversion, or sub-optimal decision-making cannot be entirely ruled out.

Moreover, our Promoters may not always be in a position to devote their full time and attention exclusively to our Company’s operations, as they are involved in managing the affairs of other group entities. This may limit the availability of managerial bandwidth or delay strategic decisions. In the event of any dispute, competing interest, or business opportunity shared between our Company and other promoter-affiliated entities, there is a risk that our Company’s interests may not be given precedence. Although we have implemented governance mechanisms such as the constitution of an independent Board and Audit Committee, these may not fully mitigate the risk of promoter-related conflicts in all situations. Any such perceived or actual conflict could affect investor confidence and may have an adverse impact on our business reputation, operations, or financial performance.

23. Our Company is engaged in the business of limited variety of production in textiles being Narrow Fabrics, Laces, Borders, Labels, Elastic and Zippers.

Our Company relies on limited products as the cornerstone of our business. We are primarily engaged in the business of specialized textiles in manufacturing and sale of Narrow Fabrics, Laces, Borders, Labels, Elastic and Zippers. This flagship product not only drives most of our revenue but also defines our brand identity in the market. While this focus allows us to channel our resources and expertise to continually enhance and innovate this product, it also presents a significant risk. Market fluctuations, changes in consumer preferences, or unforeseen disruptions can severely impact on our overall business stability. Therefore, while our limited product strategy has been a strength, it also necessitates a careful and strategic approach to risk management and future growth planning.

24. Any delay in payment of statutory dues or non- payment of statutory dues in dispute may attract financial penalties from the respective government authorities, which may have an adverse impact on our financial condition and cash flows

Though there are no instances of delay in payment of statutory dues during FY 2025, 2024 and 2023, which inter-alia include, goods and services tax, provident fund, employees' state insurance, income-tax etc. There can be no assurance that delays in payment of Statutory dues may not arise in the future. This may lead to financial penalties from respective government authorities which may have a material adverse impact on our financial condition and cash flows.

25. We require certain approvals and licenses in the ordinary course of business and the failure to successfully obtain/renew such registrations would adversely affect our operations, results of operations and financial condition.

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions, some of which could be onerous. These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavour to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty. Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations. For further details regarding, see "Government and Other Statutory Approvals" on page 172 of this Draft Prospectus.

26. Our Company has applied for registration of the trademarks in its name. Until such registration is granted, we may not be able to prevent unauthorized use of such trademarks by third parties, which may lead to the dilution of our goodwill.

Trade Mark "Sihora Narrow Fabrics" bearing Registration No. 3030420 is registered in the name of our individual Promoter since August 9, 2022 and is yet to get registered or transferred in the name of the Company. We made application dated September 5, 2023 for registration of its logo 'Sihora' under class 26 under the Trademark Act, 1999 vide TM Application No. 6096451 which was objected and as on date we are neither using the same nor did we attempt to oppose the objections made. We also made three more applications subsequently in years 2023, 2024 and 2025 for the registration of our different Product Logos /Trade Marks which are pending in different stages of Registration. We cannot assure you that we will be able to obtain registration against the application made. If we are unable to renew or register our trademarks for various reasons, or if any of our unregistered trademark are registered in favour of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark and consequently, we may not be able to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities, causing damage to our business prospects, reputation and goodwill in India and abroad. Apart from this, any failure to register or renew registration of our registered trademark may affect our right to use such trademark in the future. Further, our efforts to protect our intellectual property in India and abroad may not be adequate and any third-party claim on any of our unprotected intellectual property may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered brand name in India and abroad which has been registered by us in India. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks.

For further details see "Business Overview" and "Government and Other Statutory Approvals" on pages 102 and 172, respectively of this Draft Prospectus.

27. Our operations need timely and cost-efficient transportation and other logistic facilities and any prolonged disruption may adversely affect our business, results of operations, cash flows and financial conditions.

Our operations need timely transport of raw materials to our manufacturing facilities and of our products to our customers. We typically rely on third party transportation providers for transportation of Raw Material to our manufacturing facility and finished products from our manufacturing facility to our customers, which are subject to various bottlenecks, including roadblocks, weather, strikes or civil disruptions. We may experience disruption in the transportation of raw materials by road and delivery of the products to our customers due to bad weather conditions. Any failure to deliver our products to our customers in an efficient, reliable and timely manner could have an adverse effect on our business, results of operations, cash flows and financial conditions.

28. If we are not able to successfully manage our growth, our business and results of operations may be adversely affected.

Continued growth of our business and customer base requires us to expand our product portfolio, strengthen our product quality, expand and enhance our sales channels, better manage our supply chain, upgrade our information systems and technologies and devote other resources to our business expansions, among others. As we continue to grow, managing our business will become more complicated as we develop a wider product mix, some of which we may have less experience in. In addition, as we increase our product offerings, we will need to work with a larger number of business partners and maintain and expand mutually beneficial relationships with our existing and new business partners. Our inability to manage the expansion of our products range, customer base and manufacturing capacities, and execute our growth strategy in a timely manner or within budget estimates, or our inability to meet the expectations to track the changing preferences of our customers or other stakeholders could have an adverse effect on our business, results of operations and financial condition.

We cannot assure you that we will be able to effectively manage our growth, that our current personnel, infrastructure, systems, procedures and controls or any measures to enhance them will be adequate and successful to support our expanding operations or that our strategies and new business initiatives will be executed successfully. Our failure to manage our anticipated growth effectively could reduce our ability to execute our business strategies, recruit and retain personnel, innovate, and manage costs all of which could adversely affect our business, results of operations, cash flows and financial condition. Availability of funds plays a crucial role for growth and expansion of the business. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. Further, in case we decide to raise additional funds through the issuance of equity or equity linked instruments, the interests of our shareholders may be diluted. Further, if we decide to meet our capital requirements through debt financing, our interest obligations shall increase, and we may be subject to additional restrictive covenants under our respective financing arrangements. If we are unable to raise adequate capital in a timely manner and on acceptable terms, or at all, our business, results of operations and financial condition could be adversely affected.

29. If we are unable to service our debt obligations in a timely manner or to comply with various financial and other covenants and other terms and conditions of our financing agreements, it may adversely affect our business, prospects, results of operations and financial condition.

As of March 31, 2025, our Company had total indebtedness in the form of short term and long-term borrowings of ₹ 513.99 lakhs on restated basis. Our indebtedness could have several important consequences, including but not limited to the following:

- our ability to obtain additional financing in the future at reasonable terms may be restricted;
- fluctuations in market interest rates may affect the cost of our borrowings, as some of our indebtedness is at variable interest rates benchmarked with the Repo Rate;
- there could be a material adverse effect on our business, financial condition and results of operations if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements

Our financing agreements also include various conditions and covenants that require us to obtain consent of the lenders prior to carrying out certain activities or entering into certain transactions. Certain covenants in these agreements require us to obtain approval/permission from our lenders in certain conditions. In the event of default or the breach of certain covenants, our lender has the option to make the entire outstanding amount payable immediately. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business. For further details in this regard, please refer chapter titled “Restated Financial Information” beginning on page 154 of this Draft Prospectus.

30. Our lenders have charge over our movable properties in respect of finance availed by us.

We have secured outstanding debt of ₹ 513.99 lakhs as on March 31, 2025 and we have secured our lenders by creating charge over our movable properties and immovable properties owned by our Promoter. In the event we default in repayment of the loans availed by us and any interest thereof, our properties charged to the lenders may be forfeited by lenders. For further information on the financing and loan agreements along with the total amounts outstanding, please refer to section titled “Restated Financial Information” on page 154 of this Draft Prospectus.

31. Our Promoters / Directors / Promoter Group entities / Promoter Group members have provided personal guarantees for loan facilities obtained by our Company, and any failure or default by our Company to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations on them, which may impact their ability to effectively service their obligations as our Promoters/Directors and thereby, impact our business and operations.

Our Promoters / Directors / Promoter Group entities / Promoter Group members, namely Gautam Vallabhbbhai Sihora, Priyal Gautamkumar Sihora and two external guarantors have extended their personal guarantees towards loan facilities taken by our Company. Any default or failure by us to repay the loans in a timely manner, or at all could trigger repayment obligations on the guarantor(s) in respect of such loans, which in turn, could have an impact on ability of our Promoters/Directors to effectively service their obligations as, thereby having an effect on our business, results of operation and financial condition. Furthermore, in the event that these individuals withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer “Business Overview” on page 102 of this Draft Prospectus.

32. Our Company, its Directors and its Promoters are party to certain litigation and claims. These legal proceedings are pending at different levels of adjudication before various forums and regulatory authorities. Any adverse decision may make us liable to liabilities/penalties and may adversely affect our reputation, business and financial status.

There are outstanding legal proceedings involving the Company, its Promoters and its Directors. These proceedings are pending at different levels of adjudication before various courts. The details of such outstanding litigations as at the date of this Draft Prospectus are as follows:

Nature of Cases	Number of Cases	Total Amount Involved (in ₹ Lakhs) ^
Proceedings against our Company / Proprietorship		
Criminal	Nil	Nil
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax (GST)	1	11.75 + interest
Proceedings by our Company		
Criminal	Nil	Nil
Civil	Nil	Nil
Proceedings against our Director		
Criminal	Nil	Nil
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	Nil	Nil
Proceedings by our Director		
Criminal	Nil	Nil
Civil	Nil	Nil
Proceedings against our Promoter / Promoter Group		
Criminal	Nil	Nil
Civil	1	Infringement of Trade Mark #
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Income Tax	1	10.80 + interest
Proceedings by our Promoter		

Nature of Cases	Number of Cases	Total Amount Involved (in ₹ Lakhs) ^
Criminal	Nil	Nil
Civil	Nil	Nil
Proceedings against our KMP / Senior Management		
Criminal	Nil	Nil
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Income Tax	Nil	Nil
Proceedings by our KMP / Senior Management		
Criminal	Nil	Nil
Civil	Nil	Nil

^ Rounded off to closest decimal

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We may be required to devote management and financial resources in the defense or prosecution of such legal proceedings. Should any new developments arise, including a change in Indian laws or rulings against us by the appellate courts or tribunals, we may face losses and we may have to make further provisions in our financial statements, which could increase our expenses and our liabilities. Decisions in such proceedings, adverse to our interests, may have an adverse effect on our business, cash flows, financial condition, and results of operations. Failure to successfully defend these or other claims, or if our current provisions prove to be inadequate, our business and results of operations could be adversely affected. Even if we are successful in defending such cases, we will be subject to legal and other costs relating to defending such litigation. For further details, please refer to “Outstanding Litigation and Material Developments” on page 168.

33. We are dependent on our Promoters, our senior management and other key personnel, and the loss of, or our inability to attract or retain, such persons could affect our business, results of operations, financial condition and cash flows.

Our performance depends largely on the efforts and abilities of our promoters, senior management and other key personnel. They have gained experience in this line of business and have over the years built relations with our customers and other persons who are connected with us and have been actively involved in the day to day operations and management, further we believe that the inputs and experience of our senior management, in particular, and other key personnel are valuable for project development and procurement activities, and our overall business operations and the strategic directions taken by our Company. For details in relation to the experience of our key management personnel, see “Our Management” on page 135 of this Draft Prospectus.

34. We face foreign exchange risks that could adversely affect our results of operations and cash flows.

Certain raw materials required in our manufacturing process, although procured by us locally, are originally sourced from foreign countries. As a result, we are indirectly exposed to fluctuations in foreign exchange rates, which may affect the domestic cost of such inputs. Our Company does not engage in direct exports and therefore does not generate any foreign exchange earnings that could serve as a natural hedge against such risks. Further, we do not currently undertake any formal hedging arrangements to mitigate this exposure. Accordingly, any adverse movement in foreign exchange rates may lead to an increase in our procurement costs and could negatively impact our profit margins and financial performance.

35. Changes in technology may affect our business by making our equipment or products less competitive or obsolete.

Our future success will depend in part on our ability to respond to technological advances and emerging textile Industry standards and practices on a cost-effective and timely basis. Changes in technology and product preferences may make newer textile units or equipment more competitive than ours or may require us to make additional capital expenditures to upgrade our facilities. If we are unable to adapt in a timely manner to changing market conditions, customer requirements or technological changes, our business, financial performance and the trading price of our Equity Shares could be adversely affected.

36. Significant disruptions of information technology systems or breaches of data security could adversely affect our business.

We depend upon information technology systems and third-party software, including internet-based systems, for our business operations, and these systems allow us to make information driven decisions and manage performance. The size and complexity of our computer systems make them potentially vulnerable to breakdown, malicious intrusion and computer viruses. Any such disruption may result in the loss of key information and disrupt our operations. In addition, our systems

are potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data to unauthorized persons. Such data security breaches could lead to the loss of trade secrets or other intellectual property, or could lead to the public exposure of personal information (including sensitive personal information) of our employees, customers and others. Although we have not experienced any disruptions to, or security breaches of, our information technology systems, we cannot assure you that we will not encounter such disruptions in the future and any such disruptions or security breaches could have an adverse effect on our business and reputation.

37. The average cost of acquisition of Equity shares by our Promoters is lower than the Issue price.

Our Promoter's average cost of acquisition of Equity shares in our Company, after taking into account the Capitalization of Reserves, is lower than the Issue Price of Equity shares as given below:

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹)
1.	Gautam Vallabhbhai Sihora	31,32,900	10.05
2.	Priyal Gautamkumar Sihora	5,88,225	0.28

38. We could be adversely affected due to misconduct or errors of our employees that are difficult to detect and any such incidents could adversely affect our financial condition, results of operations and reputation.

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and damage our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

39. 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 repayment of secured loans to banks, utilization for the working capital requirement, Funding Capital Expenditure towards Purchase of Additional Plant and Machinery 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 66. 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 the 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, 2013 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.

40. 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 66 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 competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently the fund requirements. The deployment of the funds as stated under chapter titled "Objects of the Issue" on page 66 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.

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

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above ₹ 5000.00 Lakhs. We have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the

audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

42. We may not be adequately insured for certain risks associated with our business operations, and any uninsured losses or claims could materially and adversely affect our financial condition.

While we have taken certain insurance policies to cover standard risks associated with our operations, we may not be adequately insured against all potential losses. Our insurance coverage may be insufficient to protect us from significant losses arising out of natural disasters such as floods, earthquakes, or fire, equipment breakdowns, theft, or business interruptions. Additionally, we do not currently maintain insurance coverage for loss of profit, product liability, or cyber incidents. In the event of a major incident or catastrophe, we could suffer substantial losses which may not be recoverable under our existing insurance policies. Moreover, any delay in claims settlement or disputes with insurers may further impact our financial stability. Lack of comprehensive insurance protection may materially and adversely affect our business operations, financial condition, and results of operations.

Our operations are exposed to various risks inherent in our industry, including equipment failure, work accidents, fire, earthquakes, floods, and other force majeure events. We also face risks related to acts of terrorism, explosions, and hazards that could lead to injuries, loss of life, damage to properties and equipment, and environmental harm. Additionally, we may encounter claims related to defects in pipelines during the warranty or defect liability period. To mitigate these uncertainties, we diligently secure insurance coverage for all our projects in accordance with the specific requirements of each project. By obtaining appropriate insurance, we aim to minimize potential financial losses and liabilities associated with unforeseen events or claims. The following are the details of insurance policies obtained by our Company. All policies are issued in the name of the Insured i.e. Sihora Industries Limited, and the policies are endorsed in favour of ICICI Bank, the Secured Lender. For further details, please refer to the chapter titled “Our Business” on page no. 102 of this Draft Prospectus.

43. Our ability to pay any dividends will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures. Moreover, we might not sustain historical dividend levels moving forward.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our Dividend history refer to the Section “Dividend Policy” on page 153 of the Draft Prospectus. There can be no assurance as to whether we will pay dividends in the future and, if so, the level of such future dividends.

44. Our Promoter and the Promoter Group will jointly continue to retain majority shareholding in our Company after the Issue, which will allow them to determine the outcome of the matters requiring the approval of shareholders.

Our promoter along with the promoter group will continue to hold collectively 69.97% of the Equity Share Capital of the Company after the Issue. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholder’s vote. Such a concentration of the ownership may also have the affect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoter will continue to have the ability to take actions that are not in or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

45. Any future issuance of our Equity Shares may dilute prospective investors’ shareholding, and sales of our Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; or due to significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute the holding of existing

shareholders, and such issuance may not be done at terms and conditions, which are favourable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

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

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 the equity shares have been based on many factor and may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the section titled "Basis for Issue Price" beginning on page 81 of the 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.

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

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

47. 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. 66 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.

48. The requirements of being a public listed company may strain our resources and impose additional requirements.

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur high legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange. In order to meet our financial control and disclosure obligations, higher resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge, and we cannot assure that we will be able to do so in a timely manner. Any delay or failure of our Company to meet the listing requirements of stock exchange could lead to imposition of penalties, if any including suspension of trading, imposed by Stock Exchange.

49. Changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.

Any changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India could adversely affect our business. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations.

50. 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.

Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our Company's business, financial condition, results of operations and cash flows.

51. 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 services 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. 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.

The Government of India has traditionally exercised, and continues to exercise, a significant 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. 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.

52. 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. 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.

53. 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.

54. 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. 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. 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.

55. 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, tsunamis, 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.

56. Changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter "Government and Other Statutory Approvals" on page 172 for details of the laws currently applicable to us. The governmental and regulatory bodies in India may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition, results of operations and cash flows.

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

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 Equity Shares. The Issue Price of the Equity Shares may bear no relationship to the market price of 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 liberalisation 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.

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

The Equity Shares will be listed on the relevant 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 the 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.

59. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending, and tourism.

60. Our business is dependent on economic growth in India.

Our performance is dependent on the health of the overall Indian economy. There have been periods of slowdown in the economic growth of India. India economic growth is affected by various factors including domestic consumption and savings, balance of trade movements primarily resulting from export demand and movements in key imports, such as oil and oil products, and annual rainfall, which affect agricultural production. For example, in the monsoon of 2009, several parts of the country experienced below average rainfall, leading to reduced farm output which impaired economic growth. In the past, economic slowdowns have harmed industries and industrial development in the country. Any future slowdown in the Indian economy could harm our business, financial condition, and results of operations.

61. The extent and reliability of Indian infrastructure could adversely affect our results of operations and financial condition.

India's physical infrastructure is less developed than that of many developed countries. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity. Any deterioration of India's physical infrastructure would harm the national economy.

62. Global economic downturn and adverse market conditions could cause our business to suffer. A slowdown in economic growth in India could cause our business to suffer.

The developed economies of the world viz. U.S., Europe, Japan, and others are in midst of a downturn affecting their economic condition and markets general business and consumer sentiment has been adversely affected due to the global slowdown and there can be no assurance whether the developed economies or the emerging market economies will see good economic growth in the near future. Consequently, this has also affected the global stock and commodity markets. Our performance and growth are directly related to the performance of the Indian economy. The performance of the Indian economy is dependent among other things on the interest rate, political and regulatory actions, liberalization policies, commodity, and energy prices etc. A change in any of the factors would affect the growth prospects of the Indian economy, which may in turn adversely impact our results of operations, and consequently the price of our Equity Shares.

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

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our capital expenditure plans, business and financial performance.

64. Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity

Shares will trade and adversely affect the worldwide financial markets. In addition, the Asian region has from time-to-time experienced instances of civil unrest and hostilities among neighboring countries. Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India, may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the world, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

65. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations, financial condition, and prospectus.

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules, and regulations in India applicable to us and our business. For further details please refer to the chapter “Government and Other Approvals” beginning on page 172 of this Draft Prospectus for details of the laws currently applicable to us. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on all our business, financial condition, and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations.

66. Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the Financial Statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Prospectus.

Our Restated Financial Information for Fiscal 2025, the period October 18, 2023 to March 31, 2024, the period April 1, 2023 to October 17, 2023, and Fiscal 2023 have been prepared and presented in conformity with Indian GAAP. Indian GAAP differs in certain significant respects from U.S. GAAP, IFRS, and other accounting principles with which prospective investors may be familiar in other countries. If our Restated Financial Statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows, and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our Restated Financial Statements and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should be limited accordingly.

67. Our international sales and operations are subject to many uncertainties and we are exposed to foreign currency exchange rate fluctuations.

We may be subject to risks inherently associated with international operations, including risks associated with foreign currency exchange rate fluctuations, which may cause volatility in our reported income, and risks associated with the application and imposition of protective legislation and regulations relating to import or export or otherwise resulting from foreign policy or the variability of foreign economic conditions.

68. If inflation rises in India, increased costs may result in a decline in the profits of our Company. Inflation rates in India have been volatile in recent years, and such volatility may continue in the future.

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 transportation, 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. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or 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. There can be no assurance that Indian inflation levels will not worsen in the future.

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

Our Company is a company incorporated under the laws of India. All Directors on the Board of Directors of our Company and our employees are residents of India and a substantial portion of our assets and such persons are in India. As a result, it may not be possible for prospective investors outside India to effect service of process upon our Company or such persons

in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or would enforce foreign judgments if that court was of the view that the number of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered. Further, any judgment or award denominated in a foreign currency would be converted into Indian Rupees on the date of such judgment or award and not on the date of payment. Recognition and enforcement of foreign judgments are provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 (“CPC”). Section 13 of the CPC provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except (a) where the judgment has not been pronounced by a court of competent jurisdiction; (b) where the judgment has not been given on the merits of the case; (c) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable; (d) where the proceedings in which the judgment was obtained were opposed to natural justice; (e) where the judgment has been obtained by fraud; and (f) where the judgment sustains a claim founded on a breach of any law then in force in India. Further, India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the CPC. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the United States, cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India. The party in whose favor 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.

70. A third party could be prevented from acquiring control of us because of anti-takeover provisions under Indian laws.

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

71. 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 taken for such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, 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 Shareholders. For example, the exchange rate between the Indian 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 returns on our Equity Shares, independent of our operating results.

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

Under the foreign exchange regulations currently in force in India, transfers 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, that are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a 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 authority. There can be no assurance that any approval required from the RBI or any other government agency

can be obtained on any particular terms or at all.

73. We have issued Equity Shares during the last one year at a price that may be below the issue Price.

Our Company has allotted Bonus shares of 30,49,691 as on December 9, 2024 during a period of one year preceding the date of this Draft Prospectus at a price lower than the Issue Price.

74. Any future unusual or infrequent events or transactions may adversely affect our financial performance.

While there have been no unusual or infrequent events or transactions during the periods covered under our Restated Financial Statements, we cannot assure that such events will not occur in the future. Any such future events — including unexpected legal, regulatory, operational, or financial developments — could have a significant impact on our financial condition, cash flows, or results of operations.

Unusual or non-recurring items, if they arise, may result in one-time gains or losses, impact our profitability, or distort the comparability of our financial performance across reporting periods. Such events may not reflect the normal course of our business operations and may adversely affect investor perceptions, valuation, and decision-making.

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

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

SECTION IV – INTRODUCTION

THE ISSUE

Present Issue in terms of this Draft Prospectus:

Particulars	Details
Equity Shares offered	16,00,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●] per equity share aggregating to ₹ [●] Lakhs.
Of which:	
Reserved for Market Makers	80,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●] each aggregating to ₹ [●] Lakhs.
Net Issue to the Public*	15,20,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●] each aggregating to ₹ [●] Lakhs
Of which:	
Allocation to Individual Investors for above ₹ 2 lakhs.	[●] Equity Shares for cash at the Issue Price aggregating to ₹ [●].
Allocation to other investors for above ₹ 2 lakhs.	[●] Equity Shares for cash at the Issue Price aggregating to ₹ [●].
Equity Shares outstanding prior to the Issue	37,27,400 Equity Shares of ₹ 10/- each
Equity Shares outstanding after the Issue	53,27,400 Equity Shares of ₹ 10/- each
Use of Proceeds	For details, please refer chapter titled “Objects of The Issue” beginning on Page no. 66 of this Draft Prospectus for information on use of Issue Proceeds.

Notes:

- The Issue has been authorized by the Board of Directors vide a resolution passed at their meeting held on December 9, 2024 and by the Shareholders of our Company, vide a special resolution passed pursuant to the Companies Act, 2013 at the Extra Ordinary General Meeting held on December 12, 2024.*
- This Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (3) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post-issue paid up equity share capital of our company are being issued to the public for subscription.*
- The Issue is being made in terms of Section IX of the SEBI ICDR Regulations, as amended from time to time. The Issue is being made through the Fixed Price method and hence, as per Regulation 253, sub regulation (3) of SEBI ICDR Regulations, as amended from time to time. The allocation in the net Issue to public category shall be made as follow:*
 - Minimum fifty percent to individual investors who applies for minimum application size; and*
 - Remaining to:*
 - individual applicants who applies for more than minimum application size; and*
 - other investors including corporate bodies or institutions; irrespective of the number of specified securities applied for.*

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

Explanation - For the purpose of sub-regulation (3) of Regulation 253, if the individual investor, who applies for minimum application size, is entitled to more than fifty per cent of the Issue size on a proportionate basis, the individual investors, who applies for minimum application size, shall be allocated that higher percentage.

For further details, kindly refer the chapter titled "Terms of the Issue" on page 190 of this Draft Prospectus.

SUMMARY OF FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Financial Information for the Financial Years ended March 31, 2025, March 31, 2024, October 17, 2023 and March 31, 2023.

The Restated Financial Information referred to above are presented under “Restated Financial Information” beginning on page 154. The summary of financial information presented below should be read in conjunction with the “Restated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 154 and 158 respectively.

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STATEMENT OF ASSETS & LIABILITIES, AS RESTATED

(₹ in Lakhs)

	Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
I	EQUITY AND LIABILITIES				
	1. Shareholders' funds				
	(a) Share Capital	372.74	67.77	50.32	50.42
	(b) Reserves and surplus	153.29	271.00	(9.42)	(36.94)
	Sub Total Shareholders' Funds (A)	526.03	338.77	40.90	13.48
	Share Application Money Received Pending Allotment (B)	-	-	-	-
	2. Non-current liabilities				
	(a) Long-term borrowings	243.53	172.15	53.72	71.64
	(b) Other Non-current Liabilities	-	-	-	-
	(c) Deferred Tax liability	-	-	-	-
	(d) Long-term provisions	14.17	10.91	9.75	13.11
	Sub Total Non-Current Liabilities (C)	257.69	183.05	63.47	84.76
	3. Current liabilities				
	(a) Short-term borrowings	270.46	75.22	228.77	314.48
	(b) Trade payables				
	i) Due to MSME	88.14	67.23	82.04	128.69
	ii) Due to Others	35.98	53.04	265.58	325.67
	(c) Other current liabilities	19.72	11.87	0.30	22.22
	(d) Short-term provisions	66.89	14.60	9.09	5.91
	Sub Total Current Liabilities (D)	481.20	221.96	585.77	796.98
	TOTAL (A+B+C+D)	1,264.92	743.79	690.14	895.21
II.	ASSETS				
	1. Non-current assets				
	(a) Property, Plant and Equipment and Intangible assets				
	(i) Property, Plant and Equipment	492.05	383.54	171.36	190.88
	(i) Intangibles Assets	-	-	0.08	0.11
	(iii) Intangible assets under development	-	-	-	-
	(iv) Capital Work in progress	10.69	-	-	-
	(b) Non-current investments	-	-	-	-
	(c) Long-term loans and advances	21.26	17.47	0.17	0.17
	(d) Deferred Tax Assets	9.06	5.90	17.06	18.03
	(e) Non-Current Assets	-	-	-	-
	Total Non-Current Assets (A)	533.06	406.91	188.68	209.19
	2. Current assets				
	(a) Inventories	308.32	126.61	63.36	126.36
	(b) Trade receivables	244.70	60.48	349.03	297.52
	(c) Cash and Cash Equivalent	3.60	3.56	3.49	0.53
	(d) Short-term loans and advances	-	8.67	8.67	173.98
	(e) Other Current Assets	175.25	137.57	76.91	87.62
	Total Current Assets (B)	731.87	336.89	501.46	686.01
	TOTAL (A+B)	1,264.92	743.79	690.14	895.21

STATEMENT OF PROFIT & LOSS, AS RESTATED

(₹ in Lakhs)

	Particulars	For the Period/ Year Ended On			
		From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
I	Revenue from operations	1,456.20	621.10	534.99	1,209.77
II	Other Income	50.26	6.18	-	-
III	Total Income (I+II)	1,506.46	627.28	534.99	1,209.77
	Expenses:				
	(a) Cost of raw materials consumed	719.70	407.17	225.44	670.09
	(b) Purchases of stock-in-trade	-	-	-	-
	(c) Changes in inventories of finished goods and work-in- progress	(22.03)	(55.95)	55.80	26.46
	(d) Employee benefits expense	207.71	77.80	65.01	171.84
	(e) Finance costs	42.24	17.40	20.21	54.11
	(f) Depreciation and amortisation expense	86.99	43.69	19.77	44.99
	(g) Other expenses	221.61	96.54	111.98	224.74
IV	Total expenses	1,256.22	586.65	498.21	1,192.23
V	Profit /(Loss) before tax and Exceptional Items (III-IV)	250.24	40.63	36.78	17.55
VI	Exceptional Items	-	-	-	-
VII	Profit /(Loss) before tax (V-VI)	250.24	40.63	36.78	17.55
VIII	Tax expense:				
	(a) Current tax expense	66.14	14.40	8.29	5.60
	Less: MAT credit setoff	-	-	-	-
	(b) Short/(Excess) provision of tax for earlier years	-	-	-	-
	(c) Deferred tax charge/(credit)	(3.16)	(5.90)	0.97	(18.03)
IX	Profit after tax for the year (VII-VIII)	187.26	32.14	27.53	29.98
X	Earnings per share (face value of ₹ 10/- each):				
	(a) Basic (in ₹)	5.02	0.86	1.00	1.09
	(b) Diluted (in ₹)	5.02	0.86	1.00	1.09

STATEMENT OF CASH FLOW, AS RESTATED

(₹ in Lakhs)

Particulars	For the Period/ Year Ended On			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Extraordinary items	250.24	40.63	36.78	17.55
Adjustment For:				
(a) Depreciation and Amortization	86.99	43.69	19.77	44.99
(b) Finance Charges	42.24	17.40	20.21	54.11
(c) Provision for Gratuity	3.68	1.30	(3.49)	2.82
Operating Profit before Working Capital Changes	383.14	103.03	73.27	119.47
Adjustment For:				
(a) (Increase)/Decrease in Inventories	(181.71)	(63.25)	63.00	32.30
(b) (Increase)/Decrease in Trade Receivables	(184.22)	288.55	(51.51)	91.46
(c) (Increase)/Decrease in Loans & Advances	8.67	-	165.31	(138.92)
(d) (Increase)/Decrease in Other Assets	(12.18)	(53.17)	8.72	11.53
(e) Increase /(Decrease) in Trade Payables	3.85	(227.34)	(106.75)	(132.24)
(f) Increase /(Decrease) in Other Liabilities	7.85	11.57	(21.92)	22.22
(f) Increase /(Decrease) in Short term Provisions	0.42	0.15	(0.13)	(10.30)
CASH GENERATED FROM OPERATIONS	25.82	59.55	130.00	(4.47)
Less: Direct Taxes paid (Net of Refund)	(40.17)	(9.56)	(2.99)	(4.00)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	(14.35)	49.98	127.01	(8.47)
NET CASH FROM OPERATING ACTIVITIES (A)	(14.35)	49.98	127.01	(8.47)
B. CASH FLOW FROM INVESTING ACTIVITIES				
(a) Purchase of Fixed Assets	(206.19)	(255.78)	(0.19)	(0.21)
(b) Sale of Fixed Assets	-	-	-	-
(c) (Increase) / Decrease in Investment	-	-	-	-
(d) (Increase) / Decrease in Long term loans and advances	(3.79)	(17.30)	-	(0.17)
(e) (Increase) / Decrease in Non-Current Assets	-	-	-	-
(f) Interest and other income	-	-	-	-
NET CASH FROM INVESTING ACTIVITIES (B)	(209.98)	(273.08)	(0.19)	(0.38)
C. CASH FLOW FROM FINANCING ACTIVITIES				
(a) Increase/(Decrease) in Long Term Borrowing	71.38	118.42	(17.92)	(93.59)
(b) Increase/(Decrease) in Short Term Borrowing	195.25	(153.55)	(85.71)	93.76
(c) Issue of Equity Shares/ Changes in capital	-	275.66	-	34.24
(d) Interest Paid	(42.24)	(17.40)	(20.21)	(54.11)
NET CASH FLOW IN FINANCING ACTIVITIES (C)	224.39	223.14	(123.85)	(19.70)
NET INCREASE IN CASH & CASH EQUIVALENTS (A)+(B)+(C)	0.06	0.05	2.96	(28.54)
OPENING BALANCE – CASH & CASH EQUIVALENT	3.54	3.49	0.53	29.07
CLOSING BALANCE - CASH & CASH EQUIVALENT	3.60	3.54	3.49	0.53

GENERAL INFORMATION

Our Company was originally incorporated as “Sihora Industries Private Limited” as a private limited company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated August 10, 2023, issued by Registrar of Companies, Central Registration Centre. Later, on October 17, 2023, our Company took over the business of proprietorship concern of the promoter Gautambhai Vallabhbhai Sihora, namely M/s Sihora Narrow Fabrics along with the assets and liabilities of the proprietorship concern as going concern. Thereafter, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the Company dated June 12, 2024 and consequently, the name of our Company was changed from “Sihora Industries Private Limited” to “Sihora Industries Limited” and a fresh certificate of incorporation dated July 17, 2024 was issued to our Company by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U13999GJ2023PLC143747. For further details regarding change in registered office of our, please refer to chapter titled “History and Corporate Structure” beginning on Page No. 131 of this Draft Prospectus.

GENERAL INFORMATION

Basic	Details			
Name of Issuer	Sihora Industries Limited			
Registered Office	Plot 34/D-1, Laxminarayan, BRC Compound, Udhna, Mangrol, Surat-394210, Gujarat, India. Telephone No.: +91 9824152000; Web site: www.sihoragroup.com E-Mail: compliance@sihoragroup.com Contact Person: Mrs. Dhara Jatin Vaghasiya			
Date of Incorporation	August 10, 2023			
Company Identification Number	U13999GJ2023PLC143747			
Company Registration Number	143747			
Company Category	Company Limited by Shares			
Registrar of Company	ROC- Ahmedabad			
Address of the RoC	ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat. Phone: 079-27438531			
Company Secretary and Compliance Officer	Mrs. Dhara Jatin Vaghasiya Sihora Industries Limited Plot 34/D-1, Laxminarayan, BRC Compound, Udhna, Mangrol, Surat-394210, Gujarat, India. Telephone No.: +91 9824152000; Web site: www.sihoragroup.com E-Mail: compliance@sihoragroup.com			
Designated Stock Exchange	SME Platform of BSE Limited (“BSE SME”) Address: Phiroze Jeejeebhoy Towers, Dalal St, Kala Ghoda, Fort, Mumbai, Maharashtra - 400001			
Issue Programme	Issue Opens On:	●	Issue Closes On:	●

Note:

Investor Grievances

Investors can contact the Company Secretary and Compliance Officer, the Lead Managers or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of intimation of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimation or unblocking of amount in bank account or non-receipt of funds by electronic mode etc.

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

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the Banker to the Issue if the application was submitted to the Banker to the Issue, or the Registered Broker if the application was submitted to a Registered Broker at any of the Brokers Centre’s, as the case may be, quoting the full name of the sole or

first Applicant, Application Form number, address of the applicant, Applicant's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Application Form, name and address of the Banker to the Issue or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the application was submitted, and the ASBA Account number in which the amount equivalent to the application Amount was blocked.

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

All grievances relating to applications submitted through the Registered Broker and/or a stock broker may be addressed to the Stock Exchange with a copy to the Registrar to the Issue.

BOARD OF DIRECTORS

Presently our Board of Directors comprises of following Directors.

Sr. No.	Name	Designation	Address	DIN
1.	Mr. Gautam Vallabhbhai Sihora	Chairman & Managing Director	5, Harishnagar Society, Hirabaug, Varachha Road, Behind Tapshil Society, Surat 395006, Gujarat, India	10275231
2.	Mrs. Priyal Gautamkumar Sihora	Whole-time Director	5, Harishnagar Society, Hirabaug, Varachha Road, Behind Tapshil Society, Surat 395006, Gujarat, India	10275230
3.	Mr. Chirag Rameshbhai Dhameliya	Non-Executive Director	A-83, Natvar Nagar Society, Simada Naka, Varachha Road, Surat City 395006, Gujarat, India	10622026
4.	Mr. Rajesh Kalubhai Mepani	Independent Director	13, Shyam Krushna Row House, Mahadev Chok, Mota Varachha, Surat 394101	07841263
5.	Mr. Pratik Mansukhbhai Radadiya	Independent Director	C-301, Royal Residency, Near River View, Pedar Road, Chorasi, Surat 394101	10830954

For further details pertaining to the education qualification and experience of our directors, please refer the chapter titled "Our Management" beginning on Page no. 135 of this Draft Prospectus.

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

LEAD MANAGER	REGISTRAR TO THE ISSUE
 SOBHAGYA CAPITAL OPTIONS PVT. LTD. A SEBI Registered Category-1 Merchant Banking Company SOBHAGYA CAPITAL OPTIONS PRIVATE LIMITED SEBI Registration Number: MB/INM000008571 Address: C-7&7A, Hosiery Complex, Phase-II Extension, Noida-201305, Uttar Pradesh Telephone No.: +91 7836066001 Email ID: mb@sobhagyacap.com Investors Grievance Id: delhi@sobhagyacap.com Website: www.sobhagyacapital.com Contact Person: Mr. Rishabh Singhvi SEBI Registration: INM000008571 CIN: U74899DL1994PTC060089	 BIGSHARE SERVICES PRIVATE LIMITED SEBI Registration Number: INR000001385 Address: Office No. S6-2, 6 th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai- 400093 Telephone No.: + 91 22-62638200 Fax No: + 91 22-62638299 Email ID: ipo@bigshareonline.com Investors Grievance Id: investor@bigshareonline.com Website: www.bigshareonline.com Contact Person: Mr. Sagar Pathare CIN: U99999MH1994PTC076534

STATUTORY & PEER REVIEW AUDITORS OF THE COMPANY	LEGAL ADVISOR TO THE ISSUE
M/s Lakhankiya & Dosi LLP , Chartered Accountants Address: 5th Floor, Bungalow No. 07, Sadhna Society, Opp. SMC Parking, Mini Bazar, Varachha, Surat 395006 Tel. No.: +91 97251 90123 Email Id: cashailesh@hotmail.com Membership No.: 147112 Firm Registration No: 154114W/ W100873 Peer Review No: 015777	MM Legal Net LLP Advocates Address: D-157, Sector 40, Noida - 201301 Tel No: +919868463148, Email: manimittal30@gmail.com, legalnet.mm@gmail.com Contact Person: Mrs. Mani Mittal, Advocate Supreme Court of India

BANKERS TO THE COMPANY	BANKERS TO THE ISSUE, REFUND BANKER AND SPONSOR BANK
ICICI Bank , Varachha, Main Road Address: G-5 & 105, Mini Bazar, Varachha Road, Surat 395006, Gujarat Telephone: 9879755449 E mail: bharat.patel@icicibank.com Website: www.icicibank.com Contact Person: Mr. Bharat Patel	[•]

OUR INTERMEDIARIES

Self-Certified Syndicate Banks

The list of SCSBs, as updated till date, is available on website of Securities and Exchange Board of India at below link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>

Investors are requested to refer the SEBI website for updated list of SCSBs and their designated branches.

Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41> .

Syndicate SCSB Branches

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

BROKERS TO THE ISSUE

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

REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS

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

COLLECTING DEPOSITORY PARTICIPANTS

The list of the Collecting Depository Participants (CDPs) eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at

<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> for 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 Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Sobhagya Capital Options Private Limited is the only Lead Manager to the issue, all the responsibility of the issue will be managed by them.

CREDIT RATING

As this is an issue of Equity Shares, there is no credit rating for this Issue.

GREEN SHOE OPTION

No Green Shoe Option is applicable for this Issue.

IPO GRADING

Since the issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 there is no requirement of appointing an IPO Grading agency.

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

The Draft Prospectus is being filed with BSE Limited, Phiroze Jeejeebhoy Towers, Dalal St, Kala Ghoda, Fort, Mumbai, Maharashtra – 400001.

The Draft Prospectus will not be filed with SEBI nor SEBI will issue any observation on the draft offer document in term of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Further, a soft copy of the Prospectus along with due diligence certificate including additional confirmations shall be filed with SEBI. 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 referred elsewhere in the Prospectus, will be delivered to the RoC Office situated at ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat and will be made available on the website of the Company i.e. www.sihoragroup.com

CHANGE IN AUDITORS IN LAST THREE YEARS

Particulars	Date of Appointment	Remarks
M/s Lakhankiya & Dosi LLP , Chartered Accountants Address: 5th Floor, Bungalow No. 07, Sadhna Society, Opp. SMC Parking, Mini Bazar, Varachha, Surat 395006 Tel. No.: +91 97251 90123 Email Id: cashailesh@hotmail.com Membership No.: 147112 Firm Registration No: 154114W/ W100873 Peer Review No: 015777	December 04, 2023	Statutory Auditors are the first Auditors of the Company and same Auditors are continuing.

DEBENTURE TRUSTEES

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

EXPERTS TO THE ISSUE

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

Our Company has received written consent from Peer Reviewed Auditor namely, M/s. Lakhankiya & Dosi LLP, Chartered Accountants, to include their name in respect of the reports on the Restated Financial Information dated July 10, 2025 and the Statement of Possible Tax Benefits dated July 10, 2025 issued by them and included in this Draft Prospectus, as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

TYPE OF ISSUE

The present issue is considered to be 100% Fixed Price Issue.

APPRAISAL AND MONITORING AGENCY

As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only if Issue size exceeds ₹ 5000 Lakh. Hence, our Company is not required to appoint a monitoring agency in relation to the issue. However, Audit Committee of our Company will be monitoring the utilization of the Issue Proceeds.

The object of the issue and deployment of funds are not appraised by any independent agency/bank/financial institution.

UNDERWRITING AGREEMENT

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

Details of the Underwriter	No. of shares underwritten*	Amount Underwritten (₹ in Lakh)	% of the total Issue Size Underwritten
[●]	[●]	[●]	[●]

**Includes [●] Equity shares of ₹10.00 each for cash of ₹ [●]/- the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.*

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above-mentioned Underwriter is sufficient to enable it to discharge its underwriting obligation in full.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Lead Manager have entered into an agreement dated [●] with the following Market Maker to fulfil the obligations of Market Making:

[●]

The Market Maker shall the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2018 and the circulars issued by the BSE and SEBI in this regard from time to time.

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

- 1) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being issued by the Market Maker(s).
- 2) The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he/she sells his/her entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 4) After a period of 3 (three) months from the market making period, the market maker would be exempted to provide quote

if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the [●] Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above [●] Equity Shares would not be taken into consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.

- 5) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
- 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) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. In case equilibrium price is not discovered the price band in the normal trading session shall be based on Issue price.
- 8) The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 9) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 10) The Market Maker(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 Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker 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, 2018. Further our Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers not exceeding 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.

- 11) Risk containment measures and monitoring for Market Makers: SME Platform of BSE will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
- 12) Punitive Action in case of default by Market Makers: SME Platform of BSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market maker issuing two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
- 13) The prices quoted by the Market Maker shall be in compliance with the requirements and other particulars as specified by the SME Platform of BSE Limited (BSE SME) and SEBI from time to time.
- 14) The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform of BSE Limited i.e. BSE SME from time to time.
- 15) The shares of the company will be traded in continuous trading session from the time and day the company gets listed on BSE SME (BSE SME) and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
- 16) The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

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

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

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

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

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

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

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

CAPITAL STRUCTURE

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

(₹ In Lakh except per share amount)

Sr. No.	Particulars	Aggregate Nominal value	Aggregate value at issue price
1.	Authorized Share Capital 60,00,000 Equity Shares of face value of ₹ 10/- each	600.00	-
2.	Issued, Subscribed and Paid-Up Equity Share Capital before the Issue 37,27,400 Equity Shares of face value of ₹ 10/- each	372.74	-
3.	Present Issue in terms of the Draft Prospectus		
	Issue of 16,00,000 Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share.	160.00	[●]
	Which comprises of		
	Reservation for Market Maker Portion 80,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●] per Equity Share reserved as Market Maker Portion	8.00	[●]
	Net Issue to Public Net Issue to Public of 15,20,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●] per Equity Share to the Public	152.00	[●]
	Net Issue* to Public consists of		
	7,60,000 Equity Shares of ₹10/- each for cash at a price a ₹[●]/- per Equity Share aggregating to ₹ [●] lakhs will be available for allocation for allotment to Individual Investors who applies for minimum application size above ₹ 2.00 lakhs	76.00	[●]
	7,60,000 Equity Shares of ₹10/- each for cash at a price a ₹[●]/- per Equity Share aggregating to ₹[●] lakhs will be available for allocation for allotment to Other Investors of above ₹ 2.00 lakhs	76.00	[●]
4.	Paid Up Equity Capital after the Issue 53,27,400 Equity Shares of ₹ 10/- each		[●]
5.	Securities Premium Account		
	Before the Issue		NIL
	After the Issue		[●]

* For detailed information on the Net Issue and its allocation various categories, please refer chapter titled “The Issue” on Page no. 42 of this Draft Prospectus.

The Present Issue of 16,00,000 Equity Shares in terms of this Draft Prospectus has been authorized by the Board of Directors vide a resolution passed at its meeting held on December 9, 2024 and by the shareholders of our Company vide a special resolution passed at the Extra Ordinary General Meeting held on December 12, 2024.

CLASS OF SHARES

The company has only one class of shares i.e. Equity shares of ₹ 10/- each only and all Equity Shares are ranked pari-passu in all respect. All Equity Shares issued are fully paid-up as on date of the Draft Prospectus. Our Company does not have any partly paid-up equity shares as on the date of this Draft Prospectus. Our Company does not have any outstanding convertible instruments as on the date of the Draft Prospectus.

NOTES TO THE CAPITAL STRUCTURE:

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

Since Incorporation of our Company, the Authorized Equity Share Capital of our Company has been changed in the manner set forth below:

Sr. No.	Particulars of Increase	Cumulative No. of Equity Shares	Cumulative Authorized Equity Share Capital (₹ in Lakh)	Date of Meeting	Whether AGM / EGM
1.	On incorporation Authorized Equity Share Capital of our Company was ₹ 50.00 Lakhs divided into 50,000 Equity Shares of ₹ 10/- each	5,00,000	50.00	N.A.	N.A.
2.	Increase in Authorized Equity Share Capital from ₹ 50.00 Lakh divided into 50,000 Equity Shares of ₹ 10/- each to ₹ 450.00 Lakh divided into 45,00,000 Equity Shares of ₹ 10/- each	45,00,000	450.00	December 4, 2023	EGM
3	Increase in Authorized Equity Share Capital from ₹ 450.00 Lakh divided into 4,50,000 Equity Shares of ₹ 10/- each to ₹ 600.00 Lakh divided into 60,00,000 Equity Shares of ₹ 10/- each	60,00,000	600.00	December 5, 2024	EGM

2. History of Paid-up Share Capital:

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

Date of allotment	Nature of allotment	No. of Equity Shares allotted	Face value (In ₹)	Issue price (In ₹)	Nature of consideration	Cumulative Number of Equity Shares	Cumulative Paid-up share Capital (₹ in Lakh)	Cumulative Share Premium (In ₹ Lakhs)
August 10, 2023	Subscription to Memorandum of Association ⁽¹⁾	500000	10.00	10.00	Cash	500000	50.00	0.00
January 1, 2024	Preferential Allotment ⁽²⁾	67009	10.00	150.00	Other than cash – against takeover of Proprietorship Business	567009	56.70	93.81
January 14, 2024	Preferential Allotment ⁽³⁾	87000	10.00	150.00	Cash	654009	65.41	215.61
February 20, 2024	Preferential Allotment ⁽⁴⁾	23700	10.00	150.00	Cash	677709	67.77	248.79
December 9, 2024	Bonus Issue ⁽⁵⁾	3049691	10.00	NA	Other than Cash	3727400	372.74	0.00

⁽¹⁾ Details of the allotment of 50,000 Fully Paid-up Equity Shares made to the subscribers to the Memorandum of Association, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Gautam Vallabhbbhai Sihora	375000	10.00	10.00
2.	Priyal Gautamkumar Sihora	125000	10.00	10.00
Total		500000	-	-

⁽²⁾ Details of allotment of 67,009 Equity Shares made on January 1, 2024 under Private Placement for consideration other than cash against Takeover of Business of Sihora Narrow Fabrics at an issue price of ₹ 150/- per equity share are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Gautam Vallabhbhai Sihora	67009	10.00	150.00
Total		67009	-	-

⁽³⁾ Details of allotment of 87,000 Equity Shares made on January 14, 2024 under Private Placement at an issue price of ₹ 150/- per equity share are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Gautam Vallabhbhai Sihora	87000	10.00	150.00
Total		87000	-	-

⁽⁴⁾ Details of allotment of 23,700 Equity Shares made on February 20, 2024 under Private Placement at an issue price of ₹ 150/- per equity share are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Gautam Vallabhbhai Sihora	23700	10.00	150.00
Total		23700	-	-

⁽⁵⁾ Details of allotment of 30,49,691 Equity Shares made on December 9, 2024 in the ratio of 9:2 i.e. Nine bonus equity shares for every Two equity shares held on December 6, 2024 under Bonus Issue are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Gautam Vallabhbhai Sihora	2568191	10.00	NA
2.	Priyal Gautamkumar Sihora	481275	10.00	NA
3.	Saritababen Rajeshkumar Mangukiya	45	10.00	NA
4.	Minakshi Vipul Vaghani	45	10.00	NA
5.	Gautam Vallabhbhai Sihora HUF	45	10.00	NA
6.	Pinal Pragnesh Patel	45	10.00	NA
7.	Vasantben Vallabhbhai Sihora	45	10.00	NA
Total		3049691	-	-

- Our Company has not issued shares for consideration other than cash or out of revaluation of reserves at any point of time since Incorporation except for allotment of Bonus Equity Shares on December 9, 2024 in the ratio of 9:2 i.e. Nine bonus equity share for every Two equity shares held, details of which are provided in point 2 (5) of this chapter.
- Our Company has not allotted any Equity Shares pursuant to any scheme approved Sections 230 to 234 of the Companies Act, 2013.
- Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- Our Company has not made allotment at price lower than the Issue Price during past one year from the date of the Draft Prospectus except the Bonus Shares as mentioned in Para 2 above.
- Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
- As on the date of this Draft Prospectus, our Company does not have any outstanding preference shares.

9. Our Shareholding Pattern:

The Shareholding Pattern of our Company before the issue as per Regulation 31 of the SEBI (LODR) Regulations, 2015 is given here below:

(A). Table I - Summary Statement holding of Equity Shares

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying convertible securities (Including Warrants) (X)	Shareholding, as a % assuming Full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form
								Class (eg: X)	Class (eg: Y)	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)	Promoter & Promoter Group	7	3727400	0	0	3727400	100.00	3727400	0	3727400	100.00	0	100.00	0	0	0	0	3727400
(B)	Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
(C)	Non-Promoter-Non Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
(C1)	Shares underlying DRs	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
		7	3727400	0	0	3727400	100.00	3727400	0	3727400	100.00	0	100.00	0	0	0	0	3727400

Notes:

- (1) As on date of this Draft Prospectus One Equity share holds One vote.
- (2) We have only one class of Equity Shares of face value of ₹ 10/- each.
- (3) We have entered into tripartite agreement with CDSL and NSDL.
- (4) Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the stock exchanges before commencement of trading of such Equity Shares.
- (5) In terms of Regulation 230(1)(d) of SEBI (ICDR) Regulations, 2018 all specified securities held by the promoters are dematerialized as on the date of filing of this Draft Prospectus

10. The shareholding pattern of our Promoters and Promoters' Group and Public before and after the Issue:

Sr. No.	Name of shareholders	Pre-issue		Post issue	
		No. of equity shares	As a % of Issued Capital*	No. of equity shares	As a % of Issued Capital*
Promoters					
1.	Gautam Vallabhbhai Sihora	3132900	84.05	3132900	58.81
2.	Priyal Gautamkumar Sihora	588225	15.78	588225	11.04
Total - A		3721125	99.83	3721125	69.85
Promoters' Group					
3.	Minakshi Vipul Vaghani	2055	0.06	2055	0.04
4.	Gautam Vallabhbhai Sihora HUF	55	0.00	55	0.00
5.	Vasantben Vallabhbhai Sihora	55	0.00	55	0.00
6.	Saritababen Rajeshkumar Mangukiya	2055	0.06	2055	0.04
7.	Pinal Pragnesh Patel	2055	0.06	2055	0.04
Total - B		6275	0.17	6275	0.12
Public **		0	0.00	1600000	30.03
Total-C		0	0.00	1600000	30.03
Total Promoters and Promoters' Group and Public (A+B+C)		3727400	100.00	5327400	100.00

* Rounded off

** 16,00,000 equity shares to be allotted to Public Shareholders under Initial Public Offer.

11. Details of Major Shareholders:

(A) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of the Draft Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Pre-issue paid up Capital**#
1.	Gautam Vallabhbhai Sihora	3132900	84.05
2.	Priyal Gautamkumar Sihora	588225	15.78
	Total	3721125	99.83

* The Company has not issued any convertible instruments like warrants, debentures, etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Draft Prospectus.

** Rounded off

the % has been calculated based on existing (pre-issue) paid up capital of the Company.

(B) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date ten days prior to the date of the Draft Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Pre-issue paid up Capital**#
1.	Gautam Vallabhbhai Sihora	3132900	84.05
2.	Priyal Gautamkumar Sihora	588225	15.78
	Total	3721125	99.83

* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Draft Prospectus.

** Rounded off

the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.

(C) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on One year prior to the date of the Draft Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Pre-issue paid up Capital**#
1.	Gautam Vallabhbhai Sihora	570709	84.21
2.	Priyal Gautamkumar Sihora	106950	15.78
	Total	677659	99.99

* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Draft Prospectus.

** Rounded off

the % has been calculated based on the Paid-up Capital of ₹ 67,77,090/- (6,77,709 No. of Equity Shares) of the Company.

(D) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on Two years prior to the date of the Draft Prospectus:

The Company was incorporated only on 10th August 2023 and hence not applicable.

12. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, and right issue or in any other manner during the period commencing from the date of the Draft Prospectus until the Equity Shares of our Company have been listed or refund of application monies in pursuance of the Draft Prospectus.
13. As on the date of filing the Draft Prospectus, our Company does not have any such plan for altering the capital structure by way of split or consolidation of the denomination of the shares, or issue of specified securities on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement. Further, our Company may alter its capital structure by way of split / consolidation of the denomination of Equity Shares or issue of equity shares on a preferential basis or issue of bonus or rights or further public issue of equity shares or qualified institutions placement, within a period of six months from the date of opening of the present issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or for any other purpose, as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.
14. Our Company has not made any Initial Public Offering securities in the preceeding two years from the date of filing of this draft prospectus

15. Shareholding of the Promoters of our Company:

As on the date of the Draft Prospectus, our Promoters Mr. Gautam Vallabhbhai Sihora and Mrs. Priyal Gautamkumar Sihora, hold total 3721125 Equity Shares representing 99.83% of the pre-issue paid up equity share capital of our Company. The build-up of equity shareholding of Promoters of our Company are as follows:

Gautam Vallabhbhai Sihora

Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid/Received (in ₹)	% of Pre Issue Capital	% of post issue Capital
August 10, 2023	Subscriber to MOA	375000	375000	10	10	37,50,000	10.06	7.04
August 18, 2023	Transfer from Priyal Gautamkumar Sihora	18000	393000	10	60	10,80,000	11.00	7.38
January 1, 2024	Preferential Allotment	67009	460009	10	150	1,00,51,350	12.00	8.63
January	Preferential	87000	547009	10	150	1,30,50,000	14.68	10.27

Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid/Received (in ₹)	% of Pre Issue Capital	% of post issue Capital
14, 2024	Allotment							
February 20, 2024	Preferential Allotment	23700	570709	10	150	35,55,000	15.31	10.71
December 9, 2024	Bonus Issue Allotment	2568191	3138900	10	NA	-	84.21	58.92
December 24, 2024 *	Gift (Donor)	(6000)	3132900		NA	-	84.05	58.81
		3132900				3,14,86,350		

*2,000 Equity Shares each gifted to Mrs. Saritababen Rajeshkumar Mangukiya, Mrs. Minakshi Vipul Vaghani, and Mrs. Pinal Pragnesh Patel (Total shares gifted No. 6,000) vide Gift Deeds dated December 24, 2024.

Priyal Gautamkumar Sihora

Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid/Received (in ₹)	% of Pre Issue Capital	% of post issue Capital
August 10, 2023	Subscriber to MOA	125000	125000	10	10	12,50,000	3.35	2.35
August 18, 2023	Transfer to Gautam Vallabhbhai Sihora	(18000)	107000	10	60	(10,80,000)	2.87	2.01
October 18, 2023 *	Transfer	(50)	106950	10	60	(3000)	2.87	2.01
December 9, 2024	Bonus Issue Allotment	481275	588225	10	NA	-	15.78	11.04
		588225				1,67,000		

*10 Equity Shares each transferred to Mrs. Saritababen Rajeshkumar Mangukiya, Mrs. Minakshi Vipul Vaghani, Gautam Vallabhbhai HUF, Mrs. Pinal Pragnesh Patel and Mrs. Vasantben Vallabhbhai Sihora (Total shares transferred No. 50) on October 18, 2023.

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

Sr. No.	Name of Promoters/ Promoter Group	No. of Equity Shares Acquired	Average Cost of Acquisition per equity share (in ₹)*
Promoters			
1.	Gautam Vallabhbhai Sihora	3132900	10.05
2.	Priyal Gautamkumar Sihora	588225	0.28

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

Rounded Off

17. We have 7 (Seven) shareholders as on the date of filing of the Draft Prospectus.

18. As on the date of the Draft Prospectus, our Promoters and Promoters' Group hold total 3727400 Equity Shares representing 100.00% of the pre-issue paid up share capital of our Company.

19. There were no shares purchased/sold/Gifted by the Promoter(s) and Promoter Group, directors of our Company and their

relatives during last six months from the date of filing of this Draft Prospectus.

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

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

Our Promoters have given written consent to include 1070000 Equity Shares subscribed and held by them as a part of Minimum Promoters' Contribution constituting 20.00% of the post issue Paid-up Equity Shares Capital of our Company ("Minimum Promoters' contribution") in terms of Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018 and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Minimum Promoters' Contribution, and to be marked Minimum Promoters' Contribution as locked-in.

We are already into commercial production and we are not raising IPO funds for initiating any separate commercial production line. In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, Minimum Promoters' Contribution as mentioned above shall be locked-in for a period of three years from the date of allotment in the Initial Public Offer.

We further confirm that Minimum Promoters' Contribution of 20.00% of the post Issue Paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund. The Minimum Promoters' Contribution has been brought into to the extent of not less than the 20.00% of the Post Issue Capital and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018. The lock-in of the Minimum Promoters' Contribution will be created as per applicable regulations and procedures and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details of Minimum Promoters' Contribution are as follows:

Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Source of Contribution	% of Pre issue Capital	% of post issue Capital	Date up to which Equity Shares are subject to Lock-in
December 09, 2024	December 09, 2024	Bonus Allotment	1070000	10	Bonus	Share Premium received by the Company in cash	28.71	20.08	3 years
		Total	1070000						

* On 9th December 2024 total 25,68,191 Equity Shares were allotted under Bonus Issue to Mr. Gautam Vallabhbbhai Sihora. However, for the purpose of minimum promoter contribution 10,70,000 Equity Shares are offered which will be locked in for a period of three years.

All the Equity Shares held by the Promoters / members of the Promoters' Group are already dematerialized as on date of this Draft Prospectus.

In terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018, we confirm that the Minimum Promoters' Contribution of 20.00% of the Post Issue Capital of our Company as mentioned above does 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 is involved in such transaction;
 - resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the company or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;

- The Equity Shares held by the Promoters and offered for Minimum Promoters' contribution which are subject to any pledge with any creditor;
- Equity Shares acquired by Promoters during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Initial Public offer;
- As per Regulation 237 (1) if the Shares are issued to the promoters during the preceding One Year at a price less than the Price at which specified securities are being offer to the public in initial public offer is ineligible for minimum promoters' contribution.
- However as per clause (c) of sub regulation (1) of Regulation 237 of SEBI (ICDR), 2018 specified securities allotted to promoters during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management: - **Not Applicable**

Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible; **Not Applicable**

22. Lock in of Equity Shares held by Promoters in excess of Minimum Promoters' contribution:

In addition to Minimum Promoters' Contribution (MPC) which shall be locked-in for three years, the balance 26,57,400 Equity Shares held by Promoters shall be locked in as be released in a phased manner mentioned below as provided in clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018:

- 50% of promoters' holding held in excess of minimum promoter contribution (MPC) i.e. 1328700 Equity Shares to be released after 1 year from the date of allotment in the Initial Public Offer.
- 50% of promoters' holding held in excess of minimum promoter contribution (MPC) i.e. 1328700 Equity Shares to be released after 2 years from the date of allotment in the Initial Public Offer.

23. Lock in of Equity Shares held by Persons other than the Promoters:

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoters i.e. held by Promoter Group shall be locked in for a period of one year from the date of allotment in the Initial Public Offer. Accordingly, 6,275 Equity shares held by the Promoter Group Shareholders shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

24. Inscription or recording of non-transferability:

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock-in is recorded by the Depository. – **Not Applicable as all existing Equity Shares are held in dematerialized form.**

25. Pledge of Locked in Equity Shares:

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoters and locked in may be pledged as a collateral security for a loan granted by a scheduled commercial bank or public financial institution or a systemically important non-banking finance company or housing finance company, subject to following;

- In case of Minimum Promoters' Contribution, the loan has been granted to the issuer company or its subsidiary (ies) for the purpose of financing one or more of the Objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan.
- In the case of Equity Shares held by Promoters in excess of Minimum Promoters' contribution, the pledge of equity shares is one of the terms of sanction of the loan.

However, lock in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock in period stipulated has expired.

26. Transferability of Locked in Equity Shares:

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable;

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
 - The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock- in period stipulated has expired.
27. Our Company, our Directors and the Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.
 28. As on date of the Draft Prospectus, there are no Partly Paid-up Shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
 29. Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Draft Prospectus.
 30. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large.
 31. There are no safety net arrangements for this public issue.
 32. As on the date of filing of the Draft Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
 33. As per RBI regulations, OCBs are not allowed to participate in this offer.
 34. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we may consider raising bridge financing facilities, pending receipt of the Net Proceeds.
 35. There are no Equity Shares against which depository receipts have been issued.
 36. As on date of the Draft Prospectus, other than Equity Shares, there is no other class of securities issued by our Company.
 37. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
 38. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
 39. Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253(2) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows:
 - a) Minimum fifty per cent. to individual investors; and
 - b) remaining to:
 - i) individual applicants other than individual investors; and
 - ii) other investors including corporate bodies or institutions, irrespective of the number of Equity Shares applied for;

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

Explanation: If the Other than Individual Investor category is entitled to more than fifty per cent. of the Net issue size on a

proportionate basis, the individual investors shall be allocated that higher percentage.

40. No incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise shall be offered by any person connected with the distribution of the issue to any person for making an application in the Initial Public Offer, except for fees or commission for services rendered in relation to the issue.
41. Our Promoters and the members of our Promoters' Group will not participate in this offer.
42. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoters' Group between the date of filing the Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
43. Except as stated below, none of our other Directors or Key Managerial Personnel hold Equity Shares in our Company.

Sr. No.	Name	Designation	No. of Equity Shares held	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Gautam Vallabhbhai Sihora	Chairman & Managing Director	3132900	84.06	58.81
2.	Priyal Gautamkumar Sihora	Whole-time Director	588225	15.79	11.04

SECTION V – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Fresh Issue includes a public Issue of 16,00,000 Equity Shares of our Company at an Issue Price of ₹ [●] per Equity Share aggregating ₹ [●] Lakhs. The Net Proceeds from the Issue are proposed to be utilized by our Company for the following objects

Our Company proposes to utilize the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Funding Capital Expenditure towards purchase of additional plant and machinery;
2. Repayment or prepayment, in full or in part, of borrowings availed by our Company from banks and financial Institutions;
3. To meet working capital requirements;
4. General Corporate Purposes; and
5. To meet Public Issue Expenses

(Collectively referred as the “Objects of the Issue”)

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake our existing business activities and the activities for which funds are being raised by us through the Issue. In addition, our Company expects to receive the benefits of listing of Equity Shares on the BSE SME including enhancing our visibility and our brand image among our existing and potential customers and creating a public market for our Equity Shares in India.

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be ₹ [●] Lakhs (the “Net Issue Proceeds”).

REQUIREMENTS OF FUNDS

The following table summarizes the requirement of funds:

Particulars	Amount (₹ in) Lakhs
Gross Issue Proceeds	[●]
Less: Public Issue Related Expenses	[●]
Net Issue Proceeds	[●]

**Subject to finalization of Basis of Allotment.*

UTILIZATION OF NET ISSUE PROCEEDS

The Net Issue Proceeds will be utilized for following purpose:

Sr. No.	Particulars	Amount (₹ in) Lakhs	% of Net Issue Proceeds	% of Net Issue Proceeds
1.	Funding Capital Expenditure towards purchase of additional plant & machinery	200.00	[●]	[●]
2.	Repayment or prepayment, in full or in part, of borrowings availed by our Company from banks and financial Institutions	257.63	[●]	[●]
3.	To meet additional working capital requirements	350.00	[●]	[●]
4.	General Corporate Purposes*	[●]	[●]	[●]
	Net Issue Proceeds	[●]	[●]	[●]

**The amount utilized for general corporate purpose shall not exceed 15% of the gross proceeds of the Issue or ₹ 1,000 lakhs whichever is lower.*

** To be updated in the Prospectus prior to filing with RoC.*

REQUIREMENTS OF FUNDS AND MEANS OF FINANCE

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates and other commercial and technical factor We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, negotiation with suppliers, variation in cost estimates on account of factor For further details, see

“Risk Factors” on Page no. 20. The deployment of the Net Proceeds from the Issue are based on management estimates and have not been independently appraised by any bank or financial institution and is not subject to any monitoring by any independent agency and our Company’s management will have flexibility in utilizing the Net Proceeds from the Issue. Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings. To the extent our Company is unable to utilize any portion of the Net Proceeds towards the aforementioned objects of the Issue, as per the estimated schedule of deployment specified above; our Company shall deploy the Net Proceeds in the subsequent Fiscals towards the aforementioned objects.

We propose to meet the above fund requirement from the Net Proceeds and Internal Accruals/Owned Funds. Accordingly, we confirm that there is a requirement to make firm arrangements of finance under Regulation 230 (1)(e) of the SEBI (ICDR) Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed issue and internal accruals/ Owned Funds.

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 our internal accruals and/ or debt, as required. If the actual utilization towards any of the objects is lower than the proposed deployment, such balance will be used towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 15% of the gross proceeds or ₹ 10 crores whichever is lower in accordance with the SEBI ICDR Regulations.

PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF THE NET PROCEEDS.

The Net Proceeds of the Fresh Issue (“Net Proceeds”) are currently expected to be deployed in accordance with the schedule as stated below:

(₹ in Lakhs)

Sr. No.	Objects of the Issue	Amount Proposed to be Funded from the Net Proceeds*	Estimated Utilization of Net Proceeds in FY 2025-26	Estimated Utilization of Net Proceeds in FY 2026-27
1.	Funding Capital Expenditure towards purchase of additional plant & machinery	200.00	68.91	131.09
2.	Repayment or prepayment, in full or in part, of borrowings availed by our Company from banks and financial Institutions	257.63	257.63	-
3.	To meet additional working capital requirements	350.00	50.00	300.00
2.	General corporate purposes#	[●]	[●]	-
	Total	[●]	[●]	[●]

#The amount utilized for general corporate purpose shall not exceed 15% of the gross proceeds of the Issue or ₹ 1,000 lakhs whichever is lower.

*To be updated in the Prospectus prior to filing with RoC.

DETAILS OF USE OF ISSUE PROCEEDS

1. FUNDING CAPITAL EXPENDITURE TOWARDS PURCHASE OF ADDITIONAL PLANT AND MACHINERY

Our Company has intended to purchase and install new machineries at the existing manufacturing unit. By installing new machines, we intend to augment revenues from our facility located at the 34/D-1, Laximinarayan Industrial Estate, Udhana Main Road, Surat. Also, installing these new machines will increase production capacity and increase our overall revenue base. Lastly, owning these machines and producing medicines from them at our own plant shall increase the profit margin which shall be more beneficial to the company and its shareholders. This capital expansion project represents a significant investment of ₹ 203.34 lakhs out of which we proposed to utilize ₹ 200.00 lakhs from net issue proceed and balance from internal accruals and is aimed at enhancing our production capacity and operational efficiency in the manufacturing of high-quality products.

The Company has sufficient space to accommodate the new machinery. The Chartered Engineer, Dr. P.J.Gandhi, Government approved valuer AM 089164/1, F-15927 has confirmed that they have adequate space in their factory to install these plant and machinery.

Floor Details	Purpose	Available Built up Areas	Utilized Area	Available Space for Installation of New Machineries
Basement	Manufacturing and Storage Area	1288 sq. mtr	644 sq .mtr	644 sq .mtr
Ground Floor	Manufacturing and Storage Area and Administrative Area	1588 sq. mtr	816 sq .mtr	772 sq .mtr
First Floor	Manufacturing and Storage Area	1288 sq.mtr	1288 sq .mtr	-
Second Floor	Manufacturing and Storage Area	1288 sq. mtr	644 sq .mtr	644 sq .mtr
Other	Passage Area	742 sq. mtr	-	742 sq .mtr

Hence ample of space is there to accommodate new set of machines even after leaving passage and common areas. A detailed floor-wise layout has been prepared to demonstrate space utilization and availability. Based on this assessment, the company confirms that no additional construction is required for installation of the proposed machinery.

The company has identified reputed suppliers based in China for the machinery. Quotations have been obtained with a validity period of six months, including complete technical and commercial details. As of the date of this Draft Prospectus, orders for these machines have not been placed. The company intends to place the orders subsequent to the completion of the issue and upon finalization of import and payment formalities as part of this expansion, the company will be including modern and technologically updated equipment into its production line. The machinery to be installed includes:

(₹ in Lakhs)

Name of Plant & Machinery	No.	Name of Supplier	Date of Quotation	Quotation valid for	Date of placement of Order	Expected date of Completion	Total Amount (In USD)	USD to INR Conversion Rate	Amount (₹ In Lakh) *
Elastic Tape Winding and cutting Machine (fully automatic)	2	Yiwu Shuang Feng Import and Export Co. Ltd. China.	9 th June, 2025	6 months period	Order not placed	Order not placed	18,200.00	87.59	15.94
DNR NEEDLE LOOM REGULAR JACQUARD (HEAD: 10)	2	Yiwu Shuang Feng Import and Export Co. Ltd. China.	9 th June, 2025	6 months period	Order not placed	Order not placed	24,600.00	87.59	21.55
DNR NEEDLE LOOM REGULAR JACQUARD (HEAD: 8)	1	Yiwu Shuang Feng Import and Export Co. Ltd. China.	9 th June, 2025	6 months period	Order not placed	Order not placed	11,400.00	87.59	9.99
Shuttle less Coil Forming Machine (Donghong) Normal Speed	9	Yiwu Wenli Import and Export Co. Ltd., China	7 th June, 2025	6 months period	Order not placed	Order not placed	25,200.00	87.59	22.07
Sewing Machines with Iron Stand	5	YIWU WENLI IMPORT AND EXPORT CO LTD., China	7 th June, 2025	6 months period	Order not placed	Order not placed	10,750.00	87.59	9.42
Crochet Knitting Machine	8	WENZHOU JIASHENG RIBBON-WEAVING MACHINERY COMPANY LTD., China	7 th June, 2025	6 months period	Order not placed	Order not placed	49,200.00	87.59	43.09

Name of Plant & Machinery	No.	Name of Supplier	Date of Quotation	Quotation valid for	Date of placement of Order	Expected date of Completion	Total Amount (In USD)	USD to INR Conversion Rate	Amount (₹ In Lakh) *
Zipper Production System									
Full-auto intelligent invisible gapping bottom stop welding machine	1	Wenzhou Yulaiwen Foreign Trade Company Limited, China	30 th May, 2025	6 months period	Order not placed	Order not placed	46,214.71	87.59	40.48
Full-auto invisible I top stop machine	1								
Full-auto invisible slider mounting machine	1								
Full-auto intelligent robot arm ultrasonic close-end cut machine	1								
Full-auto CFC gapping machine	1								
Full-auto bottom stop welding machine	1								
Full-auto invisible U top stop machine	1								
Full-auto fancy close end slider mounting machine	1								
Full-auto aluminum wire bottom stop machine	1								
Full-auto aluminum wire top stop machine	1								

Name of Plant & Machinery	No.	Name of Supplier	Date of Quotation	Quotation valid for	Date of placement of Order	Expected date of Completion	Total Amount (In USD)	USD to INR Conversion Rate	Amount (₹ In Lakh) *
S.S. and M.S. roll finishing machine	1	Mateshwari Engineering	9 th June 2025	6 months period	Order not placed	Order not placed	-	-	5.60
S.S. and M.S. (Elastic tape finishing machine)	1	Mateshwari Engineering	9 th June 2025	6 months period	Order not placed	Order not placed	-	-	6.40
Rubber Covering Machine with BIM attachment	1	Borderwala Engineering Works	22 nd May 2025	6 months period	Order not placed	Order not placed	-	-	5.61
Powerlux Package Diesel Generating Set, powered by TATA Diesel Enginee 1500 RPM, directly coupled Stamford make Alternator 3 rd Phase, 415 volts, 0.8 PF 50 Hz,	1	Shri Renuka Enterprises,	10 th June 2025	6 months period	Order not placed	Order not placed	-	-	10.66
Miscellaneous expenses on the plant and machinery #	-	Vaibhav International	10 th June 2025	6 months period	Order not placed	Order not placed	-	-	12.53
TOTAL									203.34

Notes:

1. We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary.
2. All quotations received from the vendors mentioned above are valid as on the date of this draft Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machineries/equipment's or at the same costs.
3. The quotation relied upon by us in arriving at the above cost is valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of the said Machinery/ Equipment's proposed to be acquired by us at the actual time of purchase, resulting in increase in the cost. In case of a shortfall in the Net Proceeds or any increase in the actual utilization of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals.
4. No second-hand equipment and/or machinery is proposed to be purchased by our Company from the Net Proceeds.

*excluding GST. # includes Endorsement charge, shipping line charge, CFS charges, stamp duty charges, Duty, Transportation to Surat, Inland charges, freight China to India, Delivery Expense, Bill of Entry passing charge, Custom Examination charge, Documentation Charges, sundry expense, agency charge.

All proposed machinery is to be imported from chinese suppliers. the company shall comply with all applicable import regulations, including possession of valid importer exporter code (iec), customs clearance, gst and duty payments, and foreign remittance guidelines. the final landed cost may be subject to fluctuations in foreign exchange rates, for which appropriate provisions have been made.

With the addition of the new machinery, we will significantly expand our capabilities to manufacture Elastic Tapes and Zippers. This increased capacity will not only allow us to meet existing customer demand more effectively but will also position the Company for future growth to existing and new customers. It will further enable us to offer an expanded range of our finished products.

Further, the addition of in-house machinery is expected to reduce our dependence on outsourced production, leading to improved operating margins and better cost control. This strategic capital investment is in alignment with our long-term business objective of scalable, sustainable manufacturing growth.

YEAR WISE DEPLOYMENT OF FUNDS / SCHEDULE OF IMPLEMENTATION

Estimated schedule of commencement and completion

Sr. No.	Particulars	Estimated date of commencement	Estimated date of completion
Capital expenditure towards purchase of additional plant & machinery			
1	Planning and Procurement of Machinery	December 2025	February 2026
2	Installation of Machinery	March 2026	June 2026

2. REPAYMENT OF TERM LOANS TO BANK:

Our Company has entered various financial arrangements with banks and financial institutions. The loan facilities entered by our Company include unsecured borrowing in the form of, inter alia, Business loan, Term loans, working capital facilities and Vehicle loan. For further details, including indicative terms and conditions, see “Financial Indebtedness” on page 157 of this Draft Prospectus.

As on June 30, 2025, our outstanding loan is amounted to ₹ 562.52 Lakhs. Our company proposes to utilize an estimated amount of ₹ 257.63 Lakhs from the Net Proceeds towards repayment/ prepayment, in part or full, of certain borrowings availed by our Company. The repayment/ prepayment will help to reduce our outstanding indebtedness and interest costs to maintain a favourable debt-equity ratio and enable us to further utilizations of funds from our internal accruals for further investment in business growth and expansion. Further, our Company shall pay the prepayment charges or any other cost, if any, on the loans identified below, out of internal accruals of the company.

Given the nature of these borrowings and the terms of repayment/prepayment, the aggregate outstanding borrowing amounts may vary from time to time. Further, the amounts outstanding under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. However, the aggregate amount to be utilized from the Net Proceeds towards repayment/ prepayment of certain borrowings (including refinanced or additional borrowings availed, if any, or otherwise), in part or in full, would not exceed ₹ 257.63 Lakhs.

The following table sets forth details of certain borrowings availed by our Company, which are outstanding as on June 30, 2025, which our Company shall repay, all or a portion of, any or all of the borrowings, from the Net Proceeds up to ₹ 257.63 Lakhs:

(₹ in Lakhs)

Name of Lender	Nature of Borrowing	Date of letter of sanction	Amount sanctioned	Amount outstanding as on June 30, 2025	Applicable rate of interest as on June 30, 2025	Tenor/ Repayment Schedule	Prepayment penalty/ conditions
ICICI Bank Limited	Overdraft Limit	October 23, 2023	92.00	18.56	8.65%	78 Equal Monthly Instalments	Nil
ICICI Bank Limited	Overdraft Limit	October 23, 2023	350.00	236.97	8.65%	78 Equal Monthly Instalments	Nil
ICICI TUF LOAN - 603090033777	ICICI TUF LOAN	October 23, 2023	87.10	29.03	8.65%	78 Equal Monthly Instalments	Nil
ICICI TUF LOAN - 603090037172	ICICI TUF LOAN	October 23, 2023	375.00	132.29	8.65%	78 Equal Monthly Instalments	Nil
ICICI TUF LOAN - 603090037743	ICICI TUF LOAN	October 23, 2023		4.15	8.65%	78 Equal Monthly Instalments	Nil
ICICI TUF LOAN - 603090041589	ICICI TUF LOAN	October 23, 2023		36.98	8.65%	78 Equal Monthly Instalments	Nil
ICICI TUF LOAN - 603090043465	ICICI TUF LOAN	October 23, 2023		11.46	8.65%	78 Equal Monthly Instalments	Nil
ICICI TUF LOAN - 603090051884	ICICI TUF LOAN	October 23, 2023		82.02	8.65%	78 Equal Monthly Instalments	Nil
ICICI TUF LOAN - 603090055583	ICICI TUF LOAN	October 23, 2023		3.93	8.65%	78 Equal Monthly Instalments	Nil
ICICI TUF LOAN - 603090055889	ICICI TUF LOAN	October 23, 2023		7.13	8.65%	78 Equal Monthly Instalments	Nil
Total			904.10	562.52			

* In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, we have obtained a certificate dated August 08, 2025, from the Statutory Auditors M/S. Lakhankiya and Dosi LLP, Chartered Accountants certifying the utilization of the borrowings towards the purposes for which such borrowings were availed by us.

Any excess amount will be paid by the company from internal accruals as per the actual outstanding amount at the time of repayment.

The borrowings proposed to be repaid/ prepaid out of the borrowings provided above, which has been approved pursuant to a resolution passed by our Board on shall be based on various factors including (i) cost of the borrowings to our Company, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements, (iii) levy of any prepayment penalties and the quantum thereof, (iv) provisions of any law, rules, regulations governing such borrowings, and (v) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan. Payment of interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the internal accruals.

In case, we are unable to raise the Issue proceeds till the due date for repayment/ prepayment of any of the above-mentioned portion of the loans, same shall be kept paid from the internal accruals of the company till the time issue proceeds are realized. However, once the issue proceeds are realized, same shall be utilized to repay/ prepay any of the above-mentioned portion of the loans to the tune of ₹ 257.63 Lakhs of the net proceeds.

3. TO MEET WORKING CAPITAL REQUIREMENTS:

Incorporated in 2023 and based in Surat, Gujarat, our Company manufactures and sells laces, narrow woven tapes, zippers, labels, elastics and other technical textile products by using Rapier Label Loom Machine, Zipper Machine, Needle Looms Machine (Narrow woven fabrics (lace), Needle Looms Machine (Elastic)). Our Manufacturing unit is located at Surat, Gujarat, India.

Net Working Capital requirement of our Company on Audited Standalone financial statement was ₹ 517.06 Lakhs, ₹ 204.38 Lakhs, ₹ 149.72 Lakhs and ₹ 203.91 Lakhs for March 31, 2025, March 31, 2024, October 17, 2023 and March 31, 2023 respectively. We have estimated working capital requirement for FY 2025-26 and FY 2026-27 to be ₹ 739.04 Lakhs and ₹ 1058.93 Lakhs respectively. The Company will meet the requirement to the extent of ₹ 350.00 Lakhs from the Net Proceeds of the Issue comprising of ₹ 50 lakhs during FY 2025-26 and ₹ 300 lakhs during FY 2026-27. Balance requirement of Working Capital will be met from internal accruals and other available banking or credit facilities, as and when required.

Basis of estimation of working capital requirement and estimated Working Capital Requirement;

(Amount in ₹ Lakhs)

Particulars	Audited			
	31-Mar-25	31-Mar-24	17-Oct-23	31-Mar-23
Inventories				
Raw Material	184.99	25.30	18.00	25.20
WIP	46.25	37.99	12.35	37.95
Finished Goods	77.08	63.31	33.00	63.20
Trade receivables	244.70	60.48	349.03	297.52
Short Term Loan and Advance	35.60	26.54	85.25	261.60
Other Current Assets	139.65	127.67	0.00	0.00
Total Current Assets	728.27	341.29	497.64	685.47
Current Liabilities				
Trade payables	124.12	120.28	347.62	454.36
Other Current liabilities	2.49	1.28	0.00	0.10
Short Term Provisions	84.60	15.36	0.30	27.12
Total Current Liabilities	211.21	136.91	347.92	481.58
Net Working Capital	517.06	204.38	149.72	203.91
Sources of Funds				
Short Term Borrowing	270.47	74.22	149.72	203.90
Unsecured Loan	-	-	-	-
Internal Accruals/Existing Net worth	246.59	130.16	0.00	0.00
Proceeds from Offer	0.00	0.00	0.00	0.00
Total	517.06	204.37	149.72	203.90

On the basis of the existing working capital requirements, management estimates and estimated working capital requirements, the proposed funding of such working capital requirements is set forth below:

(Amount in ₹ Lakhs)

Particulars	Projected Financials for the year ended on March 31,	
	2027	2026
Inventories		
Raw Material	409.00	282.76
WIP	93.22	65.95
Finished Goods	179.65	128.39
Trade receivables	442.32	327.65
Short Term Loan and Advance	53.24	49.18
Other Current Assets	280.02	195.66
Total Current Assets	1,457.46	1,049.58
Current Liabilities		
Trade payables	281.57	200.42
Other Current liabilities	3.88	3.11
Short Term Provisions	113.07	107.02
Total Current Liabilities	398.52	310.54

Particulars	Projected Financials for the year ended on March 31,	
	2027	2026
Net Working Capital	1,058.93	739.04
Sources of Funds		
Short Term Borrowing	174.05	180.03
Unsecured Loan	-	-
Internal Accruals/Existing Net worth	584.88	509.01
Proceeds from Offer	300.00	50.00
Total	1,058.93	739.04

The estimation of working capital is based on our historical levels and future operational plans including anticipated growth in production, receivables, and inventory cycles. For further details on the estimation methodology and key assumptions, refer to the chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page no. 158 of this Draft Prospectus.

Assumptions for calculation of working capital (in Number of days):

Particulars	Projected Financials for the year ended on March 31,		Audited			
	31-Mar-27	31-Mar-26	31-Mar-25	31-Mar-24	17-Oct-23	31-Mar-23
Receivables	60	60	60	18	117	89
Trade Payable	45	45	45	41	157	153
Other Current Assets	45	45	46	44	0	0
Number of days for Inventory						
Number of months for Raw Material	75	75	76	11	15	14
Number of months for Work in Progress	15	15	15	13	6	13
Number of months for Finished Goods	30	30	25	22	15	21

As certified by M/s. Lakhankiya & Dosi LLP., Chartered Accountants, by way of their certificate dated July 10, 2025 vide UDIN 25147112BMIVJW7557

Apart from above there are other working capital requirements such as Cash and Cash Equivalents, Other Current assets, loans and advances, short term provisions and other current liabilities. Details of which are given below.

Particulars	Justification
Receivables	Our receivable days are projected to remain stable at 60 days for FY 2024-25 to FY 2026-27, consistent with the standard credit terms extended to our customers in both domestic and export markets. This reflects our policy of balancing competitive credit offerings with strict collection discipline. The receivable days were significantly higher at 117 days as of October 17, 2023, primarily due to high billing towards the end of the period coupled with delayed payments from a few customers, particularly in export markets where transit time and documentation processing extend the realisation cycle. Subsequently, receivable days reduced sharply to 18 days as on March 31, 2024, demonstrating effective credit control measures, improved follow-up, and settlement of pending dues. The projected stability in future periods is premised on our continued focus on customer credit evaluation, periodic reconciliations, and dedicated collection efforts.
Trade Payable	Payable days are projected to remain stable at 45 days for FY 2024-25 to FY 2026-27, aligned with our existing credit arrangements with suppliers. The increase to 157 days as on October 17, 2023, was a result of strategic bulk procurement of key raw materials at favourable pricing, where extended credit terms were negotiated to optimise cash flows during a period of elevated input cost volatility. This position reverted to 41 days as on March 31, 2024, as we settled outstanding obligations in line with our practice of maintaining healthy supplier relationships and timely payments. We expect to maintain payable days in the projected range, ensuring liquidity management without adversely impacting supplier goodwill.

Particulars	Justification
Other Current Asset	Other current assets, comprising advances to suppliers, GST input credits, and prepaid expenses, are projected to be in the range of ₹139.65 Lakh to ₹ 280.02 Lakh for FY 2024-25 to FY 2026-27. This is consistent with the anticipated procurement cycles, tax positions, and scale of operations. The absence of such balances in FY 2022-23 and as of October 17, 2023, reflects lower advance procurement and minimal pending tax credits during those periods. Going forward, we expect a moderate build-up in these assets due to planned scaling of operations and advance bookings with suppliers to secure competitive terms.
Inventory	The raw material holding period is projected to be in the range of 75-76 days for FY 2024-25 to FY 2026-27. This level is maintained to ensure uninterrupted production schedules, particularly considering the lead time for procurement from certain suppliers, including imports where transit periods are longer. The significantly lower levels of 11–15 days in FY 2023-24 and as of October 17, 2023, were due to the utilisation of earlier stockpiles following bulk purchases in preceding months and higher sales volumes, resulting in faster turnover. The projected increase represents a normalised stocking strategy to safeguard against supply chain disruptions and price volatility.
	WIP holding is projected at 15 days for FY 2024-25 to FY 2026-27, aligning with our standard manufacturing cycle and processing timelines. Lower WIP levels in earlier periods (6–13 days) were driven by process optimisation, improved scheduling, and the completion of several large orders on a just-in-time basis. The projected figures account for anticipated product mix and operational load, which require slightly higher intermediate holding to maintain efficiency and timely delivery.
	The finished goods holding period is projected in the range of 25–30 days for FY 2024-25 to FY 2026-27, representing our policy of maintaining adequate ready stock to promptly fulfil customer orders and meet seasonal demand surges, especially in the export market. The lower figures in FY 2023-24 and as of October 17, 2023 (15–22 days), reflect synchronisation between production and dispatch schedules, where customer deliveries were timed closely with production completion. The projected holding ensures a balance between customer service levels and inventory carrying costs.

As certified by M/s. Lakhankiya and Dosi LLP, Chartered Accountants, by way of their certificate dated August 08, 2025.

RATIONALE FOR INCREASE IN WORKING CAPITAL REQUIREMENTS:

1. Expansion of Business Operations

Our Company expects a significant scale-up of its operations over the next two financial years, driven by higher market penetration, improved capacity utilization, and increased customer acquisition. As we aim to cater to growing demand and larger order volumes, the operational cycle—comprising procurement, production, and order fulfilment will naturally lengthen. This will require a higher quantum of raw material purchases, workforce deployment, and logistics handling. Consequently, our working capital requirement will increase to ensure uninterrupted business continuity. Moreover, as we penetrate new geographic and sectoral markets, our execution timelines may lengthen, increasing the need for sustained liquidity support. Working capital will also be required to service higher volumes of vendor contracts, utility consumption, and supply chain coordination. Without adequate working capital funding, the Company may face strain in maintaining timely deliveries and customer satisfaction.

2. Increase in Inventory Levels

The inventory holding is projected to increase significantly from ₹ 308.32 lakhs in FY 2024–25 to ₹681.87 lakhs in FY 2026–27. This growth is driven by the need to maintain a higher stock of raw materials, consumables, work-in-progress, and finished goods in order to support expanded production schedules. In our line of business, delays in raw material procurement can disrupt the entire production flow. Therefore, to mitigate such risks, we plan to maintain a safety stock or buffer inventory at various production stages. Additionally, with planned expansion into new markets or SKUs, lead times in both inward procurement and dispatch to customers are likely to rise. Holding higher inventory levels helps the Company mitigate potential delays arising from logistics bottlenecks, supplier-side shortages, or seasonal availability of inputs. Therefore, increased inventory will form a critical part of the elevated working capital cycle.

3. Rise in Trade Receivables

Trade receivables are projected to rise from ₹ 244.70 lakhs in FY 2024–25 to ₹ 442.32 lakhs in FY 2026–27, in line with the

growth in sales revenue. This increase is primarily on account of higher volumes sold and the credit terms we extend to customers to maintain competitiveness and customer retention. To capture high-volume institutional or B2B clients, we may need to offer extended credit periods, ranging from 30 to 90 days or more, depending on industry practices. Consequently, outstanding receivables at any given time will increase, requiring larger working capital reserves to bridge the cash flow gap. Furthermore, as we onboard new clients, initial credit cycles may be longer due to onboarding time, account validation, and internal clearance at the client's end. Despite this, our Company continues to maintain rigorous credit assessment, regular follow-ups, and provisioning policies to manage bad debt risk. However, the upfront liquidity requirement still grows materially.

4. Increase in Other Current Assets and Advances

Other current assets—including short-term loans and advances, input GST credits, and prepaid expenses—are projected to increase to ₹280.02 lakhs by FY 2026–27. These operational items are often linked to advance vendor payments, insurance premiums, annual service contracts, and utility deposits. As the volume of business expands, the magnitude of such advances and prepayments naturally rises. For instance, larger contracts may require higher security deposits or advance supply bookings. Similarly, GST credits may accumulate over multiple months, awaiting utilization against outward liabilities, especially when purchases are front-loaded. While these components are recoverable or adjustable over time, they remain locked-in during the interim, necessitating working capital coverage. Thus, to support the growth in our operational scale, timely infusion of funds for these items is necessary to avoid constraints on cash flow.

5. Moderate Growth in Current Liabilities

While current liabilities including trade payables and other obligations are projected to increase from ₹211.21 lakhs in FY 2024–25 to ₹398.52 lakhs in FY 2026–27, the pace of increase is modest compared to that of current assets. Our Company maintains a policy of prompt payments to vendors and suppliers, typically within agreed payment cycles, to preserve our relationships and ensure continuity in raw material supply. As a result, we avoid over-reliance on creditor funding and reduce the risk of supply disruptions. Moreover, early or timely payments often help us secure favorable terms, discounts, and preferred supplier status. Given this conservative and ethical financial approach, we do not expect to significantly defer current liabilities to offset working capital needs. Hence, the net working capital computed as current assets minus current liabilities—shows a notable upward trend that needs to be financed.

6. Increase in Net Working Capital Requirement

Our Company's net working capital requirement is expected to rise from ₹517.06 lakhs in FY 2024–25 to ₹1,058.93 lakhs in FY 2026–27. This increase reflects the cumulative impact of higher inventory, trade receivables, and other current assets, partially offset by a smaller increase in current liabilities. As our operations grow in complexity and volume, the working capital cycle comprising procurement, production, delivery, invoicing, and collection—gets elongated. This directly translates into greater capital lock-in across each stage of the operating cycle. If not adequately funded, these requirements may lead to delayed production schedules, longer receivable cycles, or loss of order opportunities. Timely infusion of funds is therefore critical to prevent strain on operations and to ensure liquidity stability. This increase in net working capital forms the foundation for sustaining our future growth.

7. Operational Risk Management and Buffer Planning

In addition to routine working capital requirements, a portion of the total projected working capital will be allocated towards contingency buffers. These buffers are essential for absorbing unforeseen business disruptions such as delays in collections, raw material price volatility, supply chain interruptions, or unexpected surges in order volumes. In today's dynamic business environment, maintaining just-in-time liquidity is not always feasible, especially when external shocks can strain supply and delivery timelines. A prudent buffer allows us to meet fixed obligations even during cash-flow fluctuations. For example, in the event of a delayed payment from a major customer or a spike in commodity prices, buffer funding ensures our operations are not adversely affected. This strategic planning approach safeguards operational stability and upholds our reputation for timely delivery and financial discipline.

8. GST Input Accumulation and Utilization Gap

As we expand our procurement and input purchases, our input GST credits are expected to accumulate at a higher rate. However, the utilization of these credits is contingent on the timing and type of outward supplies. In certain cases, especially when there is a mismatch between input and output tax rates or tax periods, credits may remain unutilized over several months. During such periods, a portion of capital remains blocked in the form of statutory credits, contributing to the working capital requirement. This is further compounded by delays in input credit reconciliation or restrictions under evolving GST laws. Our accounting and finance teams will continue to optimize GST utilization cycles, but a growing volume of transactions

naturally increases temporary capital lock-in. Adequate working capital is essential to bridge this gap until credits are fully absorbed.

9. Increase in Employee and Administrative Overheads

With business growth, there is a proportionate increase in manpower costs, administrative overheads, and contractual services, which are largely prepaid or recurring in nature. For example, as we set up additional units, expand our teams, and increase operational coverage, we will incur higher costs on salaries, travel, insurance, compliance, software, and other support functions. Many of these costs need to be paid upfront or on fixed cycles irrespective of revenue realization. These recurring expenses form part of the operational cost base and thus need to be funded through working capital. Additionally, employee advances, performance bonuses, and contract mobilization payments further increase short-term fund needs. Since these outflows are essential to sustain efficient and skilled manpower, they are included in our overall working capital planning.

For details regarding the risks associated with our working capital requirements, please refer to Risk Factor no. 14 - 'Our business is working capital intensive. Any inability to secure adequate working capital or efficiently manage our working capital cycle may adversely affect our business, financial condition, results of operations and cash flows.' on page 25 of this Draft Prospectus.

4. GENERAL CORPORATE PURPOSE:

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy ₹ [●] Lakhs towards the general corporate purposes to drive our business growth. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purpose subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- 1) funding growth opportunities;
- 2) servicing our repayment obligations (principal and interest) under our existing & future financing arrangements;
- 3) capital expenditure, including towards expansion/development/refurbishment/renovation of our existing assets;
- 4) working capital, unexpected orders etc.;
- 5) meeting expenses incurred by our Company in the ordinary course of business or other uses or contingencies; and/or
- 6) strategic initiatives; and
- 7) On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head "General Corporate Purposes" and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above in any permissible manner. We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Draft Prospectus, shall not exceed 15% of the amount raised by our Company through this Issue.

5. ISSUE RELATED EXPENSES

The total expenses of the Issue are estimated to be approximately ₹ [●] lakhs. The expenses of this include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as follows:

Expenses	Expenses (₹ In Lakh)	Expenses (% of Total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Lead Manger Fees including Underwriting Commission	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable for Advertising, Marketing Expenses and Printing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges and other Intermediaries	[●]	[●]	[●]
Fees payable to Peer Review Auditor	[●]	[●]	[●]
Fees to the Legal Advisor	[●]	[●]	[●]

Expenses	Expenses (₹ In Lakh)	Expenses (% of Total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Fees Payable to Market Maker (for Three Years)	[●]	[●]	[●]
Others (Fees payable for marketing & distributing expenses, selling commission, brokerage, processing fees, underwriting fees and miscellaneous expenses.)	[●]	[●]	[●]
Escrow Bank Fees	[●]	[●]	[●]
Total Estimated Issue Expenses	[●]	[●]	[●]

Notes:

- Up to March 31, 2025, Our Company has deployed/incurred expense of ₹ 6,47,500 towards Issue Expenses duly certified by Statutory Auditor M/s. Lakhandiya & Dosi LLP, Chartered Accountants vide its certificate dated 10th July, 2025.
- Any expenses incurred towards aforesaid issue related expenses beyond the period as mentioned above till the date of listing of Equity Shares will be reimburse/ recouped out of the gross proceeds of the issue:
- Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:
Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST) Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)
^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).
- The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
- Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.
- SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.
- Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.
- Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed ₹ [●]/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds ₹ [●]/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.
The processing fees for applications made by Retail Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.

APPRAISAL REPORT

None of the objects for which the Issue Proceeds will be utilised have been financially appraised by any financial institutions / banks.

BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance the existing ongoing project facility requirements until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance our existing/ongoing projects will be repaid from the Net Proceeds of the Issue.

INTERIM USE OF FUNDS

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

MONITORING UTILIZATION OF FUNDS

Since the proceeds from the Issue do not exceed ₹5,000 lakhs, in terms of Regulation 262 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee will monitor the utilisation of the proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to the SEBI LODR Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilisation of the proceeds from the Issue from the objects of the Issue as stated above.

VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

OTHER CONFIRMATIONS / PAYMENT TO PROMOTERS AND PROMOTERS' GROUP FROM THE IPO PROCEEDS

No part of the Net Proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of business and in compliance with the applicable law.

BASIS FOR ISSUE PRICE

The Issue Price has been determined by the issuer in consultation with the Lead Manager. The financial data presented in this section are based on our Company's Restated Financial Information. Investors should also refer to the sections/chapters titled "Risk Factors" and "Restated Financial Information" on page no. 20 and 154 respectively of this Draft Prospectus to get a more informed view before making the investment decision.

QUALITATIVE FACTORS

- Experienced Promoters and Management Team
- End-to-end execution capabilities
- Long term Relationship with the Clients
- Visible growth through a robust order book
- Scalable Business Model

For details of qualitative factors, please refer to the paragraph "Our Competitive Strengths" in the chapter titled "Business Overview" beginning on page no. 102 of this Draft Prospectus.

QUANTITATIVE FACTORS

1. Basic & Diluted Earnings Per Share (EPS):

$$\text{Basic earnings per share (₹)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding}}$$

$$\text{Diluted earnings per share (₹)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding after adjusting adjusted for the effects of all dilutive potential equity shares}}$$

Period	Basic and Diluted EPS (in ₹)	Weight
F.Y. 2022-23	1.09	1
From April 01, 2023 to October 17, 2023	1.00	2
From August 10, 2023 to March 31, 2024	0.86	2
F.Y. 2024-25	5.02	3
Weighted Average	2.48	

Notes:

- The earnings per share has been calculated by dividing the net profit as restated, attributable to equity shareholders by restated weighted average number of Equity Shares outstanding during the period. Restated weighted average number of equity shares has been computed as per AS 20. The face value of each Equity Share is ₹10.00.
- Financial data for periods ended on October 17, 2023 and March 31, 2023 represent the historical operations of Sihora Narrow Fabrics (Proprietorship Firm).

2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ [●] per Equity Share:

$$\text{Price to Earnings Ratio(P/E)} = \frac{\text{Issue Price}}{\text{Restated Earnings Per Share}}$$

Particulars	P/E at the Issue Price (No. of Times)
Based on Restated Financial Statements:	
P/E Ratio based on the Basic and Diluted EPS, as restated for FY 24-25	[●]
P/E Ratio based on the Weighted Average Basic and Diluted EPS, as restated	[●]

Note: The P/E Ratio has been computed by dividing Issue Price with EPS

3. Return on Net Worth as per Restated Financial Statements:

$$\text{Return on Net Worth (\%)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Net Worth}} \times 100$$

Financial Year/Period	Basic and Diluted EPS (in ₹)	Weights
F.Y. 2022-23	222.38%	1
From April 01, 2023 to October 17, 2023	67.29%	2
From August 10, 2023 to March 31, 2024	9.49%	2
F.Y. 2024-25	35.60%	3
Weighted Average	60.34%	

Notes:

1. The RoNW has been computed by dividing Net Profit after Tax available for Equity Shareholders (as restated), by Net Worth of Equity Shareholders (as restated) as at the end of the period.
2. Financial data for periods ended on October 17, 2023 and March 31, 2023 represent the historical operations of Sihora Narrow Fabrics (Proprietorship Firm)

4. Net Asset Value per Equity Share:

$$\text{Restated Net Asset Value per equity share (₹)} = \frac{\text{Restated Net Worth as at the end of the year}}{\text{Number of Equity Shares outstanding}}$$

Particulars	Based on Restated Financial Statements (₹)
As on March 31, 2023	0.49
As on October 17, 2023	1.49
As on March 31, 2024	11.02
As on March, 2025	14.11
Issue Price	[●]

Notes:

1. NAV has been calculated as Net worth of Equity Shareholders (as restated) divided by Number of Equity Shares outstanding at the end of the year.
2. Financial data for periods ended on October 17, 2023 and March 31, 2023 represent the historical operations of Sihora Narrow Fabrics (Proprietorship Firm)

5. Comparison of Accounting Ratios with listed Peer Group Companies.

There are no comparable listed Peer Group Companies and hence any comparison cannot be made.

6. The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue price is [●] times the face value of equity share.
7. The Issue Price of ₹ [●] is determined by our Company in consultation with the Lead Manager is justified based on the above accounting ratios. For further details, please refer to the section titled “Risk Factors” and chapters titled “Business Overview” and “Restated Financial Information” beginning on page nos. 20, 102 and 154 respectively of this Draft Prospectus.

KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS (“KPIs”)

Key Performance Indicators (KPIs) are imperative to the Financial and Operational performance evaluation of the company. However, KPIs disclosed below shall not be considered in isolation or as substitute to the Restated Financial information. In the opinion of our Management the KPIs disclosed below shall be supplementary tool to the investor for evaluation of the company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated 10th July, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. The KPIs herein have been certified by M/s Lakhankiya & Dosi LLP, by their certificate dated July 10, 2025.

The KPIs of our Company have been disclosed in the sections “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” starting on pages 102 and 158, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” beginning on page 1.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Offer Section, whichever is later or for such other duration as may be required under the SEBI (ICDR) Regulations, 2018.

Set forth below are KPIs which have been used historically by our Company to understand and analyse the business performance, which in result, help us in analyzing the growth of various verticals of the Company that have a bearing for arriving at the Basis for the Issue Price.

FINANCIAL KPIs OF OUR COMPANY

(₹ in Lakhs)

Particulars	FY 2025*	August 10, 2023 to March 31, 2024*	April 1, 2023 to October 17, 2023^	FY 2023^
Revenue from Operations ⁽¹⁾	1456.20	621.10	534.99	1209.77
EBITDA ⁽²⁾	329.21	95.54	76.76	116.55
EBITDA Margin ⁽³⁾	22.61%	15.38%	14.35%	9.64%
Profit After Tax	187.26	32.14	27.53	29.98
PAT Margin (%) ⁽⁴⁾	12.86%	5.17%	5.15%	2.48%
Net worth ⁽⁵⁾	526.03	338.77	40.90	13.48
RoE (%) ⁽⁶⁾	35.60%	9.49%	67.29%	222.38%
RoCE (%) ⁽⁷⁾	31.93%	16.47%	25.06%	30.57%

* Sihora Industries Ltd.

^ Sihora Narrow Fabrics

Source: The Figure has been certified by our statutory auditor's M/s Lakhankiya & Dosi LLP Chartered Accountants vide their certificate dated 10th July 2025.

Notes:

1. Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
2. EBITDA is calculated as profit before tax + Depreciation + Interest Expenses – Other Income.
3. EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
4. PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
5. Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the Company less miscellaneous expenses to the extent not written off.
6. RoE (Return on Equity) (%) is the ratio of Profit after tax for the year / period and Shareholder Equity.
7. RoCE (Return on Capital Employed) (%) is calculated as EBITDA (after deducting other income) divided by capital employed, which is defined as shareholders' equity plus borrowings plus differed tax assets / liabilities .

Explanation for KPI metrics

KPI	Explanations
Revenue from Operations (₹ in Lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
EBITDA (₹ in Lakhs)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit After Tax (₹ in Lakhs)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from average shareholders' funds.
RoCE (%)	ROCE provides how efficiently our Company generates earnings from the average capital employed in the business.

OPERATIONAL KPIs OF THE COMPANY:

Sr. No.	Particulars	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
1	Product Name	Narrow Woven Fabric (Label, Woven Lace & Border, Suit & Duppatta)	Narrow Woven Fabric (Label, Woven Lace & Border)	Narrow Woven Fabric (Label, Woven Lace & Border)	Narrow Woven Fabric (Label, Woven Lace & Border)
	Installed Capacity	7,86,240 Meters	1,68,000 Meters	1,51,860 Meters	3,55,000 Meters
	Capacity Utilization	6,55,200 Meters	1,26,000 Meters	1,03,550 Meters	2,73,350 Meters
	Capacity Utilization (%)	83.33%	75%	68.19%	77%
2	Product Name	Zipper	Zipper (Feb – 24 To March-24)	-	-
	Installed Capacity	5,72,460 Kgs	31667 Kgs	-	-
	Capacity Utilization	4,91,744 Kgs	19000 Kgs	-	-
	Capacity Utilization (%)	85.90%	60%	-	-
3	Product Name	Narrow woven fabric (lace & Border, Woven Name Tape)	Narrow woven fabric (lace & Border, Woven Name Tape)	Narrow woven fabric (lace & Border, Woven Name Tape)	Narrow woven fabric (lace & Border, Woven Name Tape)
	Installed Capacity	2,05,920 Kgs	84000 Kgs	84,000 Kgs	2,88,340 Kgs
	Capacity Utilization	1,45,000 Kgs	63000 kgs	66,690 kgs	245090 Kgs
	Capacity Utilization (%)	70.42%	75%	79.39%	85%
4	Product Name	Elastic (December 2024 To March 2025)	-	-	-
	Installed Capacity	34,320 Kgs	-	-	-
	Capacity Utilization	24,960 kgs	-	-	-
	Capacity Utilization (%)	72.73%	-	-	-

WEIGHTED AVERAGE COST OF ACQUISITION:

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

There have been no issuance of Equity Shares or convertible securities, excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of this Draft Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of 30 days.

b) The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities).

There have been no secondary sale / acquisition of whether equity shares or convertible securities, where the promoter, members of the promoter group, selling shareholders, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

c) Price per share based on the last five primary or secondary transactions.

There are no transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction) not older than 3 years prior to the date of this Draft Prospectus irrespective of the size of transactions is not required to be disclosed.

d) Weighted average cost of acquisition and Offer Price:

Type of Transactions	Weighted average cost of acquisition (₹ per Equity Share)	Number of times of Floor Price i.e. ₹ [●]
Weighted average cost of acquisition of primary / new issue as per sub-paragraph (a) above	N.A.	N.A.
Weighted average cost of acquisition for secondary sale / acquisition as per sub-paragraph (b) above	N.A.	N.A.

e) The Issue Price is [●] times of the face value of the equity shares

The face value of our share is ₹10/- per share and the Issue Price is of ₹ [●] per share are [●] times of the face value. Our Company in consultation with the Lead Manager believes that the Issue Price of ₹ [●] per share for the Public Issue is justified in view of the above quantitative and qualitative parameters. Investor should read the above-mentioned information along with the section titled “Risk Factors” beginning on page 20 of this Draft Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “Restated Financial Information” beginning on page 154 of this Draft Prospectus.

STATEMENT OF POSSIBLE TAX BENEFITS

To
The Board of Directors
SIHORA INDUSTRIES LIMITED
Surat, Gujarat

Dear Sir,

Sub: Statement of Possible Special Tax Benefits (“the Statement”) available to Sihora Industries Limited (“the Company”) and its shareholders prepared in accordance with the requirements in Point No. 9 (L) of Part A of Schedule VI of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended (“the Regulations”)

We hereby report that this certificate along with the annexure (hereinafter referred to as “**The Statement**”) states the possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 (‘IT Act’) (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2024 (i.e. applicable to F.Y. 2025-26 relevant to A.Y. 2026-27) (hereinafter referred to as the “IT Regulations”) and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax [GST] Rules, Circulars and Notifications), presently in force in India. The Statement has been prepared by the management of the Company in connection with the proposed Public Issue, which we have initialed for identification purposes only.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the said relevant provisions of the tax laws and regulations applicable to the Company. Hence, the ability of the Company or its shareholders to derive the special tax benefits, if any, is dependent upon fulfilling such conditions, which based on business imperatives, which the Company may or may not choose to fulfill or face in the future.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders. Further, the Preparation of enclosed statement and the contents stated therein is not exhaustive and is the responsibility of the Company’s management. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever-changing tax laws in India. Further, we give no assurance that the income tax authorities/ other indirect tax authorities/courts will concur with our views expressed 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 the future; or
- the conditions prescribed for availing the benefits have been/would be met.
- the revenue authorities/courts will concur with the views expressed therein

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws.

The information provided below sets out the Possible Special Direct Tax & Indirect Tax benefits available to the Company, and its Shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of Equity Shares, under the current tax laws presently in force in India. Several of these benefits are dependent on the Company and its Shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company, and the Shareholders of the

Company to derive the direct and indirect tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company, and the Shareholders of the Company may or may not choose to fulfil. Further, certain tax benefits may be optional, and it would be at the discretion of the Company or the Shareholders of the Company to exercise the option by fulfilling the conditions prescribed under the Tax Laws.

The following overview 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 shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

This certificate along with the annexure is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Draft Prospectus/ Prospectus 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 written consent.

**For, Lakhankiya and Dosi LLP,
Chartered Accountants
FRN: 154114W/W100873**

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**CA Shailesh Lakhankiya
Partner
M.No. 147112
UDIN: 25147112BMIVKC3402
Place: Surat
Date: July 10, 2025**

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO SIHORA INDUSTRIES LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

Outlined below are the possible special tax benefits available to the Company and its shareholders as per the Income Tax Act, 1961 ("IT Act") as amended from time to time and applicable for financial year 2025-26 relevant to assessment year 2026-27 (AY 2026-27) and Indirect Tax Laws as amended from time to time and applicable for financial year 2025-26. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

I. Under the IT Act

1. Special Tax Benefits to the Company

There are no Special Tax Benefits available to the Company except that the Company has opted to avail to be assessed under section 115BAA from Financial Year 2023-24. Section 115BAA, provides that domestic company can opt for a rate of tax of 22% (plus applicable surcharge and education cess) provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner and once the company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year MAT credit will not be available for set-off. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

2. Special Tax Benefits available to Shareholders

There are no Special Tax Benefits available to the Shareholders of the Company.

NOTES:

- The above statement of Possible Special Tax Benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- The above statement covers only certain Special Tax Benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
- The above statement of Possible Special Tax Benefits is as per the current Direct Tax Laws relevant for the assessment year 2026-27 (Relevant to F.Y 2025-26). Several of these benefits are dependent on the Company or its Shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.
- In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.
- As the Company has opted for concessional corporate income tax rate as prescribed under section 115BAA of the Act, it will not be allowed to claim any of the following deductions:

Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)

Deduction under clause (ii a) of sub-section (1) of section 32 (Additional Depreciation)

Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, Site restoration fund)

Deduction under sub-clause (ii) or sub-clause (ii a) or sub-clause (iii) of sub-section or subsection (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)

Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)

Deduction under section 35CCD (Expenditure on skill development)

Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA, 80LA and 80M;

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 72A, if such loss or depreciation is attributable to any of the deductions referred above;

- This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

II. Under the Indirect Tax Laws

3. Special Indirect Tax Benefits available to the Company

The Company does not have any Special Tax Benefit under Indirect Tax Laws.

4. Special Tax Benefits available to Shareholders

Shareholders of the Company are not eligible to special tax benefits under the provisions of the Central Goods and Services Act 2017 (read with Central Goods and Services Tax Rules, circulars, notifications), respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications), Integrated Goods and Services Tax Act, 2017 (read with Integrated Goods and Services Tax Rules, circulars, notifications), The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20), Customs Act, 1962 (read with Custom Rules, circulars, notifications), Customs Tariff Act, 1975 (read with Custom Tariff Rules, circulars, notifications)

The Shareholders of the Company are not entitled to any Special Tax Benefits under indirect tax laws.

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

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the offer document.

**For, Lakhankiya and Dosi LLP,
Chartered Accountants
FRN: 154114W/W100873**

-sd-

**CA Shailesh Lakhankiya
Partner
M.No. 147112
UDIN: 25147112BMIVKC3402
Place: Surat
Date: July 10, 2025**

SECTION VI– ABOUT THE COMPANY

INDUSTRY OVERVIEW

Unless noted otherwise, the information in this section is obtained or extracted from “www.ibef.org” and also extracted from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have independently verified this information. The data 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 and, accordingly, investment decisions should not be based on such information. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

GLOBAL ECONOMY OVERVIEW

Executive Summary

Global growth is expected to hold steady at 2.7 percent in 2025-26. However, the global economy appears to be settling at a low growth rate that will be insufficient to foster sustained economic development—with the possibility of further headwinds from heightened policy uncertainty and adverse trade policy shifts, geopolitical tensions, persistent inflation, and climate-related natural disasters. Against this backdrop, emerging market and developing economies (EMDEs)—which fuel 60 percent of global growth—are set to enter the second quarter of the twenty-first century with per capita incomes on a trajectory that implies substantially slower catch-up toward advanced-economy living standards than they previously experienced. Without course corrections, most low-income countries are unlikely to graduate to middle-income status by the middle of the century. Policy action at both global and national levels is needed to foster a more favourable external environment, enhance macroeconomic stability, reduce structural constraints, address the effects of climate change, and thus accelerate long-term growth and development.

Global Outlook

Global growth is stabilizing as inflation returns closer to targets and monetary easing supports activity in both advanced economies and emerging market and developing economies (EMDEs). This should give rise to a broad-based, moderate global expansion over 2025-26, at 2.7 percent per year, as trade and investment firm. However, growth prospects appear insufficient to offset the damage done to the global economy by several years of successive negative shocks, with particularly detrimental outcomes in the most vulnerable countries.

From a longer-term perspective, catch-up toward advanced economy income levels has steadily weakened across EMDEs over the first quarter of the twenty-first century. Heightened policy uncertainty and adverse trade policy shifts represent key downside risks to the outlook. Other risks include escalating conflicts and geopolitical tensions, higher inflation, more extreme weather events related to climate change, and weaker growth in major economies. On the upside, faster progress on disinflation and stronger demand in key economies could result in greater-than-expected global activity.

The subdued growth outlook and multiple headwinds underscore the need for decisive policy action. Global policy efforts are required to safeguard trade, address debt vulnerabilities, and combat climate change. National policy makers need to resolutely pursue price stability, as well as boost tax revenues and rationalize expenditures in order to achieve fiscal sustainability and finance needed investments. Moreover, to raise longer-term growth and put development goals on track, interventions that mitigate the impact of conflicts, lift human capital, bolster labor force inclusion, and confront food insecurity will be critical.

Regional Prospects

Against a backdrop of heightened trade restrictive measures and subdued global growth, EMDE regions face varying growth prospects this year. Growth is projected to moderate in East Asia and Pacific, amid weak domestic demand in China, as well as in Europe and Central Asia due to decelerations in some large economies following strong growth last year. In contrast, a pickup is anticipated in Latin America and the Caribbean, the Middle East and North Africa, South Asia, and Sub-Saharan Africa, partly underpinned by robust domestic demand. In 2026, growth is expected to strengthen in most regions. The year

2025 will mark the end of the first quarter of the twenty-first century—a good time to review the performance of emerging and developing economies since 2000 and assess their prospects. This edition of the *Global Economic Prospects* report features two analytical chapters that offer a quarter-century report card. One chapter provides insights into the prospects and challenges of middle-income emerging and developing economies; the other covers the performance of the poorest countries. (*From Tailwinds to Headwinds: Emerging and Developing Economies in the Twenty-First Century.*)

The first quarter of the twenty-first century has been transformative for EMDEs. These economies now account for about 45 percent of global GDP, up from 25 percent in 2000, a trend driven by robust collective growth in the three largest EMDEs—China, India, and Brazil (the EM3). Collectively, EMDEs have contributed about 60 percent of annual global growth since 2000, on average, double the share during the 1990s. Their ascendance was powered by swift global trade and financial integration, especially during the first decade of the century. Interdependence among these economies has also increased markedly. Today, nearly half of goods exports from EMDEs go to other EMDEs, compared to one-quarter in 2000. As cross-border linkages have strengthened, business cycles among EMDEs and between EMDEs and advanced economies have become more synchronized, and a distinct EMDE business cycle has emerged. Cross-border business cycle spillovers from the EM3 to other EMDEs are sizable, at about half of the magnitude of spillovers from the largest advanced economies (the United States, the euro area, and Japan).

Yet EMDEs confront a host of headwinds at the turn of the second quarter of the century. Progress implementing structural reforms in many of these economies has stalled. Globally, protectionist measures and geopolitical fragmentation have risen sharply. High debt burdens, demographic shifts, and the rising costs of climate change weigh on economic prospects. A successful policy approach to accelerate growth and development should focus on boosting investment and productivity, navigating a difficult external environment, and enhancing macroeconomic stability.

Falling Graduation Prospects: Low-Income Countries in the Twenty-First Century

Rapid growth underpinned by domestic reforms and a benign global environment allowed many low-income countries (LICs) to attain middle-income status in the first decade of the twenty-first century. Since then, the rate at which LICs are graduating to middle-income status has slowed markedly. The prospects for today's LICs appear much more challenging. In recent years, per capita growth has been anemic amid heightened levels of conflict and fragility and adverse global developments. Across a wide array of development metrics, today's LICs are behind where LICs that since turned middle-income stood in 2000. They are also more susceptible to domestic shocks, including those related to climate change.

Many LICs that graduated in the past underwent growth accelerations—extended periods of robust economic expansion, during which output became far more trade- and investment-intensive. These accelerations were generally preceded by reforms that tended to increase market orientation and channeled resources into rapid investment growth. To kick-start stronger growth, today's LICs can harness large resource endowments to, among other things, supply the green transition, and find advantage in youthful and growing populations, untapped tourism potential, and regional trade integration. However, harnessing these factors and improving productivity hinges on engineering increased investment in human and physical capital, closing gender gaps, addressing fiscal risks, and improving governance. For LICs in fragile and conflict-affected situations, attaining greater peace and stability is paramount. LICs will also need international support to mobilize additional resources and foster institutions that can drive durable reforms. Throughout, policy makers should be guided by deep knowledge of country circumstances—there is no one-size-fits-all recipe for growth and graduation to middle-income status in LICs.

(Source: <https://thedocs.worldbank.org/en/doc/c50bc3c87bc2666b9e5fa6699b0b2849-0050012025/original/GEP-Jan-2025.pdf>)

INDIAN ECONOMY

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the covid-19 pandemic shock. Nominal GDP for Q2 FY23 is estimated at ₹ 76.60 lakh crore (US\$ 886.16 billion) with growth rate of 8.0%, compared to ₹ 70.90 lakh crore (us\$ 820.22 billion) for q2 fy24. The growth in nominal GDP during 2023-24 is estimated at 9.6% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the second half of fy24. During the period April-December 2024, India's exports stood at ₹ 27.56 lakh crore (us\$ 318.96 billion), with engineering goods (27.32%), petroleum products (14.59%) and electronic goods (8.19%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization

of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIS (high-frequency indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

(Source: <https://www.eoibudapest.gov.in/page/overview-of-indian-economy>)

MANUFACTURING SECTOR IN INDIA

INTRODUCTION

Manufacturing is emerging as an integral pillar in the country's economic growth, thanks to the performance of key sectors like automotive, engineering, chemicals, pharmaceuticals, Textiles and consumer durables. The Indian manufacturing industry generated 16-17% of India's GDP pre-pandemic and is projected to be one of the fastest growing sectors.

Technology has today encouraged creativity, with digital transformation being a critical element in gaining an advantage in this increasingly competitive industry. The Indian manufacturing sector is steadily moving toward more automated and process-driven manufacturing, which is projected to improve efficiency and enhance productivity.

India's manufacturing sector reached a 16-year high in March, with the HSBC Manufacturing Purchasing Managers' Index (PMI) rising to 59.1, driven by strong increases in output, new orders, and job creation across various goods sectors.

India has the capacity to export goods worth US\$ 1 trillion by 2030 and is on the road to becoming a major global manufacturing hub.

With 17% of the nation's GDP and over 27.3 million workers, the manufacturing sector plays a significant role in the Indian economy. Through the implementation of different programmes and policies, the Indian government hopes to have 25% of the economy's output come from manufacturing by 2025.

India now has the physical and digital infrastructure to raise the share of the manufacturing sector in the economy and make a realistic bid to be an important player in global supply chains.

A globally competitive manufacturing sector is India's greatest potential to drive economic growth and job creation this decade. Due to factors like power growth, long-term employment prospects, and skill routes for millions of people, India has a significant potential to engage in international markets. Several factors contribute to their potential. First off, these value chains are well positioned to benefit from India's advantages in terms of raw materials, industrial expertise, and entrepreneurship. Second, they can take advantage of four market opportunities: expanding exports, localising imports, internal demand, and contract manufacturing. With digital transformation being a crucial component in achieving an advantage in this fiercely competitive industry, technology has today sparked creativity. Manufacturing sector in India is gradually shifting to a more automated and process driven manufacturing which is expected to increase the efficiency and boost production of the manufacturing industry.

India is gradually progressing on the road to Industry 4.0 through the Government of India's initiatives like the National Manufacturing Policy which aims to increase the share of manufacturing in GDP to 25 percent by 2025 and the PLI scheme for manufacturing which was launched in 2022 to develop the core manufacturing sector at par with global manufacturing standards.

FDI in India's manufacturing sector has reached US\$ 165.1 billion, a 69% increase over the past decade, driven by production-linked incentive (PLI) schemes. In the last five years, total FDI inflows amounted to US\$ 383.5 billion.

India is planning to offer incentives of up to ₹ 18,000 crore (US\$ 2.2 billion) to spur local manufacturing in six new sectors including chemicals, shipping containers, and inputs for vaccines.

India's mobile phone manufacturing industry anticipates creating 150,000 to 250,000 direct and indirect jobs within the next

12-16 months, driven by government incentives, and increased global demand. Major players like Apple and its contract manufacturers, along with Dixon Technologies, are expanding their workforce to meet growing production needs.

MARKET SIZE

As per the survey conducted by Reserve Bank of India, capacity utilisation in India's manufacturing sector stood at 76.8% in the third quarter of FY24, indicating a significant recovery in the sector. India's GDP surged by 8.4% in the October-December quarter, surpassing expectations. GDP growth was driven by robust performances in the manufacturing and construction sectors, with the manufacturing sector expanding by 11.6% annually and the construction sector growing by 9.5%.

India's overall exports during the April-June period of 2024-25 are estimated to be US\$ 109.11 billion, reflecting a positive growth of 7% over the April-June period of 2023-24. The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025-26. India has potential to become a global manufacturing hub and by 2030, it can add more than US\$ 500 billion annually to the global economy. As per the economic survey reports, estimated employment in manufacturing sector in India was 5.7 crore in 2017-18, 6.12 crore in 2018-19 which was further increased to 6.24 crore in 2019-20. India's display panel market is estimated to grow from ~US\$ 7 billion in 2021 to US\$ 15 billion in 2025. The manufacturing GVA at current prices was estimated at US\$ 110.48 billion in the first quarter of FY24.

RECENT DEVELOPMENT

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to priorities lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of the major developments in this sector in the recent past are:

- India's defence exports soared by 78% in Q1 FY25, reaching ₹ 6,915 crore (US\$ 828 million). This growth reflects the country's push for self-reliance in defence manufacturing, with total exports hitting a record ₹ 20,915 crore (US\$ 2.51 billion) in FY24, marking a 25% increase from the previous year.
- Sansera Engineering Limited has signed a MoU with the Karnataka government to invest ₹ 2,100 crore (US\$ 251 million) in a new manufacturing facility in Ramanagara, aiming to create 3,500 jobs and enhance production capacity in the automotive and non-automotive sectors over the next three to five years.
- Google is set to begin manufacturing Pixel smartphones in India, specifically in Tamil Nadu, in collaboration with Foxconn and Dixon Technologies. This production aims to cater primarily to export markets in Europe and the US, with operations expected to start in September 2024. The initiative comes as Google prepares to launch its Pixel 9 series in India on August 13, leveraging India's Production-Linked Incentive (PLI) scheme to enhance manufacturing scalability.
- Maruti Suzuki has begun exporting the Made-in-India Fronx compact SUV to Japan, marking its first SUV launch in the Japanese market. Manufactured at its Gujarat plant, the first shipment of over 1,600 vehicles has already left for Japan, with the official launch planned for autumn 2024.
- According to the Department for Promotion of Industry and Internal Trade (DPIIT), India received a total foreign direct investment (FDI) inflow of US\$ 48.03 billion in FY23.
- Between April 2000-March 2024:
- India's manufacturing sector activity continued to expand in November 2023, with the S&P Global Purchasing Managers' Index (PMI) reaching 56.
- During the financial year 2022-23, around 1.39 crore net members were added by EPFO with an increase of 13.22% compared to the previous financial year 2021-22 wherein EPFO had added approximately 1.22 crore net members.
- Mobile phone exports from India nearly doubled to reach US\$ 5.5 billion, by August in FY24, with the government anticipating mobile phone exports worth ₹ 1 trillion (US\$ 12 billion) this year.
- India aims for US\$ 100 billion annual foreign direct investment (FDI) in the coming years, according to Union Minister of Information and Broadcasting Mr. Ashwini Vaishnaw, as part of the government's strategy focused on infrastructure investment, social upliftment, manufacturing growth, and simplification of business processes, amidst projections of consistent 6-8% economic growth over the next decade.
- At the aggregate level, the capacity utilization (CU) in the manufacturing sector increased to 74.0% in Q2:2023-24 from 73.6% in the previous quarter.
- In FY24, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 59.1.
- India's GDP surged in the January-March quarter, growing 7.8%, exceeding the 6.7% forecast. Manufacturing rebounded by 9.9%, contrasting with last year's contraction. GDP for the fiscal year hit 8.2%. IMF projects India as the world's fourth-largest economy very soon.
- India's gross value added (GVA) at current prices was estimated at US\$ 506.35 billion as per the quarterly estimates of

the fourth quarter of FY24.

GOVERNMENT INITIATIVES

- Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:
- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at ₹ 47,65,768 crores (US\$ 571.64 billion) of which total capital expenditure is ₹ 11,11,111 crores (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'Atma Nirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of ₹ 1,500 crores (US\$ 182.35 million).
- Prime Minister Mr. Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29, 2022, by the Ministry of Railways.
- On October 7, 2022, the Department for Promotion of Industry and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.
- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of ₹ 2,000 crores (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of ₹ 5,963 crores (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT companies and start-ups in both countries.
- India and Namibia entered a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (₹) to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading

community.

- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period. It is introduced by the Government of India on June 14, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth ₹ 21,000 crores (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than ₹ 80,000 crores (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on June 30, 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- 'Mission Shakti' was applicable with effect from April 1, 2022, aimed at strengthening interventions for women's safety, security, and empowerment.
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at ₹ 10.68 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to ₹ 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth ₹ 20,000 crores (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/Seminomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of ₹ 30 trillion (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of ₹ 24,000 crores (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of ₹ 2,500 crores (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated ₹ 44,720 crores (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated ₹ 650 crores (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got ₹ 13,700 crores (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production-linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of ₹ 18,100 crores (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth ₹ 45,000 crores (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.

- In the Union Budget of 2022-23, Railway got an investment of ₹ 2.38 trillion (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced ₹ 2.65 trillion (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~₹ 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to ₹ 50,000 crores (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system, help fuel liquidity, and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY23; it is expected to raise ₹ 4 trillion (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India, and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman Al Banna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025

Sources: <https://www.ibef.org/economy/indian-economy-overview>

Note: Conversion rate used for December 2024 is Rs.1 = US\$ 0.012

TEXTILE – INDUSTRY SCENARIO

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector at the other end. The fundamental strength of the textile industry in India is its strong production base of a wide range of fibre/yarns from natural fibres like cotton, jute, silk, and wool, to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.

The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world.

According to Crisil Ratings, the organised retail apparel sector is projected to achieve revenue growth of 8-10% in FY25, driven by rising demand from a normal monsoon, easing inflation, and the festive and wedding seasons.

The increasing preference for affordable, trendy fashion clothing that mimics high-fashion designs is expected to be the primary revenue driver. In order to attract private equity and employee more people, the government introduced various schemes such as the Scheme for Integrated Textile Parks (SITP), Technology Upgradation Fund Scheme (TUFS) and Mega Integrated Textile Region and Apparel (MITRA) Park scheme.

The market for Indian textiles and apparel is projected to grow at a 10% CAGR to reach US\$ 350 billion by 2030. Moreover, India is the world's 3rd largest exporter of Textiles and Apparel. India ranks among the top five global exporters in several textile categories, with exports expected to reach US\$100 billion.

The textiles and apparel industry contributes 2.3% to the country's GDP, 13% to industrial production and 12% to exports. The textile industry in India is predicted to double its contribution to the GDP, rising from 2.3% to approximately 5% by the end of this decade.

Textile manufacturing in India has been steadily recovering amid the pandemic. The manufacturing of textiles Index for the month of June 2024 is 106. Global apparel market is expected to grow at a CAGR of around 8% to reach US\$ 2.37 trillion by 2030 and the Global Textile & Apparel trade is expected to grow at a CAGR of 4% to reach US\$ 1.2 trillion by 2030. India's home textile industry is expected to expand at a CAGR of 8.9% during 2023-32 and reached US\$ 23.32 billion in 2032 from US\$ 10.78 billion in 2023.

The Indian Technical Textile market has a huge potential of a 10% growth rate, increased penetration level of 9-10% and is the 5th largest technical textiles market in the world. India's sportech industry is estimated around US\$ 1.17 million in 2022-23.

Textiles and apparel exports from India (US\$ billion)



Source: Ministry of textiles

Note: F- Forecast

The Indian Medical Textiles market for drapes and gowns is around US\$ 9.71 million in 2022 and is expected to grow at 15% to reach US\$ 22.45 million by 2027.

The Indian composites market is expected to reach an estimated value of US\$ 1.9 billion by 2026 with a CAGR of 16.3% from 2021 to 2026 and the Indian consumption of composite materials will touch 7,68,200 tonnes in 2027.

India is the world's largest producer of cotton. In the first advances, the agriculture ministry projected cotton output for 2023-24 at 31.6 million bales. According to the Cotton Association of India (CAI), the total availability of cotton in the 2023-24 season has been pegged at 34.6 million bales, against 31.1 million bales of domestic demand, including 28 million bales for mills, 1.5 million for small-scale industries, and 1.6 million bales for non-mills. Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing demand from consumers. It is expected to surpass US\$ 30 billion by 2027, with an estimated 4.6-4.9% share globally.

In 2022-23, the production of fibre in India stood at 2.15 million tonnes. While for yarn, the production stood at 5,185 million kgs during the same period. Natural fibres are regarded as the backbone of the Indian textile industry, which is expected to grow from US\$ 138 billion to US\$ 195 billion by 2025.

India's textile industry is on the brink of expansion, with total textile export projected to reach US\$ 65 billion by FY26. India saw a 36.4% increase in industrial design applications, particularly in textiles, accessories, tools, machines, health, and cosmetics.

According to ICRA, Indian apparel exporters are projected to achieve revenue growth of 9-11% in FY25, driven by the gradual reduction of retail inventory in key end markets and a shift in global sourcing towards India.

During FY24, the total exports of textiles (including handicrafts) stood at US\$ 35.9 billion. Exports of textiles (RMG of all textiles, cotton yarns/fabs/made-ups/handloom products, man-made yarns/fabs/made-ups, handicrafts excl. handmade carpets, carpets and jute mfg. including floor coverings) stood at US\$ 35.90 billion in FY24. In FY24, exports of readymade garments including accessories stood at US\$ 14.23 billion. India's textile and apparel exports to the US, its single largest market, stood at 32.7% of the total export value in FY24.

In FY25 (April- June) the total exports of textiles stood at US\$ 9.17 billion. In FY25 (April-June), exports of readymade garments including accessories stood at US\$ 2,244 million. India's textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country.

Investment and key Development

- Total FDI inflows in the textiles sector stood at US\$ 4.56 billion between April 2000 - September 2024.
- The textile sector has witnessed a spurt in investment during the last five years.
- The Textile Ministry's allocation increases by 19%, rising from ₹ 4,417.03 crore (US\$ 512 million) in 2024-25 to ₹ 5,272 crore (US\$ 611 million) in 2025-26, reflecting the government's commitment to addressing long-standing challenges and unlocking new growth opportunities.
- The Union Budget 2025-26 allocates ₹ 1,148 crore (US\$ 133.1 million) for the PLI Scheme to boost domestic manufacturing and exports, and ₹ 635 crore (US\$ 73.6 million) for the Amended Technology Upgradation Fund Scheme to modernize textile machinery.
- In August 2023, government has sanctioned the establishment of seven PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks on Greenfield and Brownfield sites. These parks will feature world-class infrastructure, including plug-and-play facilities, with a total investment of ₹ 4,445 crore (US\$ 535 million) over a seven-year period, extending to 2027-28.
- Ministry of Textiles has sanctioned 19 research projects totalling approximately ₹ 21 crore (US\$ 2.52 million) across various domains of Technical Textiles under the National Technical Textiles Mission.
- DS Group's luxury menswear division, Brioni inaugurates its first boutique in India in November 2023.
- In November 2023, Reliance Foundation launched the first 'Swadesh' handicrafts store in Hyderabad, aimed at supporting and promoting Indian craftwork.
- Industry bodies to host the largest global mega textiles event, Bharat Tex 2024 from February 26-29, 2024, in New Delhi. According to Union Minister, Mr. Piyush Goyal, Bharat Tex 2024 Expo is a testament to India's commitment to becoming a global textile powerhouse.
- In September 2023, the Khadi and Village Industries Commission signed 3 MoUs to promote Khadi Products.
- In September 2023, Grasim Industries plans to open nearly 120 retail stores over the upcoming 2 years, by expanding its footprint in smaller cities and towns.
- In September 2023, Reliance Retail Ventures Ltd. (RRVL) announced the acquisition of Ed-a-Mamma for a 51% stake.
- In September 2023, Shadowfax inaugurated a 1.5 lakh sq. ft. fulfilment centre in Surat with 10 lakh orders per day processing capacity.
- In August 2023, the Ministry of Textiles approved 26 engineering institutions for the introduction of Technical Textiles under the National Technical Textiles Mission.
- In July 2023, PM MITRA Park, Amravati expected to attract investment of ₹ 10,000 crore (US\$ 1.20 billion) and create employment for 300,000 individuals.
- In May 2023, an investment of around ₹ 6,850 crore (US\$ 824.25 million) is expected in the PM MITRA Park in Madhya Pradesh and ₹ 8,675 crore (US\$1.04 billion) in other parts of the state.
- In May 2023, Aditya Birla Fashion and Retail Ltd. announced the acquisition of TCNS Clothing with a deal size of US\$ 198.54 million.
- India is expected to host the 81st Plenary Meeting of the International Cotton Advisory Committee (ICAC) from 2nd to 5th December 2023 in Mumbai with the theme "Cotton Value Chain- Local Innovations for Global Prosperity".
- Cott-Ally mobile app has been developed for farmers to increase awareness about MSP rates, nearest procurement centers, payment tracking, best farm practices etc.
- In April 2023, Godrej Consumer Products Ltd (GCPL) announced the ₹ 2,825 crore (US\$ 339.93 million) acquisition of Raymond Consumer Care Ltd (RCCL).
- In April 2022, Indo Count Industries bagged the home textile business of GHCL for US\$ 74.14 million.
- In March 2022, Reliance Retail Ventures Limited (RRVL) acquired a controlling share of Purple Panda Fashions for US\$ 115.8 million.
- Sutlej Textiles plans to set up a green field project for 89,184 spindles comprising cotton mélange yarn and PC grey yarn along with a dye house in Jammu & Kashmir with an estimated cost of US\$ 111.41 million (₹ 914 crore).

- Vardhman has established Vardhman ReNova, a cotton recycling facility with a six TPD production capacity. By establishing two new facilities in Madhya Pradesh, the company has also increased its capacity to produce yarn. With top-notch technology, the expansion includes over 100,000 spindles in total. This will result in a 75 TPD increase in yarn production capacity.
- The textile ministry has selected 61 companies, including Arvind Limited to enjoy benefits under its US\$ 1.3 billion (₹ 10,683 crore) production-linked incentive (PLI) scheme for the labour-intensive textiles and garment sector. The companies have pledged to invest US\$ 2.32 billion (Rs 19,077) crore over five years under the scheme, which will lead to an incremental turnover of US\$ 22.55 billion (Rs 1.85 trillion) and direct employment generation for 240,000 people.
- Arvind Limited, the largest textile-to-technology conglomerate in India, and PurFi Global LLC, a sustainable technology firm that specializes in rejuvenating textile waste into virgin-grade products, have formed a joint venture to reduce the quantity of textile waste dumped in landfills.
- In November 2022, local weavers in Tuensang in Nagaland were provided 45 days of skill-upgrading training, which would equal 315 hours under the SAMARTH programme.
- In 2022-23, the Sardar Vallabhbhai Patel International School of Textiles and Management (SVPISTM) is planning to offer B.Sc. and MBA courses in technical textiles.

Government Initiatives

The Indian government has come up with several export promotion policies for the textile sector. It has also allowed 100% FDI in the sector under the automatic route.

Other initiatives taken by the Government of India are:

- Secretary of the Ministry of Textiles, Ms. Rachna Shah, announced that India's technical textiles market has great potential, with a notable growth rate of 10% and ranking as the 5th largest in the world.
- A tripartite Memorandum of Understanding (MoU) was signed by the Textiles Committee under the Ministry of Textiles, the Government e Marketplace (GeM) under the Ministry of Commerce and Industry, and the Standing Conference of Public Enterprises (SCOPE) to promote upcycled products made from textile waste and scrap.
- Mr. Piyush Goyal also discussed the roadmap to achieve the target of US\$ 250 billion in textiles production and US\$ 100 billion in exports by 2030.
- In July 2023, 43 new implementing partners were empanelled under the SAMARTH scheme and an additional target of training around 75,000 beneficiaries has been allocated.
- 1,83,844 beneficiaries trained across 1,880 centres under Samarth.
- In June 2023, the Government approved R&D projects worth US\$ 7.4 million (₹ 61.09 crore) in the textile sector.
- In February 2023, the union government approved 1,000 acres for setting up a textile park in Lucknow.
- In February 2023, according to the Union Budget 2023-24, the total allocation for the textile sector was ₹ 4,389.24 crore (US\$ 536.4 million). Out of this, ₹ 900 crore (US\$ 109.99 million) is for Amended Technology Upgradation Fund Scheme (ATUFS), ₹ 450 crore (US\$ 54.99 million) for National Technical Textiles Mission, and ₹ 60 crore (US\$ 7.33 million) for Integrated Processing Development Scheme.
- In December 2022, a total of 44 R&D projects were started, and 23 of them were successfully completed. 9777 people were trained in a variety of activities relating to the silk industry.
- In December 2022, a total of US\$ 75.74 million (₹ 621.41 crore) in subsidies was distributed in 3,159 cases under the Amended Technology Upgradation Fund Scheme, with special campaigns held in significant clusters to settle backlog cases.
- In December 2022, a total of 73,919 people (SC: 18,194, ST: 8,877, and Women: 64,352) have received training, out of which 38,823 have received placement under SAMARTH.
- The establishment of 7 (seven) PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks with a total investment of US\$ 541.82 million (₹ 4,445 crore) for the years up to 2027-28 was approved by the government.
- In the academic year 2022-23, the opening of a new campus of the National Institute of Fashion Technology (NIFT) in Daman. Moreover, new campus buildings are being constructed in Bhopal and Srinagar.
- Under the National Technical Textile Mission (NTTM), 74 research projects for speciality fibre and technical textiles valued at US\$ 28.27 million (₹ 232 crore) were approved. 31 new HSN codes have been developed in this space.
- In November 2022, Tamil Nadu Chief Minister Mr. M. K. Stalin announced the establishment of a "Textile City" in Chennai as part of Tamil Nadu's strategy to become a major participant in the global textile industry. Additionally, the state will build a 1,500-acre textile park in the Virudhunagar district, for which SIPCOT will buy land.
- In June 2022, Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, stated that the Indian government wants to establish 75 textile hubs, similar to Tiruppur, which will greatly increase employment opportunities while promoting the export of textile products and ensuring the use of sustainable technology.
- In June 2022, Amazon India signed a MoU with the Manipur Handloom & Handicrafts Development Corporation Limited (MHHDCL), a Government of Manipur entity, to encourage the development of weavers and artisans throughout the state.

- In June 2022, the Kerala government announced that it would provide free training to 1,975 candidates under the SAMARTH scheme of the textile industry.
- The Sustainable Textiles for Sustainable Development (SusTex) project by the United Nations Climate Change entity enhances the employment and working circumstances of textile artisans while promoting the sustainable production and use of environmentally friendly textiles.
- In May 2022, Minister of Micro, Small and Medium Enterprises, Mr. Narayan Rane, inaugurated the Center of Excellence for Khadi (CoEK) at NIFT, Delhi. In order to produce innovative fabrics and apparel that will meet the needs of both domestic and foreign consumers, the CoEK will seek to introduce the newest designs and adopt procedures that adhere to international standards.
- In April 2022, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Mr. Piyush Goyal, said that new Economic Cooperation and Trade Agreements with Australia and the UAE would open infinite opportunities for textiles and handloom. Indian textile exports to Australia and the UAE would now face zero duties, and he expressed confidence that soon Europe, Canada, the UK and GCC countries would also welcome Indian textile exports at zero duty.
- In March 2022, the Tamil Nadu government included a Sustainable Cotton Cultivation Mission in its agriculture budget by allocating US\$ 1.86 million (Rs 15.32 crore) to enhance the yield of organic cotton.
- In March 2022, the Ministry of Textiles, in collaboration with the Confederation of Indian Industries (CII), organized a day-long International Conference on Technical Textiles with the theme: Creating the Winning Leap in Technical Textiles.
- The Khadi and Village Industries Commission (KVIC) achieved turnover of ₹ 1.15 lakh crore (US\$ 14.68 billion) in FY22, a growth of 20.54% YoY, and more than any Indian FMCG company managed in FY22.
- The Government of India has earmarked a corpus of ₹ 1,000 crore (US\$ 127.72 million) dedicated for research and development of the technical textiles sector.
- In March 2022, the Bihar government submitted a proposal to the Ministry of Textiles to set up a mega hub under the PM Mitra Mega Textile Park.
- In March 2022, Tamil Nadu Chief Minister Mr. MK Stalin announced that the State Industries Promotion Corporation of Tamil Nadu Ltd (SIPCOT) will set up a mega textile park in the Virudhunagar district.
- For export of handloom products globally, the Handloom Export Promotion Council (HEPC) is participating in various international fairs/events with handloom exporters/weavers to sell their handloom products in the international markets under NHDP.
- The Ministry of Textiles has also been implementing the Handloom Marketing Assistance (HMA), a component of National Handloom Development Programme (NHDP) all across India. HMA provides a marketing platform to the handloom weavers/agencies to sell their products directly to the consumers and develop and promote the marketing channel through organizing expos/events in domestic as well as export markets.
- In November 2021, Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, stated the desire to target a 3-5x time increase in the export of technical textiles worth US\$ 10 billion over the next three years.
- The Indian government has notified uniform goods and services tax rate at 12% on man-made fabrics (MMF), MMF yarns, MMF fabrics and apparel, which came into effect from January 1, 2022.
- Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, announced a mega handloom cluster in Manipur and a handloom and handicraft village at Moirang in Bishnupur. The mega cluster will be set up at an estimated cost of ₹ 30 crore (US\$ 4.03 million) under the National Handloom Development Programme (NHDP).

Road Ahead

The future of the Indian textiles industry looks promising, buoyed by strong domestic consumption as well as export demand. India is working on various major initiatives to boost its technical textile industry. Owing to the pandemic, the demand for technical textiles in the form of PPE suits and equipment is on the rise. The government is supporting the sector through funding and machinery sponsoring.

Top players in the sector are achieving sustainability in their products by manufacturing textiles that use natural recyclable materials.

With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The growth in textiles will be driven by growing household income, increasing population, and increasing demand by sectors like housing, hospitality, healthcare, etc.

The technical textiles market for automotive textiles is projected to increase to US\$ 3.7 billion by 2027, from US\$ 2.4 billion

in 2020.

Similarly, the industrial textiles market is likely to increase at an 8% CAGR from US\$ 2 billion in 2020 to US\$ 3.3 billion in 2027. The overall Indian textiles market is expected to be worth more than US\$ 209 billion by 2029.

References: Ministry of Textiles, Indian Textile Journal, Department of Industrial Policy and Promotion, Press Information Bureau, Union Budget 2023-24, Union Budget 2025-26, Invest India

(Source: <https://www.ibef.org/industry/textiles>)

BUSINESS OVERVIEW

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition, or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year. In this section, a reference to the “Company” or “we”, “us” or “our” means Sihora Industries Limited.

In this chapter, unless the context requires otherwise, any reference to the terms “We”, “Us”, “SIL” and “Our” refers to Our Company. Unless stated otherwise, the financial data in this section is as per our Restated financial statements prepared in accordance with Accounting Standard set forth in the Draft Prospectus.

OVERVIEW

Sihora Industries Limited (“our Company” or “Sihora”) is engaged in the business of manufacturing and sale of narrow woven fabrics, lace, digitally printed narrow fabrics, woven labels, tapes, zippers, elastics and other textile products, including technical textiles, for use in fashion and industrial sectors.

Our operations are headquartered in Surat, Gujarat which is one of India’s most vibrant textile manufacturing hubs. Our business integrates modern technology with traditional craftsmanship and is built on three strategic pillars: (i) brand enablement for apparel clients, (ii) proprietary brands, and (iii) non-branded bulk manufacturing. We aim to offer both flexibility and scale by producing high-quality, customizable products that cater to brands, retailers, wholesalers, and end consumers.

Our Company was originally incorporated as Sihora Industries Private Limited on August 10, 2023, under the Companies Act, 2013, with the intent to take over the operations of Sihora Narrow Fabrics, the sole proprietorship of our Promoter, Mr. Gautam Vallabhbhai Sihora. The takeover of business was completed on October 17, 2023. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed on June 12, 2024, and a fresh Certificate of Incorporation dated July 17, 2024, was issued by the RoC, Ahmedabad.

Our Promoter, Mr. Gautam Vallabhbhai Sihora, brings over 17 years of experience in the specialized textile sector, and has guided the Company’s shift from traditional lace and tape manufacturing to an integrated textile solutions provider.

Our Company is promoted and managed by individuals with relevant industry experience who oversee both strategic direction and daily operations. Our management team comprises person with functional expertise, contributing to operational efficiency and customer satisfaction. We maintain stringent quality standards through in-house quality control mechanisms and skilled supervision. Quality checks are conducted at multiple stages, including final inspection for defects related to thread, stains, colour, dimensions and fabric integrity.

Our Company operates an integrated textile manufacturing facility located in Surat, Gujarat, which undertakes end-to-end textile manufacturing processes, including yarn processing, weaving, digital printing, embroidery, dyeing, and finishing. The facility includes infrastructure for digital printing (reactive and sublimation), weaving through rapier looms and needle looms, electronic jacquard weaving and standard finishing processes. The integration of multiple manufacturing processes at a single location enables the Company to supply products to customers engaged in both branded and non-branded businesses.

The presence of multiple production functions within one facility assists in minimizing production delays, ensuring quality compliance, and supporting cost and process efficiencies. This structure also facilitates the execution of varied customer requirements and adherence to delivery timelines.

The manufacturing unit is located in Surat, Gujarat, which provides access to transportation networks, local suppliers, and workforce availability. Raw materials are procured from within Gujarat, which assists in reducing procurement time and associated logistics costs. The concentration of textile industry participants in the region also facilitates access to ancillary services and production inputs.

Our Company has maintained business relationships with its customers and suppliers, which assist in the continuity of business operations and procurement of inputs. The receipt of repeat orders from customers is indicative of established business linkages and supports our Company’s operational continuity.

Existing Capacity and Capacity Utilisation

Our Company is engaged in the manufacturing of various textile products including narrow woven fabrics (such as labels, laces, borders), rapier jacquard fabrics, suit, dupatta, garment fabrics, zippers, woven name tapes, and elastics. The details of the installed capacity and capacity utilisation for the respective periods are as follows:

For the period from April 01, 2024 to March 31, 2025, the installed capacity for narrow woven fabric (including label, woven lace and border, suit and dupatta) was 7,86,240 meters, with a capacity utilisation of 6,55,200 meters, representing a utilisation rate of 83.33%. In the preceding periods, the installed capacity and utilisation were as follows: from August 10, 2023 to March 31, 2024, installed capacity of 1,68,000 meters with 75% utilisation; from April 01, 2023 to October 17, 2023, installed capacity of 1,51,860 meters with 68.19% utilisation; and from April 01, 2022 to March 31, 2023, installed capacity of 3,55,000 meters with 77% utilisation.


With respect to zipper production, for the period April 01, 2024 to March 31, 2025, the installed capacity was 5,72,460 kilograms and the actual utilisation was 4,91,744 kilograms, resulting in a utilisation rate of 85.90%. For the limited period from February 2024 to March 2024, the installed capacity was 31,667 kilograms with a capacity utilisation of 19,000 kilograms, translating to 60% utilisation.





For narrow woven fabric measured in kilograms (comprising lace, border, and woven name tape), the installed capacity for the year ending March 31, 2025 was 2,05,920 kilograms with 1,45,000 kilograms of actual production, resulting in a utilisation rate of 70.42%. In the earlier periods, the installed capacities were 84,000 kilograms each for the periods April 01, 2023 to October 17, 2023 and August 10, 2023 to March 31, 2024, with utilisation rates of 79.39% and 75% respectively; and 2,88,340 kilograms for the year ending March 31, 2023, with a utilisation rate of 85%.

For elastic production (commenced from December 2024), the installed capacity during the period from December 2024 to March 2025 was 34,320 kilograms, with capacity utilisation of 24,960 kilograms, representing 72.73% utilisation.



We focus on timely execution of customer orders and cost-effective production by streamlining our procurement policies and production processes. Strong supplier relationships support timely availability of raw materials, aiding in order fulfillment. Our business model is order-driven and built around optimal utilization of production capacity and supplier linkages, resulting in economies of scale. Continuous investment in technology, employee training, and quality control enhances operational efficiency. We adopt a diversified market approach, gaining insights from customer preferences and competitor strategies to improve our offerings. The business is scalable and adaptable to increasing demand, with potential for expansion through marketing and innovation. Our Company regularly reviews its operations to identify process bottlenecks and improve resource utilization.

OUR EXISTING PRODUCT PORTFOLIO

Product Name	Product Snap	Description
Lace		<ul style="list-style-type: none"> Sale of laces constitute a major part of our Sales. Uses – Laces are used in garments industry specially in ladies garments/ salwar kameej/ saaris. Other uses of Laces are as pasted on top of the shoes/ chappals, decorative items, arts and craft etc. Types of Laces are – manufactured by use of Jacquard, Dobby, Digital print, hand-work, cut-work, embossed laces etc.

Product Name	Product Snap	Description
Rapier Looms (converted into Label Looms)		<ul style="list-style-type: none"> Label- Garment brand label, QR code label, Number board label, sizing labels, washing instructions. Woven Labels. Same machine used for gale mein sanmaan / cloth garland like garment of size 6"x1.5 meters. Garment cloth, dupatta, Saree cloth. Photo frame with images of Gods/ Goddesses/ prominent persons and scenes of Nature etc. Decorative & Marketing Product Like Visiting Card, Bag, Khesh etc.
Needle Looms		<ul style="list-style-type: none"> Needle Looms are very versatile product infrastructure that enables us manufacture Tapes of different varieties. Varieties of tapes may be 6" tape, Tapes with customized names, Elastic, lace, round doori, raakhi doori, I-card tape used in offices/ schools/ institutions, pets tape, zipper tapes, all sorts of elastics (plain elastic and also with customer name), Round and plain / plate that are manufactured according to the size of the machine and of the border
Zipper		<ul style="list-style-type: none"> Zipper comprises of Zipper Tapes and Coiling and are then stitched together. Zipper tapes are basically manufactured by Needle Looms which are available with us. Further process involves Coiling + zipper tape stitching. For Coiling a cord is to be fixed which was outsourced by us till now but now cord-machine has been procured by us during the year 2024-25 and is being produced in-house. Uses - Zipper is used in garments, luggage industry, decorative pieces, school bags, pouch, adventure sports, adventure accessories, home furnishing. Value-addition (with customer name). We do not manufacture plastic and Metal zipper as of now but plan to manufacture in the future.
Elastic		<ul style="list-style-type: none"> Zipper comprises of Zipper Tapes and Coiling and are then stitched together. Zipper tapes are basically manufactured by Needle Looms which are available with us. Further process involves Coiling + zipper tape stitching. For Coiling a cord is to be fixed which was outsourced by us till now but now cord-machine has been procured by us during the year 2024-25 and is being produced in-house. Uses - Zipper is used in garments, luggage industry, decorative pieces, school bags, pouch, adventure sports, adventure accessories, home furnishing. Value-addition (with customer name). We do not manufacture plastic and Metal zipper as of now but plan to manufacture in the future.

PRODUCTS IN PIPELINE

Product Name	Product Snap	Description
Other Products		<ul style="list-style-type: none"> • PP – FDY Niwar Tape PP-FDY Niwar Tape is strong, lightweight, and resistant to moisture, abrasion, and chemicals. Commonly used in bags, backpacks, furniture, safety belts, and military gear, this tape offers excellent tensile strength and durability, making it ideal for both industrial and domestic applications. • Industrial pigment coating for webbing slings and lashing slings Pigment coatings help differentiate slings by load capacity, size, or application, ensuring safe and easy identification during lifting or securing operations and the coating enhances resistance to sunlight, moisture, and harsh weather conditions, increasing the sling's durability for outdoor use.
Technical and Specialized Zipper		<ul style="list-style-type: none"> • Gradually we are moving from the production of traditional products to Technical Products that are being used in new-age products. • Value-addition – Presently we are selling zippers as a whole sale standard product. We also plan to sell zipper as per the customized requirements even in smaller quantities and numbers once 5 machines in single/ continuous cycle are procured for cutting, slider mounting, down sealing, upper sealing and Planning to buy KKK NATIONAL HITECH ENTERPRISE (LONGKY GROUP) are procured from China/ any other similar friendly destination. • Water-resistant and waterproofed Zipper with TPU-Thermoplastic Polyurethane coating are also being planned to be used for outdoor applications like back-packs, jackets and outerwear, water sports gears like used in rafting etc.

PRODUCT WISE REVENUE BIFURCATION

(₹ in Lakhs)

Particulars	For the year ended on March 31, 2025*		For the period from August 10, 2023 to March 31, 2024*		For the period from April 1, 2023 to October 17, 2023^		For the year ended on March 31, 2023^	
	Amount	%	Amount	%	Amount	%	Amount	%
Elastic Sales	6.98	0.48	0	0.00	0	0.00	0	0.00
Lace & Border Sales	229.65	15.77	615.12	99.04	534.99	100.00	1,209.77	100.00
Zipper Sales	415.69	28.55	5.98	0.96	0	0.00	0	0.00
Viscous Suit and Rapier Lace and Border	803.88	55.20	0	0.00	0	0.00	0	0.00
Total	1456.20	100.00	621.10	100.00	534.99	100.00	1,209.77	100.00

* Sihora Industries Ltd.

^ Sihora Narrow Fabrics

OUR BUSINESS ACTIVITIES

OUR PLANT

Brief details of our Main Plant and machineries along with its capacities are given below:

Rapier Loom Machine:

Narrow woven fabric (lace) - The plant has an annual installed capacity to manufacture 7, 86,240 Meters of narrow woven fabric (Named Lace). While during the period from 1st April 2024 to 31st March 2025 the plant produced 6,55,200 Meters utilising 83.33% of the installed capacity.

Zipper Machine:

The plant has an installed annual capacity to manufacture 5, 72,460 Kgs. While during the period from 1st April 2024 to 31st March 2025 the plant produced 4,91,744 Kgs utilising 85.90% of the installed capacity.

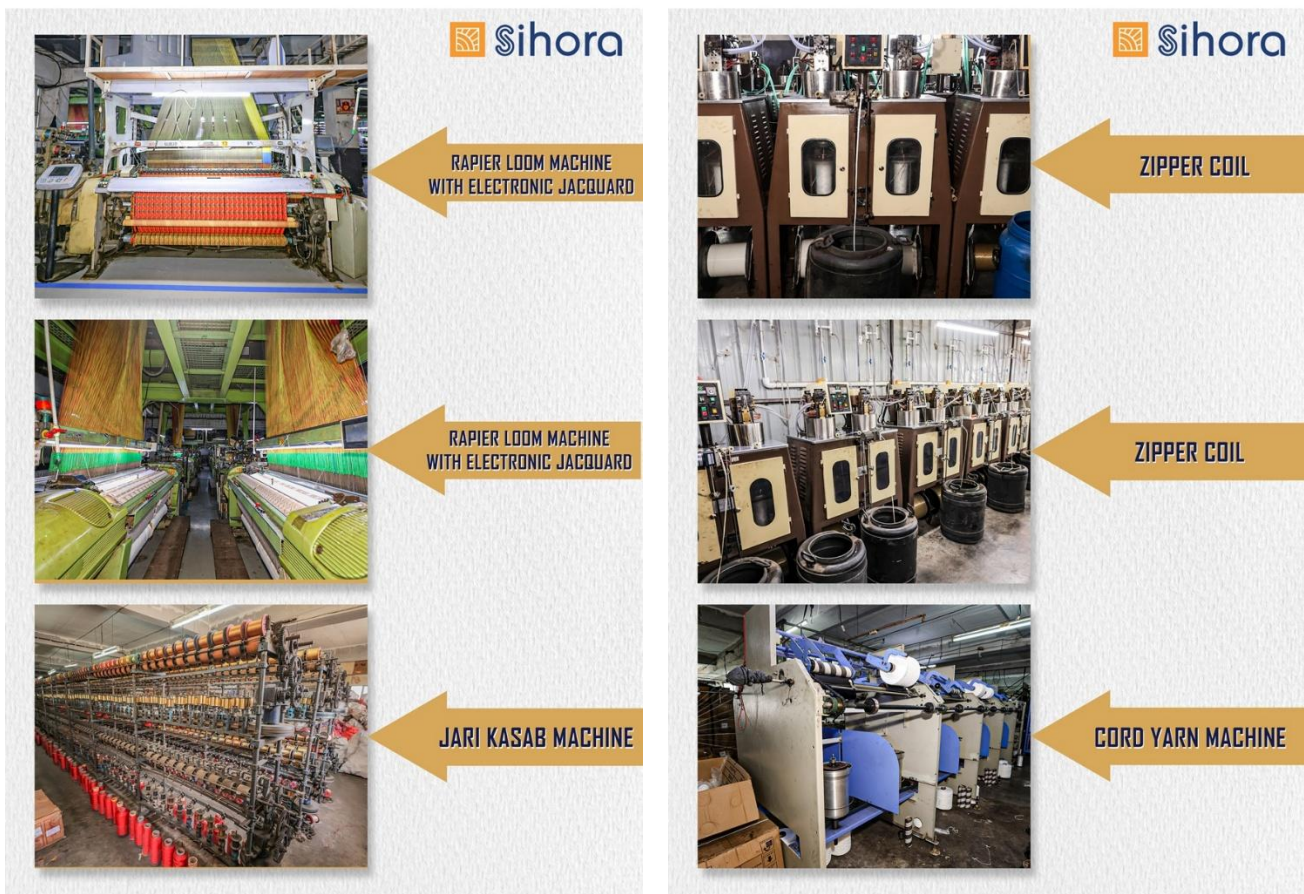
Needle Looms Machine [Narrow woven fabrics (lace):

The plant has an installed annual capacity to manufacture 2,05,920 Kgs of narrow woven fabrics (Lace). While during the period from 1st April 2024 to March 2025 the plant produced 1, 45,000 Kgs utilising 70.42% of the installed capacity.

Needle Looms Machine (Elastic):

Company started the production of elastic material in the month of Dec 2024 only. The installed annual capacity of the machine is 1,02,960 Kgs. Needle looms machine produced 24960 Kgs of Elastic during the four months period i.e. from Dec 2024 to March 2025. On annualised capacity basis it utilised 72.73% of the installed capacity (total annualised production being 74,880 Kgs).

MACHINERIES PHOTOS





ZIPPER STITCHING MACHINE



FINISHED MACHINE - ZIPPER



ZIPPER STRIP PACKAGING



ZIPPER WINDING MACHINE



ELASTIC MEASUREMENT AND WINDING MACHINE



RUBBER COVERING MACHINE



TUBBING MACHINE



NEEDLE JACQUARD LACE



NEEDLE LOOM ELASTIC



WARPING MACHINE



Process Of Manufacturing Lace, Border, Label



Description of Process of Lace, Border, and Label Manufacturing

The manufacturing of textile embellishments such as lace, decorative borders, and woven labels involves a sequence of highly coordinated processes from sourcing raw yarns to packaging finished products. Each step integrates precision machinery, skilled labor, and digital design systems to ensure a high-quality, market-ready product.

1. Raw Material Procurement

The process begins with the careful selection and procurement of raw yarns, which form the base material for all products.

Types of Yarns Used:

Polyester Yarn: Known for its strength, durability, and wrinkle resistance.

Jari Kasab: A metallic thread traditionally used in Indian textiles for its shimmering gold or silver appearance.

Metalized Yarn: Synthetic yarns coated with metal or metallic-looking finishes for decorative shine.

Viscose Yarn: A soft, semi-synthetic fiber made from cellulose, offering a silk-like luster.

Nylon yarn: A synthetic fiber made from polyamide, known for its strength, elasticity, and durability.

Each type of yarn is selected based on the product requirement - whether the end product needs to be shiny, soft, rigid, or resistant to wear.

2. Yarn Dyeing (If Color-Specific Product is Required)

If the product design specifies particular colors, the yarns undergo a dyeing process before they are used for weaving which we usually outsourced to other manufacturers.

Dyeing Methods:

Cone Dyeing for polyester or viscose yarns.

Package Dyeing for consistent penetration of color.

Hand or Machine Dyeing for small-batch custom colors.

Quality Checks:

Color fastness (resistance to washing/light).

Shade matching against customer-approved lab dips.

This ensures that the yarns achieve vibrant, uniform colors that remain stable throughout further processing.

3. Warping – Beam Preparation

Next, the dyed (or raw) yarn is loaded into a warping machine, which aligns hundreds of yarn ends and winds them onto a beam in parallel order.

Purpose of Warping:

To ensure that yarns are tensioned evenly.

To prepare the yarn set for weaving with minimal breakage.

Output:

The yarns are now organized on a beam, which is a large cylindrical reel, ready to be mounted on a weaving machine.

4. Weaving on Needle Loom or Rapier Loom Machines

The warped beams are mounted on high-speed weaving machines - Needle Looms or Rapier Looms, depending on the product complexity.

Needle Looms: Suitable for narrow fabrics like borders, tapes, and small labels.

Operates using needles and guides.

Offers speed and precision for repeated patterns.

Rapier Looms: Used for wider or more intricate woven patterns.

Uses a flexible or rigid “rapier” mechanism to insert weft yarns.

Allows for complex weaves and color variations.

Trims borders or labels to desired widths.

Process Outcome:

Selected warp threads are raised or lowered by a shedding mechanism (cams, dobbies, or electronics) to form a shed for weft insertion. The machine produces the unfinished woven product, which may include:

Laces with ornamental patterns.

Borders with multi-color designs.

Woven labels with logos, text, and size info.

5. Digital Design Setting and Execution

Before or during weaving, the design creation and setup phase takes place. This step is crucial for personalization and brand identity.

Design Inputs:

For lace/borders: Floral, geometric, or custom motifs.

For labels: Company logos, brand names, sizes, care instructions.

Software Used:

CAD (Computer-Aided Design) software tailored for textile design.

Digital Jacquard systems that feed patterns into weaving machines.

Execution:

Designs are digitally mapped and loaded into the machine’s controller.

Color sequences, pattern repeats, and weft/warp adjustments are programmed.

This ensures the accuracy of patterns, symmetry, and high-definition detail in the final fabric.

6. Finishing Process

After weaving, the product is still in a semi-finished state. It must undergo finishing to improve aesthetics, feel, and usability.

Finishing Treatments:

Heat Setting: Stabilizes the shape and size of synthetic fibers.

Softening Agents: Improve hand feel.

Starching or Resin Treatment: Adds stiffness or sheen.

Fray Checking: Prevents yarn unraveling at the edges.

Machines Used:

Finishing machines with rollers, heat chambers, or chemical applicators.

This process prepares the product for the final look and touch that meets market expectations.

7. Packaging and Despatch

Once the product is finished and quality-checked, it moves to the packaging department for dispatch preparation.

Packaging Steps:

Measuring & Rolling: Measured in meters/yards and rolled neatly.

Bagging & Boxing: Securely packed to avoid creases or damage.

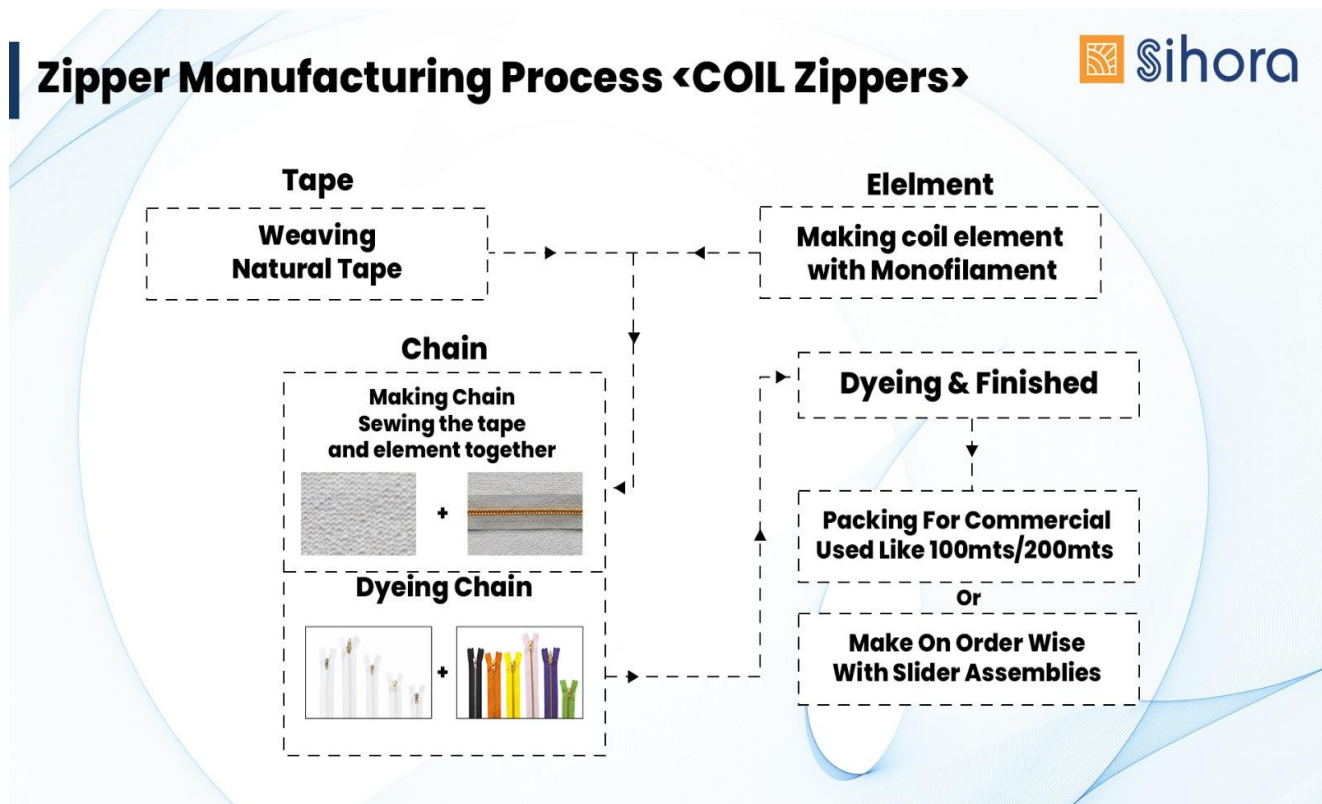
Despatch Logistics:

Products are then dispatched according to shipping instructions.

8. End Result

A high-quality finished product whether lace, border, or label is now ready to be delivered to customers, garment manufacturers, or retail markets.

MANUFACTURING PROCESS FOR ZIPPERS



Step-by-Step Process of Manufacturing COIL Zippers / CFC Zippers

1. Raw Material Selection

Monofilament (typically polyester or nylon): Used to make the zipper coil.
Tape yarns (polyester or cotton): For weaving the zipper tape.
Slider components (zinc alloy, plastic, etc.): For the zipper mechanism.
Top and bottom stops: Usually made of metal or molded plastic.

2. Tape Weaving

Zipper tapes are woven using narrow fabric weaving looms (needle looms).
The tape must be durable, flexible, and able to hold the coil securely.
Typically plain weave or twill weave is used, with tightly packed weft yarns.

3. Monofilament Forming (Coil Wire Extrusion)

Nylon or polyester chips are melted and extruded through a die to form continuous filament.
This filament is cooled, stretched, and wound onto spools.
This filament we sourced from outsiders.
The monofilament is then coiled into a spiral shape (using heated forming molds) to create the interlocking coil structure.

4. Coil Stitching (Chain Forming)

The spiral coil is sewn onto the edge of each zipper tape using high-speed stitching machines.
The coil is precisely positioned and firmly stitched with lockstitch or zig-zag stitching, depending on design.
This step ensures proper alignment and strength for smooth operation.

5. Slider Insertion

Sliders (metal or plastic) are inserted manually or automatically onto the chain to create open-end, closed-end, or two-way zippers.
The orientation and size of the slider are matched to the chain specifications.

6. Stop Attachment (Top and Bottom Stops)

Top and bottom stops are added using stamping or crimping machines.
This prevents the slider from coming off the chain ends.

7. Zipper Cutting & End Treatment

Long zipper chains are cut into specific lengths as per customer requirement.
Ends may be ultrasonically cut, heat-sealed, or taped to prevent fraying.

8. Surface Finishing (Optional)

May include dyeing, color coating, or lubricant application (e.g., silicone or paraffin) to improve performance.
Printing of logos or codes on tape may also be done.

9. Quality Control & Inspection

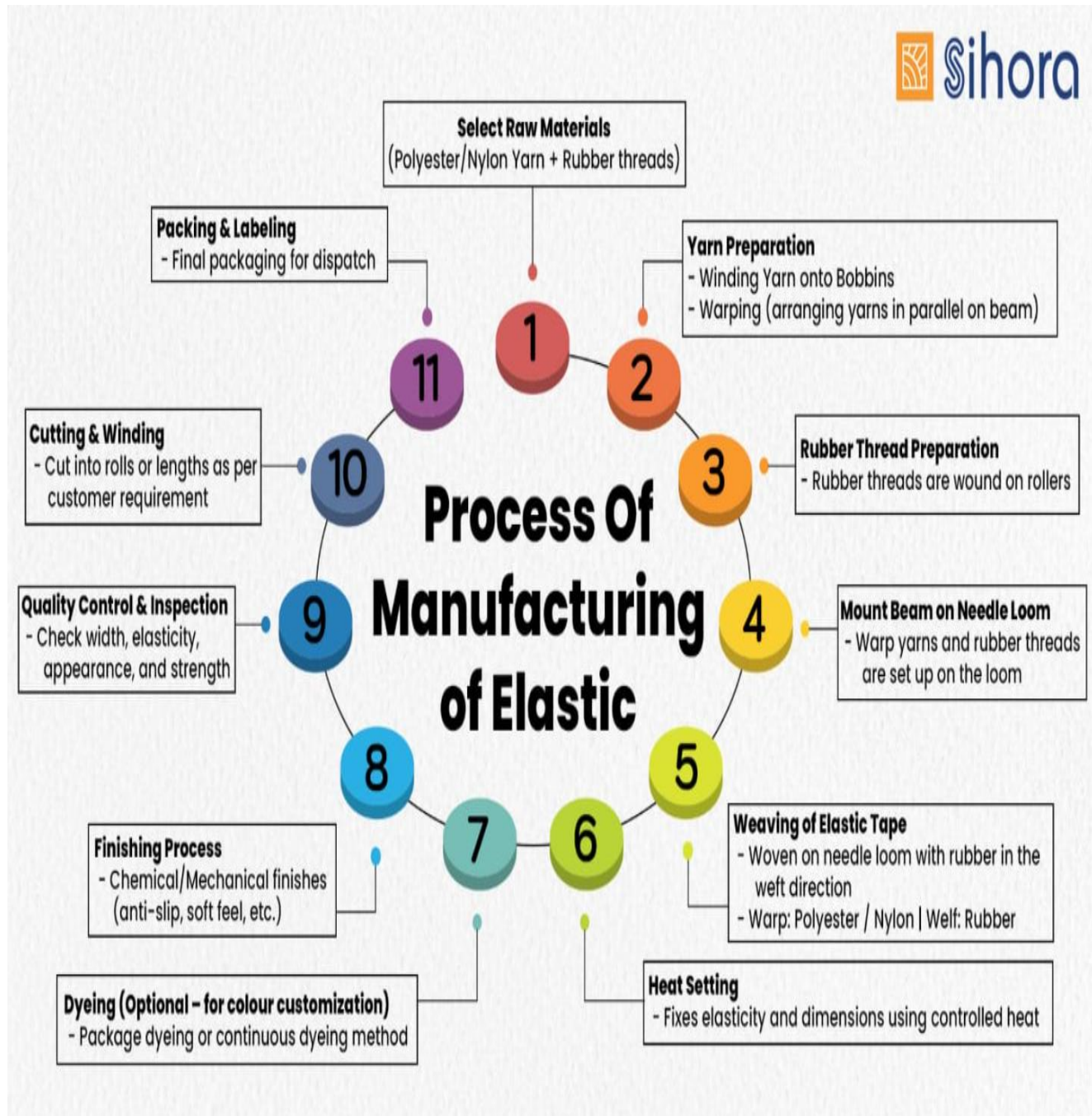
Zippers are tested for:
Smooth operation
Strength and durability
Defect-free stitching
Precise dimensions
Random sampling and automated inspection tools are used.

10. Packaging

Finished zippers are rolled or bundled, labeled, and packed for shipment. Depending on customers' requirement, the Zippers are dispatched in Roll Packing or piece to piece basis.

Custom packaging is used for branded clients.

MANUFACTURING PROCESS FOR ELASTIC



Detailed Process of Woven Elastic Manufacturing

1. Selection of Raw Materials

The manufacturing process begins with the careful selection of raw materials. High-quality polyester or nylon yarns are chosen for their strength, flexibility, and durability. In addition, natural or synthetic rubber threads are selected based on the desired elasticity and resistance to wear. These materials must meet specific performance criteria depending on the final application—such as garment trims, medical supports, or industrial uses.

2. Preparation of Rubber Threads and Yarns

Next, the raw materials are prepared for weaving:

Rubber threads are wound onto rollers to ensure smooth and controlled unwinding during the weaving process. This winding also helps maintain consistent tension.

Yarns (polyester or nylon) are first wound onto bobbins. These bobbins are then systematically aligned and mounted onto warp beams, ensuring uniform distribution and alignment necessary for even weaving.

This step is crucial to eliminate tangles, ensure consistent yarn feed, and maintain high-quality output.

3. Mounting onto Needle Looms

Once prepared, both the rubber threads and the yarns are loaded onto needle looms—specialized machines designed for weaving narrow fabrics like elastic. The loom setup is adjusted according to the required width, thickness, and weave pattern of the elastic. The machine is calibrated for precise control over tension, speed, and interlacing parameters.

4. Weaving Process

The core weaving process begins here. Woven elastic is typically made by interlacing:

Yarn in the warp (lengthwise) direction, providing structure and support.

Rubber threads in the weft (crosswise) direction, contributing to the stretch and recovery properties.

The needle loom interlaces these two components with high precision, ensuring that the elastic band achieves the desired combination of strength, elasticity, and durability. This step is continuous and highly controlled to maintain uniform quality.

5. Heat Setting

To lock in the elastic's shape and stretch characteristics, it is passed through a heat-setting chamber. This involves applying controlled heat and tension to stabilize the fibers and rubber threads. This step ensures that the elastic retains its dimensions and functional properties during use and after multiple washes.

Heat setting also improves the elastic's appearance, giving it a smooth and professional finish.

6. Dyeing (If Required)

If the product specifications call for a particular color, the woven elastic undergoes a dyeing process which we usually outsourced to other manufacturers. Depending on the production volume and desired colorfastness, one of the following methods is used:

Package dyeing: The elastic is dyed in packages on perforated tubes, allowing dye to circulate evenly.

Continuous dyeing: The elastic passes through a series of dye baths and dryers on a continuous line, ideal for large production runs.

Color matching and quality control are essential at this stage to meet customer specifications and ensure consistency across batches.

7. Quality Inspection

Once dyed (if applicable), the elastic is subjected to rigorous quality control checks, including:

Width verification using precision measuring tools.

Elasticity testing, ensuring stretch and recovery meet standards.

Strength testing, confirming the elastic can withstand tension and wear.

Visual inspection for any defects such as uneven weave, color inconsistencies, or frayed edges.

Defective rolls are either corrected if possible or rejected to maintain quality assurance.

8. Finishing, Cutting, and Packaging

In the final stage:

The heat-set elastic is cut into specified lengths or wound into rolls as required by the customer.

It may also undergo additional finishing treatments such as softening, anti-fray application, or surface coating, depending on the end use.

Finally, the finished elastic is carefully packed - labeled, wrapped, and boxed to protect it during transport and ensure easy handling at its destination.

Summary:

This process transforms basic raw materials like yarn and rubber into high-performance woven elastic through a series of well-controlled and precise steps: from material preparation and weaving, to finishing and quality control. Each stage is essential to producing elastic that meets performance, durability, and aesthetic standards.

FINANCIAL SNAPSHOT

(₹ in Lakhs)

Particulars	For the year ended on March 31, 2025*	For the period from August 10, 2023 to March 31, 2024*	For the period from April 1, 2023 to October 17, 2023^	For the year ended on March 31, 2023^
Revenue from Operations	1456.20	621.10	534.99	1209.77
EBITDA	329.21	95.54	76.76	116.65
EBITDA Margin	22.61%	15.38%	14.35%	9.64%
Profit After Tax	187.26	32.14	27.53	29.98
PAT Margin (%)	12.86%	5.17%	5.15%	2.48%
Net worth	526.03	338.77	40.90	13.48
RoE (%)	35.60%	9.49%	67.29%	222.38%
RoCE (%)	31.93%	16.47%	25.06%	30.57%

* Sihora Industries Ltd.

^ Sihora Narrow Fabrics

OUR COMPETITIVE STRENGTH

Experienced Promoters and Management Team

Our Promoters and management team is experienced in the industry in which we are operating and has been responsible for the growth of our operations and financial performance. Our promoters lead the Company with their vision. They have an adequate experience in the line of the business undertaken by the Company and look after the strategic as well as day to day business operations. The strength and entrepreneurial vision of our Promoters and management have been instrumental in driving our growth and implementing our strategies. We believe that a motivated and experienced employee base is essential for maintaining a competitive advantage. Our motivated team of management and key managerial personnel complement each other to enable us to deliver high levels of client satisfaction.

Consistency in Quality Standards

We follow stringent quality standards in our manufacturing unit to ensure that our products meet required customer standards. These standards ensure the quality consistency of the manufactured product by ensuring that we employ well-trained staff, have sufficient premises and equipment for manufacturing. We have an in-house quality control mechanism carried out by skilled operators under proper quality control and strict supervision. A comprehensive final inspection is conducted on representative samples before packaging. A visual inspection for any defects such as loose threads, stains, colour, dimensions,

and fabric quality enables us to offer good quality products that are durable and comfortable to customers that are willing to pay for the desired quality.

Strategic Location of Manufacturing Unit

Our Company has one manufacturing unit located in Surat, the state of Gujarat. Our manufacturing unit is located with the following benefits:

- The manufacturing unit is located in Surat with rich connectivity for logistics.
- Raw materials are sourced locally and are easily available and / or deliverable from the manufacturers located in Surat/ Gujarat to our Unit as majority of our suppliers are local only. Thus, procurement of raw materials is less time consuming and comparatively cheaper due to savings on time and freight.
- Skilled and semi-skilled employees are easily available in Surat, Gujarat in view of the large number of existing and upcoming Textile industries / sectors in Surat.
- Government has created various infrastructural facilities conducive for growth of all manufacturing companies.

Smooth flow of operations

Established relationship with customers and suppliers ensures stability in demand and an uninterrupted supply of raw materials. We have maintained long-standing relationship with our major customers. We are successful in building a strong client base for our business. Our existing relationships help us to get repeat business from our customers. This has helped us to maintain a long-term working relationship with our customers and improve our customer retention strategy. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business. Long-term relations are built on trust and continuous maintaining of the requirements of the customers. It forms basis of further expansion for our Company, as we are able to monitor a potential product/ market closely.

Cost effective production and timely fulfilment of orders

Timely fulfilment of the orders is a prerequisite in our industry. Our Company has taken various steps in order to ensure adherence to timely fulfilment and also to achieve greater cost efficiency at our existing processing units. These steps include identifying quality suppliers of raw material, use of an efficient production system and ability to meet large and varied orders due to our capacity and linkages with raw material suppliers. Our Company also enjoys good relations with our suppliers of raw material and as a consequence has had the benefit of timely supplies of the raw materials which has been one of the major reasons why we have been able to achieve timely fulfilment of orders of our customers. Our Company constantly endeavours to implement an efficient procurement policy for inputs required for production so as to ensure cost efficiency in procurement which in turn results in cost effective production.

Market Diversification

Selling our products to demanding customers has gained us valuable insights into customer trends, customer preferences and competitor strategies. We use such knowledge to improve product quality and processes, enhancing the company's competitiveness both domestically and internationally. Growth oriented business has led us to investment in technology upgrade, quality control, employee training to meet industry quality standards and customer requirements. Such upgradation benefits the entire industry and improve productivity and efficiency.

Scalable Business Model

Our business model is order driven, and comprises of optimum utilization of our manufacturing, and processing facilities, maximum capacity utilization, developing linkages with quality raw material suppliers and achieving consequent economies of scale. We believe that this business model has proved successful and scalable for us in the last few financial years. We can scale upward as per the requirement generated by our Company. The business scale generation is basically due to the potential development possibilities of domestic markets, by adopting aggressive marketing of the product, innovation in the product range and by maintaining the consistent quality of the product.

Optimal Utilization of Resources

Our company constantly endeavours to improve our production process, skill up gradation of employees, modernization of machineries to optimize the utilization of resources. We regularly analyse our existing material procurement policy and

manufacturing process to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use.

OUR BUSINESS STRATEGIES:

Focus on consistently meeting quality standards

Our Company intends to focus on adhering to the quality standards of the products. Quality of the product is very important for the Company from both customer and end user point of view. Maintaining strict quality control measures throughout the manufacturing process to ensure consistency and durability of our products and taking timely corrective measures in case of quality diversion are keys for maintaining quality standards of the products. Providing the desired and good quality products help us in enhancing customer trust and maintaining long term relationships with them.

Expanding Operations

We propose to increase our marketing efforts in exploring new products and new markets and also maintain and establish relationship with our customers. Enhancing our presence in additional segments will enable us to reach out to a larger audience. We consider factors such as cultural differences, logistic challenges and market demand for our products and customize few of the products to suit the preferences of the target markets. This may involve adjusting designs, sizes, colors, materials and packaging to align with local tastes and cultural norms. Understanding the preferences of the target market is crucial for successful sales. Through a combination of increased capacities, reduced costs, wider range of products and services adhering to industry standards, marketing initiatives, competitive pricing and more efficient use of resources, we intend to expand our footprint and become a preferred supplier in variety of segments.

Increasing Operational efficiency

We continue to invest in increasing our operational efficiency throughout the organization. We are addressing the increase in operational output through continuous process improvement, customer service, consistent quality and technology development. Alignment of our people to 'process improvement' through change in management and upgrading of skills as required for customer satisfaction is a continuous activity. Awareness of this quality commitment is wide spread among all the employees. Higher operational effectiveness results in greater production volumes and higher sales which allows us to reduce our fixed cost per unit and thereby increasing our margins and the bottom line.

Maintaining cordial relationship with our Suppliers, Customer and employees

We believe in maintaining good relationship with our suppliers, customers and employees which are the most important factor to keep our Company growing. Our dedicated and focused approach and efficient and timely delivery of products has helped us build strong relationships with our existing customers over a number of years. Further, we believe that establishing strong, mutually beneficial long-term relationships with strategic suppliers is a critical step in improving performance across the supply chain, generating greater cost efficiency and enabling the business to grow and develop.

SWOT ANALYSIS

STRENGTH

- The Promoters have been involved in the textile business since over 17 years.
- Ability to produce high-quality specialized products with consistent standards.
- Offering a wide variety of specialized products in different materials, sizes, and designs to cater to various customer preferences.
- Strong Network of Operations
- Manufacturing Unit is located at Surat, Gujarat and thus enjoys excellent connectivity.

WEAKNESS

- Reliance on suppliers for raw materials which could be a risk factor in case of supply chain disruptions.
- Fluctuating demand for few specialized products based on seasons and customer preferences could lead to production inefficiencies.
- Over-reliance on a specific geographical market, limiting growth opportunities.

OPPORTUNITIES

- Exploring new markets or demographics such as medical products, adventure sports, water resistant zippers, webbing slings and lashing slings etc., use of eco-friendly materials can drive growth.
- Introducing complementary products like garment accessories to increase revenue streams.

THREATS

- Economic downturns can lead to lower consumer spending on non-essential items / products.
- Customer preferences can shift towards new trends or products, leading to lower demand for certain types of specialized Products.
- Disruptions in the supply chain due to factors like natural disasters, political instability, or pandemics.

END USERS

We are manufacturer of specialized textile items and our products are used in garments, shoe-uppers, fancy items, packaging etc. by fashion, packaging and a variety of other industries.

HUMAN RESOURCES

We believe that our employees are key contributors to our business success and thus we focus on attracting and retaining suitable talent. 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 July 31, 2025, our Company had 67 (Sixty-Seven) employees including 2 Executive Directors on roll of the company.

Following is the department wise bifurcation of on roll employees:

Sr. No.	Department	No. of Employees
1.	Executive Directors	2
2.	Accounts & Finance Department	1
3.	Human Resource Department	1
4.	Sales and Marketing Department	1
5.	Purchase & Procurement Department	2
6.	Legal and Compliance Department	1
7.	Production & Designer Department	4
8.	Product Dispatch Department	5
9.	Electrician	1
10.	Factory Workers	49
	Total	67

COMPETITION:

We face competition from various manufacturers from Surat and other parts of India; the industry is highly competitive and fragmented. The organized players in the industry compete with each other by providing high quality-time bound products. We compete primarily on the basis of product quality, technology, cost and delivery. New Designs and Quality is another crucial factor that influences competition. Companies compete based on the quality of their products and the attractiveness of their designs. Those offering innovative designs, unique patterns, and high-quality materials may have a competitive edge. Price competition is significant, with companies often competing to offer competitive pricing while maintaining quality standards. Some companies may focus on producing affordable products for budget-conscious consumers, while others may target the higher market with higher-priced, premium products. We compete against our competitors by establishing ourselves as innovative, knowledge-based processing unit with industry expertise in various items of narrow woven fabrics, zippers and elastic which enable us to provide our clients with innovative designs suitable to current fashion and market requirements.

PLANT AND MACHINERIES

The existing Plant and Machinery at our Manufacturing Unit are:

Sr. No.	Description of Machinery	Quantity
1.	RUBBER COVERING MACHINE WITH BEAM ATTACHMENT - 3 BEAM	1

Sr. No.	Description of Machinery	Quantity
2.	WINDING MACHINE - 20 SPINDAL	1
3.	ALLUMINUM BOBBIN	500
4.	HYLAM BOBBIN	100
5.	1 NOS H J INDUSTRIAL CORD YARN MACHINE	1
6.	1 NOS H J ASSEMBLY WINDER MACHINE	1
7.	H J AIR PUNCHING MACHINE	1
8.	ZIPPER TAP FINISHING MACHINE	1
9.	BOX STRAPPING MACHINE	1
10.	COILING MACHINE FOR NYLOAN ZIPPER MODEL: SS666 WITH STANDARD ACCESSORIES	23
11.	STITCHING MACHINE MODEL: SS555WITH STANDARD ACCESSORIES	23
12.	NORMAL SPEED SHUTTLESS DONGHONG COIL FORMING MACHINE SIZE # 5 & # 8 EITH STANDAR ACCESSORIES	14
13.	INDUSTRIAL ZIPPPER SEWING MACHINE WITH (SHINGLING BRAND) SIZE #5 & # 8 With STANDARD ACCESSORIES	14
14.	2 HP Blower Double Stage With Filter	1
15.	S.S &M.S. ZIPPER TAP FINISHING MACHINE	1
16.	SHUTTLESS RAPIER LABAL LOOM WITH JACQUARD MODEL: SM190/190CM/1405 HOOKS/ SLITTING SYSTEM WITH STANDARD ACCESSORIES	4
17.	COLLIG MACHINE FOR NAYLON ZIPPER MODEL: SS666 WITH STANDARD ACCESSORIES	10
18.	STITCHINGG MACHINE FOR NAYLON ZIPPER MODEL: SS555 WITH STANDARD ACCESSORIES	10
19.	ROLL WINDING MACHINE FOR ZIPPER WITH STANDARD ACCESSORIES	1
20.	USED THEMA SUPER EXCEL LOOM W-1900MM	4
21.	USED JACQUARDS - 2688	4
22.	OLD GANTRY FOR JACQUARDS	4
23.	SHUTTLE LESS RAPIER LOOM MACHINE WITH JACQUARD AND STANDARD ACCESSORIES	2
24.	MODEL-SE-190 SHUTTLESS RAPIER LOOM MACHINE WIDTH 190 CM WITH ELECTRONIC JACQUARD WITH STANDARD ACCESSORIES: 8 WELF FEEDERS, 2 CLOTH ROLL & 2 WARP BEAM GANTRY AND HARNESS	10
25.	256 HOOK ELECTRONICS JAQUARD MACHINE	5
26.	Hook Electronic	1
27.	192 Hook Electronic Jacquard Machine	2
28.	Module M5	32
29.	128 HOOK ELECTRONICS JAQUARD MACHINE	4
30.	Electronic Jacquard for 160 Hook (12head)	1
31.	Electronic Jacquard for 160 Hook (10head)	1
32.	NARROW WIDTH SHUTTLESS HIGH SPEED AUTOMATIC NEEDLE LOOM WITH HEAD (YK MAKE)	9
33.	Flat Bed Knitting machine JYC762/B8	2
34.	THERMAL TRANSFER MACHINE WITH STANDRD ACCESSORIES	1
35.	INK JET PRINTER	1
36.	HIGH SPEED NARROW FABRIC SHUTTLESS NEEDLE LOOM WITH STANDRD ACCESSORIES	19
37.	NARROW FABRIC SHUTTLESS NEEDLE LOOM WITH CREEL AND ACCESSORIES, MAKE KG	6
38.	400 SPINDLE JARI MACHINE	2
39.	WINDING MACHINE	1
40.	HIGH SPEED NARROW FABRIC SHUTTLESS NEEDLE LOOM WITH STANDRD ACCESSORIES	8
41.	HIGH SPEED NARROW FABRIC SHUTTLESS NEEDLE LOOM WITH STANDRD ACCESSORIES	3
42.	JACQUARD FOR 64 HOOKS SYSTEM	8
43.	JACQUARD FOR 128 HOOKS SYSTEM	9
44.	JACQUARD FOR 192 HOOKS SYSTEM	2
45.	HIGH SPEED NEDEEL LOOM MACHINE	10

Sr. No.	Description of Machinery	Quantity
46.	WARPPING MACHINE WITH 1 H.P.A.C ELACTRIC MOTOR WITH ACCESSORIES	1
47.	HIGH SPEED NARROW FABRIC SHUTTLESS NEEDLE LOOM	6
48.	ALLUMINIUM BEAM	300
49.	HIGH SPEED NARROW FABRIC SHUTTLESS NEEDLE LOOM	12
50.	NEEDLE LOOM BEAM	300
51.	WARPING MACHINE	1
52.	WARPPING CREEL	108
53.	HANKING MACHINE 20 CORD	1
54.	RUBBER COVERING MACHINE WITH BIM ATTACHMENT - 3 beam	1
55.	RUBBER COVRING MACHINE WITH BEAM ATTACHMENT - 3 BEAM	1

EXISTING CAPACITY AND CAPACITY UTILISATION

Sr. No.	Particulars	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
1	Product Name	Narrow Woven Fabric (Label, Woven Lace & Border, Suit & Duppatta)	Narrow Woven Fabric (Label, Woven Lace & Border)	Narrow Woven Fabric (Label, Woven Lace & Border)	Narrow Woven Fabric (Label, Woven Lace & Border)
	Installed Capacity	7,86,240 Meters	1,68,000 Meters	1,51,860 Meters	3,55,000 Meters
	Capacity Utilization	6,55,200 Meters	1,26,000 Meters	1,03,550 Meters	2,73,350 Meters
	Capacity Utilization (%)	83.33%	75%	68.19%	77%
2	Product Name	Zipper	Zipper (Feb – 24 To March-24)	-	-
	Installed Capacity	5,72,460 Kgs	31667 Kgs	-	-
	Capacity Utilization	4,91,744 Kgs	19000 Kgs	-	-
	Capacity Utilization (%)	85.90%	60%	-	-
3	Product Name	Narrow woven fabric (lace & Border, Woven Name Tape)	Narrow woven fabric (lace & Border, Woven Name Tape)	Narrow woven fabric (lace & Border, Woven Name Tape)	Narrow woven fabric (lace & Border, Woven Name Tape)
	Installed Capacity	2,05,920 Kgs	84000 Kgs	84,000 Kgs	2,88,340 Kgs
	Capacity Utilization	1,45,000 Kgs	63000 kgs	66,690 kgs	245090 Kgs
	Capacity Utilization (%)	70.42%	75%	79.39%	85%
4	Product Name	Elastic (December 2024 To March 2025)	-	-	-
	Installed Capacity	34,320 Kgs	-	-	-
	Capacity Utilization	24,960 kgs	-	-	-
	Capacity Utilization (%)	72.73%	-	-	-

Certified by Chartered Engineer via Certificate dated August 04, 2025.

UTILITIES AND INFRASTRUCTURE

RAW MATERIAL:

The essential raw material used by our manufacturing facility for production are:

1. PET Monofilament
2. Lacquered Polyester Films (Zari Yarn)
3. Polyester Yarn
4. Nylon Yarn
5. Viscos Yarn

All the raw material items are being procured locally from trusted suppliers from India only.

POWER:

The requirement of power for our operations, like power for lighting and operating the plant/machinery/equipment is met through supplies of Dakshin Gujarat Vij Company Ltd (DGVCL).

WATER:

We have adequate arrangements with respect to water requirements for drinking purpose, which are made available at premises of the Company. Our manufacturing unit does not require water.

TRANSPORTATION:

For procurement of raw material from suppliers and to deliver our products to customers we have adopted facility of third-party transportation.

COLLABORATIONS/ CONSORTIUMS/ JOINT VENTURES

Except as disclosed in this Draft Prospectus and in the normal course of business, we do not have any Collaboration/Consortiums/ Joint Ventures as on date.

EXPORT AND EXPORT OBLIGATION:

As on the date of this Draft Prospectus, we are not directly exporting our products and we do not have any export obligations.

DETAILS OF IMMOVABLE PROPERTY**1. Properties Owned by our Company:**

As on the date of this Draft Prospectus, immovable property owned by our company are NIL.

2. Properties taken on rent by our Company:

The Details of the Immovable property taken on rent / NOC basis is given here below:

Sr. No.	Agreement Date	Name of Lessor	Name of Lessee	Description of Property	Usage Purpose	Rent (In ₹)	Tenure
1.	Lease Agreement dated 28th February 2025	Gautam Vallabhbbhai Sihora	Sihora Industries Limited	Plot 34/D-1 and D/2, Lakshmi Industrial Estate, Udhaana Mehan Road, Surat 394210	Industrial cum office usage.	Rent ₹ 5,00,000 + GST per month. Security Deposit - ₹ 15,00,000.	From March 01, 2025 to January 31, 2026.
2.	Lease Agreement dated July 22, 2025	Rameshbhai Nagjibhai Dhameliya	Sihora Industries Limited	Plot 34/D-3, Lakshmi Industrial Estate, Udhaana Mehan Road, Surat 394210	Industrial cum office usage.	Rent ₹ 1,00,000 + GST per month. Security Deposit – ₹ 2,25,000.	From August 01, 2025 to June 30, 2026.
3.	Lease Agreement dated July 22, 2025	Rameshbhai Nagjibhai Dhameliya	Sihora Industries Limited	High Speed Needle Looms with Electronic Jacquard (16 Quantities) High Speed Need Looms (7 Quantities)	Manufacturing	Rent ₹ 25,000/-. Security Deposit – ₹ Nil	From August 01, 2025 to June 30, 2026.

Our company has initiated the process of executing Long Term Lease Agreement with above mentioned Lessors for the Immovable Properties listed above.

INTELLECTUAL PROPERTY

For the details pertaining to the Trademarks Registered / Applied for please refer to chapter titled “Government And Other Statutory Approvals” beginning on page No. 172 of the Draft Prospectus.

INSURANCE

Our operations are exposed to various risks inherent in our industry, including equipment failure, work accidents, fire, earthquakes, floods, and other force majeure events. We also face risks related to acts of terrorism, explosions, and hazards that could lead to injuries, loss of life, damage to properties and equipment, and environmental harm. Additionally, we may encounter claims related to defects in pipelines during the warranty or defect liability period. To mitigate these uncertainties, we diligently secure insurance coverage for all our projects in accordance with the specific requirements of each project. By obtaining appropriate insurance, we aim to minimize potential financial losses and liabilities associated with unforeseen events or claims. Following are the details of insurance policies obtained by our company. All Policies are issued in the name of the Insured i.e. Sihora Industries Limited, and the policies are endorsed in favour of ICICI Bank, the Secured Lender. The Premium amounts were paid in time for the periods covered under the Insurance.

Sr. No.	Insurance Co./ Policy Number	Period of Insurance	Details	Sum assured (in ₹ Lakh)
1	IFFCO Tokio General Insurance Company Ltd. /12917200	April 26, 2025 to April 25, 2026	Stocks and Furniture and Fixtures etc. - against risks of Fire, earthquake, storm, cyclone etc.	270.00
2	IFFCO Tokio General Insurance Company Ltd. / 12917444*	April 26, 2025 to April 25, 2026	Building - against risks of Fire, earthquake, storm, cyclone etc.	408.00
3	ICICI Lombard/ 1017/371638297/00/000	December 09, 2024 to December 08, 2025	Plant & Machinery – against risks of Fire, earthquake, storm, cyclone and terrorism.	600.00

* Policy name in Gautam V Sihora and not Sihora Industries Limited, since the Building is owned by him.

INDEBTEDNESS

The details of facilities availed from ICICI Bank are as follows. For more details of other indebtedness please refer “Restated Financial Information” beginning from page no. 154 of Draft Prospectus.

Sr. No.	SRN No. / Nature of charge	Charge Id	Charge Holder Bank	Date of Creation	Amount of loans covered under SRNs – ₹ in Lakh	Outstanding (March 31, 2025) - ₹ in Lakh
1	AA6215053	100815274	ICICI Bank Limited	October 28, 2023	375.00	290.40
2	AA6206083	100815267			87.10	37.74
3	AA6206372	100815262			442.00	185.84
Total					904.10	513.99

Security Details:

- English Mortgage on property situated at Plot No. 34/D/1, 34/D/2 and 34/D/3 of Village Udhana and Bhedwad Taluka City, District Surat admeasuring 1148.72 sq meters, 574.36 sq meters and 574.36 Sq meters respectively, part of Laxminarayan Industrial Park. One Part of the property is owned by Mr. Gautam Vallabhbhai Sihora and another part is owned by Mr. Rameshbhai Dhameliya
- Personal Guarantee of Mr. Gautam Vallabhbhai Sihora, Mrs. Priyal Gautamkumar Sihora, Mr. Rameshbhai Dhameliya and Mrs. Bhavnaben Dhameliya.
- Hypothecation on all plant and equipment and all moveable assets of the Company Sihora Industries Limited.
- Corporate Guarantee of Sihora Narrow Fabrics, the proprietary firm of Mr. Gautam Vallabhbhai Sihora.
- Short Term Liabilities include Over-Draft facilities (OD) availed for supporting the Working Capital Requirements.

KEY INDUSTRY REGULATIONS

In carrying on our business as described in the section titled "Business Overview" on page 102 of this Draft Prospectus, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, see "Government and Other Statutory Approvals" on page 172 of this Draft Prospectus.

Our Company is engaged in the business of manufacturing of narrow woven fabrics, zippers and tapes etc. Our Company has an integrated model of production, where we handle all the steps from procurement of yarn/ raw material, processing the same to dispatch of the final product. Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our Company's businesses. Our Company is required to obtain and regularly renew certain licenses/ registrations and / or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye-laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by our Company and its Indian Subsidiaries:

A. Industry Related Laws and Regulations

Textiles Committee Act, 1963

The Textiles Committee Act, 1963 ("TCS") came into force on August 22, 1964. A textiles committee ("Textiles Committees") has been established under TCS with the primary objective of ensuring a standard quality of textiles both for domestic and export markets as well as standardization of the type of textile machinery used for production. The Textiles Committee's functions include, among others, the promotion of Indian textiles and textile exports, researching in technical and economic fields, establishing standards for Indian textiles and textile machinery, setting up of laboratories, and data collection. Additionally, the Textiles Committee regulates the imposition of cess on textile and textile machinery that is manufactured in India under TCS.

Technology Up-Gradation Fund Scheme

Ministry of Textiles has been implementing Technology Upgradation Funds Scheme ("TUFS") since 1999 to facilitate technology upgradation of textiles industry in the country. TUFS aims at making available funds to the domestic textile industry of existing units as well as to set up new units with state-of-the-art technology so that its viability and comprehensiveness in the domestic as well as international markets may enhance. TUFS provides for interest reimbursement/capital subsidy/margin money subsidy and has been devised to bridge the gap between the cost of interest and the capital component to ease up the working capital requirement and to reduce the transaction cost, etc. TUFS is an important tool to infuse financial support to the textiles industry and help it capitalize on the vibrant and expanding global and domestic markets, through technology upgradation, cost effectiveness, quality production, efficiency and global competitiveness.

National Textile Policy, 2000 and National Textile Policy, 2024

The National Textile Policy, 2000 ("NTP 2000"), as modified from time to time, aims to facilitate the growth of the textile industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing and to equip the textile industry to withstand pressures of import penetration and maintain a dominant presence in the domestic market. NTP 2000 aims at developing a strong and vibrant textile industry that can produce quality products at acceptable prices. This objective is sought to be achieved by liberalizing controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment. Major thrust areas of NTP 2000 includes increase in exports and innovating marketing strategies, product diversification along with quality consciousness, among others. Additionally, certain sector- specific initiatives envisaged under the NTP 2000 include initiatives regarding improving the availability, productivity and quality of raw materials at reasonable prices for the industry, improving the production, productivity and quality of cotton. Initiatives were also proposed for the spinning sector, weaving sector, organized mill industries, power-loom industry, knitting sector, processing and finishing sector for achieving ISO 9000 and ISO 14000 standards. Export-specific reforms were also proposed to be consistent with World Trade Organization norms. The policy emphasises two primary areas; technical textiles, including clothing and apparel, and various manufacturing processes such as weaving and dyeing.

Textile Policy, 2024, aims to strengthen the textile sector by offering a range of financial incentives. The policy emphasises two primary areas; technical textiles, including clothing and apparel, and various manufacturing processes such as weaving and dyeing. It includes several financial support mechanisms for businesses, which consist of capital subsidies between 10 per cent and 35 per cent of eligible fixed capital investments, capped at Rs 1 billion based on taluka and activity. The policy also provides credit-linked interest subsidies ranging from 5 per cent to 7 per cent for a duration of 5 to 8 years, with an annual limit of 2 per cent to 3 per cent. Companies can receive Rs 1 per unit of electricity for 5 years, applicable to DISCOMs or renewable energy sources. Wage assistance will be available for employees, with support ranging from Rs 3,000 to Rs 5,000 per month for women and Rs 2,000 to Rs 4,000 for men, depending on their roles. Additionally, members of self-help groups (SHGs) will receive Rs 5,000 per month for training over 3 months and payroll support of up to 25 per cent of job work turnover for 5 years. The policy also outlines measures for quality certification, energy and water conservation savings, and support for technology acquisition. The Textile Policy 2024 places significant emphasis on labour-intensive units, defined as new industrial units employing at least 4,000 registered individuals under the Employee Provident Fund (EPF) scheme, including a minimum of 1,000 women. These units are eligible for capital subsidies ranging from 25 per cent to 35 per cent, capped at Rs 1.50 billion, as well as credit-linked interest subsidies of 7 per cent to 8 per cent for up to 8 years, with an annual limit of 3 per cent. Furthermore, they will benefit from electricity tariff subsidies with a maximum annual limit of Rs 150 million for group captive renewable energy sources. Wage assistance for female employees will range from Rs 3,000 to Rs 5,000, while male employees will receive support of Rs 2,000 to Rs 4,000 per month for a decade. Self-help groups (SHGs) will also receive similar financial support. Overall, the policy aims to strengthen India's textile industry, promote employment—especially among women—and enhance competitiveness through various financial aids and technological support.

Gujarat Textile Policy, 2024 (Integrated Approach to Strengthen the Value Chain for the 5 Fs – Farm, Fibre, Fabric, Fashion and Foreign) [https://ic.gujarat.gov.in/documents/pagecontent/Gujarat%20Textile%20Policy_2024.pdf]

The policy aims to enhance the growth of cotton farmers by way of better price realization and enable them to withstand the uncertain and price fluctuation of cotton, both in domestic and international market in one hand and to strengthen the entire value chain for the growth and development of textile sector in Gujarat by working on the 5 Fs - Farm, Fibre, Fabric, Fashion (garment) and Foreign (export) on the other hand. Eligible entities will be provided various incentives under the different schemes under the policy. Major schemes under the policy are as follows:

- **Interest Subsidy Scheme**

A maximum interest subsidy of 5% (7% on spinning unit and garment/made-ups unit spinning) has been provided on new plant and machinery, without ceiling, for weaving, knitting, machine carpeting and other textile related activities, also on second hand imported weaving (power loom) with certain conditions, for the period of 5 years. Interest subsidy of 5% on new plant and machinery, without ceiling, for weaving, knitting, machine carpeting and other textile related activities, also on second hand imported weaving (power loom) with certain conditions, for the period of 5 years.

- **Special Concession in Power tariff**

Power Tariff subsidy of @ ₹ 1 per unit in the billed amount of the utility for the units available for a period of 5 years as promotional initiative for cotton spinning and industries with or without preparatory in State of Gujarat.

- **VAT Concession**

Eligible units will also be entitled to refund of VAT paid on purchase of raw materials and remission of VAT/CST collected on final/intermediate product within entire value chain to the extent of 100% the eligible fixed capital investments in plant and machinery within 1 year (2 years in case of investment of more than ₹50,000 Lakhs).

- **Support to Technical Textiles**

Eligible entities will be provided a maximum interest subsidy @ 6% per annum for a period of 5 years.

- **Assistance for Energy and Water Conservation and Environment Compliances**

Under the scheme assistance of 20 % of cost of equipment, maximum up to ₹30 Lakhs; which will be applicable separately in each case of Energy Conservation, Water Conservation and Environment Compliance. Assistance of 50% of the fee paid towards Energy Audit, up to maximum ₹ 50,000, which will be applicable separately in each case of audit. This scheme will only be eligible for an existing enterprise for a period of more than 3 years.

- **Assistance for Technology Acquisition and Upgradation**

The enterprise acquiring technology will be provided financial assistance of up to 50% of the investment for technology acquisition / collaboration, with maximum of ₹25 Lakhs per process/product, once during operative period of the scheme.

- **Assistance to Apparel Training Institutions and Trainees**

Under this scheme, financial assistance as reimbursement of training cost with maximum limit of ₹7000 per trainer per week will be provided to apparel training institutions/centers approved by state level committees for imparting training to the trainer at 100% in case of trainers attending autonomous institutions promoted by government or public sector undertaking and at 50% in case of trainers attending other institutions. The training period should not exceed 4 weeks.

- **Training Support to Power Loom Sector**

Under this scheme the trainees of power loom will be given a stipend of ₹2500 per month for a period of 3 months. Allowances towards cost of transport and incidental expenses to weavers @ ₹200 per day for a duration of 2 days and to jobbers @ ₹300 per day for a duration of 6 days will be given.

- **Scheme for Integrated Textile Parks**

Incentives are provided for setting up of Textile and Apparel Park in the state of Gujarat with a provision for location of minimum 20 numbers of manufacturing / service enterprises (minimum 10 for spinning unit). The Park will be provided financial assistance of up to 50% with maximum limit of ₹1000 Lakhs (₹3000 Lakhs for Spinning Park) of total project cost for establishing common infrastructure facilities, excluding land cost.

Textile (Development and Regulation) Order, 2001

The Textile (Development and Regulation) Order, 2001 (“**Textile Order**”) was brought into force by the Central Government under Section 3 of the Essential Commodities Act, 1955. Under the Textile Order every manufacturer of textiles, textile machinery and every person dealing with textiles shall keep books of accounts, data and other records relating to his business in the matter of production, processing, import, export, supply, distribution, sale, consumption, etc. and shall furnish such returns or information in respect of their business as and when directed by the Textile Commissioner.

The Textile Order further provides that no person shall make any markings on any textiles resembling the brand name or trade name of any other person who has applied for or obtained a registration to that effect under the Trade Marks Act, 1999, except under and limited to the extent of specific authorization by the holder of or applicant for such brand or tradename.

B. Employment and Labour Related Laws Regulations

Factories Act, 1948

The term ‘factory’, as defined under the Factories Act, 1948 (“**Factories Act**”) includes any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workmen are employed at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power. Respective State Governments have issued rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act mandates the ‘occupier’ of a factory to ensure the health, safety and welfare of all workers in the factory premises. Further, the occupier of a factory is also required to ensure (i) the safety and proper maintenance of the factory such that it does not pose health risks to persons in the factory premises; (ii) the safe use, handling, storage and transport of factory articles and substances; (iii) provision of adequate instruction, training and supervision to ensure workers’ health and safety; and (iv) cleanliness and safe working conditions in the factory premises. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both.

Employees' Compensation Act, 1923

The Employees Compensation Act, 1923 (“**EC Act**”) provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the EC Act, the amount of compensation to be paid depends on the nature and severity of the injury. The EC Act also lays down the duties/obligations of an employer and penalties in cases of non-fulfilment of such obligations thereof. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer

is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within 7 days of death/serious bodily injury.

Employees' Provident Funds and Miscellaneous Provisions Act, 1952

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("**EPF Act**") is applicable to factories and establishments employing more than 20 employees, subject to notification by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act frames the Employees Provident Scheme, 1952.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("**POSH Act**") was enacted by the Indian Parliament to provide protection against sexual harassment of women at workplace and prevention and redressal of complaints of sexual harassment and for matters connected therewith. The POSH Act makes it mandatory for every organisation to frame an anti-sexual harassment policy. Further, an organisation having 10 or more employees is required to constitute an Internal Complaints Committee to entertain complaints that may be made by an aggrieved woman. 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, organizing 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.

Gujarat Labour Welfare Fund Act, 1953

The Gujarat Labour Welfare Fund Act, 1953 ("**Welfare Fund Act**") read along with Labour Welfare Fund (Gujarat) Rules, 1962 (formed in accordance with Section 19 of the Bombay Labour Welfare Fund Act, 1953) ("**Welfare Fund Rules**") provides for the constitution of a fund comprising of all fines realized from employees, all unpaid accumulations, any contribution paid under Section 6B, any interest paid under Section 6C, any voluntary donations, any fund transferred under Section 7(5), any sum borrowed under Section 8, any loan, grant-in-aid or subsidy paid by the State Government or any local authority or statutory corporation, all sums received in any other manner or from any other source. Section 6B of the Welfare Fund Act provides for employers' contribution at the rate of six rupees every six months, for each employee and employees' contribution at the rate of three rupees every six months, for each employee. Further, as per the Welfare Fund Act, read with Rule 3AA of the Welfare Fund Rules made thereunder provide for an establishment register to be maintained.

In addition to the abovementioned labour laws, the following labour-related legislations are also applicable to our Company:

- i) Apprentices Act, 1961;
- ii) Contract Labour (Regulation and Abolition) Act, 1970;
- iii) Payment of Gratuity Act, 1972;
- iv) Payment of Bonus Act, 1965;
- v) Maternity Benefit Act, 1961;
- vi) Minimum Wages Act, 1948;
- vii) Payment of Wages Act, 1936;
- viii) Industrial Disputes Act, 1947;
- ix) Trade Unions Act, 1926;
- x) Industrial Employment (Standing Orders) Act, 1946;
- xi) Equal Remuneration Act, 1976; and
- xii) Child Labour (Prohibition and Regulation) Act, 1986.

In order to rationalize and reform all labour laws in India, the Indian Government has notified the following labour codes which are yet to come into force as on the date of this Draft Prospectus, which are as follows:

Code on Wages, 2019

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and propose to subsume 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. The provisions of this code will be brought into force on a date to be notified by the appropriate government.

Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the InterState Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the appropriate government.

Code on Social Security, 2020

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the appropriate government.

C. Intellectual Property Related Laws Regulations

Trademarks Act, 1999

The Trademarks Act, 1999 ("**Trademarks Act**") governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. Indian law permits the registration of trademarks for both goods and services. As per the provisions of the Trademarks Act, an application for trademark registration may be made with the relevant Trade Marks Registry by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trademarks Act. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks among others. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. It also seeks to simplify the law relating to the transfer of ownership of trademarks by assignment or transmission and to bring the law in line with international practices.

Patents Act, 1970

The Patents Act, 1970 ("**Patents Act**") governs the patent regime in India. A patent under the Patents Act is an intellectual property right relating to inventions and grant of exclusive right, for limited period of 20 years, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling and importing the patented product or process or produce that product. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognize product patents as well as process patents. In addition to the broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria.

Designs Act, 2000

The Designs Act, 2000 ("**Designs Act**") protects any visual design of objects that are not purely utilitarian. An industrial design consists of the creation of a shape, configuration or composition of pattern or colour, or combination of pattern and color in three-dimensional form containing aesthetic value. The Design Act provides an exclusive right to apply a design to any article in any class in which the design is registered.

D. Taxation Related Laws and Regulations

The Customs Act, 1962

All the provisions relating to customs applicable on import/export of goods in/from India are consolidated under the Indian Customs Act, 1962. Customs duties are levied on the goods at the rates specified in the Schedules of the Customs Tariff Act, 1975. The Taxable event is import into or export from India. Export duties (Second Schedule) are levied at present on a limited number of items but import duties are levied at present on almost all items except a few. The said Act also provides for valuation of imported goods and export goods along with assessment procedure for proper implementation of the provisions.

Gujarat State Tax on Profession, Trades, Callings and Employment Act, 1976 and The Gujarat State Tax on Professions Traders, Callings and Employments Rules, 1976

Professional tax in Gujarat is governed by the Gujarat Panchayats, Municipalities, Municipal Corporation and State Tax on Professions, Traders, Callings and Employment Act, 1976 and rules of 1976. All registered partnership firms, all factory owners, all shops or establishment owners (if the shop has employed on an average five employees per day during the year), all businesses covered under the definition of 'dealer' defined in the Gujarat Value Added Tax Act, 2003 whose annual turnover is more than ₹ 2.50 lakh, all transport permit holders, money lenders, petrol pump owners, all limited companies, all banks, all district or state level co-operative societies, estate agents, brokers, building contractors, video parlors, video libraries, members of associations registered under Forward Contract Act, members of stock exchange, other professionals, like legal consultants, solicitors, doctors, insurance agents, etc. are covered under this Act. It is duty of the employers to deduct tax from the person earning any salary/wage in the organisations. For the purpose of this act, employer means in relation to an employee earning any salary or wages on regular basis under him, means the person or the officer who is responsible for disbursement of such salary or wages, and includes the head of the office or any establishment as well as the manager or agent of the employer.

Central Goods and Services Tax Act, 2017 ("CGST Act"); Integrated Goods and Services Tax Act, 2017 ("IGST Act"); and the various State Goods and Services Acts (collectively "SGST Acts")

The Goods and Services Tax (GST) has replaced various erstwhile taxes levied and collected by the Central and State Government like central excise duty, service tax, State VAT, central sales tax, luxury tax etc. GST is applicable on the supply of goods or services as against the earlier concept of excise duty on the manufacture and VAT/CST on sale of goods or Service Tax on provision of services. It is a consumption-based tax. GST is levied by the Centre on intra-State supply of goods and/or services is called the Central GST and that is levied by the States is called the State GST. An Integrated GST under the IGST Act, is levied and collected by the Centre on inter-State supply of goods and services.

As GST is levied on every level of supply chain, thus, to remove cascading effect tax payers are allowed to take credit of taxes paid on inputs and utilise the same for payment of output tax payable on supply of goods or services as per the applicable provisions.

Income Tax Laws

The Income Tax Act, 1961 ("**IT Act**") which inter alia governs the income tax on different categories of income accrued and received by an Indian company. An Indian company is taxed on its universal income. As per the provisions of the IT Act, the income tax is paid by the companies registered in India on the net profit that it makes from businesses and other incomes. It is taxed at a specific rate as prescribed by the IT Act, subject to the changes in the rates announced, if any, every year.

E. Foreign Trade and Investment Related Laws and Regulations

Foreign Trade (Regulation and Development) Act, 1992

The Foreign Trade (Regulation and Development) Act, 1992 ("**FTA**") is the main legislation concerning foreign trade in India. FTA read along with 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. The FTA seeks to increase foreign trade by regulating imports and exports to and from India. 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 a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The FTA read with the Indian Foreign Trade Policy, 2021-2026 prohibits anybody from undertaking any import or export except under an Importer-Exporter Code number ("**IEC**") granted by DGFT. Hence, every entity in India engaged in any activity involving import or export is required to obtain an IEC unless specifically exempted from doing so. IEC shall be valid until it is cancelled by the issuing authority. IEC allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain IEC shall attract penalty under the FTA.

The Foreign Exchange Management Act, 1999

Foreign investment in India is governed primarily by the provisions of the Foreign Exchange Management Act, 1999 ("**FEMA**"), and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ("**FEM 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 in India has now been entrusted to the concerned administrative ministries/departments.

The aggregate limit shall be the sectoral caps applicable to Indian company as laid out in paragraph 3(b) of Schedule I of FEM Rules, with respect to paid-up equity capital on fully diluted basis or such same sectoral cap percentage of paid-up value of each series of debentures or preference shares or share warrants. Further, all investments 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 concerned administrative ministries/departments.

F. Other Applicable Laws and Regulations

Companies Act, 2013

The Companies Act provides for, among other things, changes to the regulatory framework governing the issue of capital by companies, corporate governance, audit procedures, corporate social responsibility, and remuneration of directors, meetings of directors and shareholders, declaration of dividend, the requirements for independent directors, director's liability, class action suits, and the inclusion of women directors on the boards of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies.

Consumer Protection Act, 2019

The Consumer Protection Act, 2019 (“**COPRA, 2019**”) has been enacted with an intent to protect the interests of consumers and to establish competent authorities in order to timely and effectively administer and settle consumer disputes. COPRA, 2019 provides for establishment of a Central Consumer Protection Authority to regulate, among other things, matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of public and consumers. In order to address the consumer disputes' redressal mechanism, it provides a mechanism (three tier consumer redressal mechanism at national, state and district levels) for the consumers to file a complaint against a trader or service provider. COPRA, 2019 provides for penalty for, among others, manufacturing for sale or storing, selling or distributing or importing products containing adulterants and for publishing false or misleading advertisements. The scope of the punitive restraint measures employed by the act include both – monetary penalties for amounts as high as ₹ 50 lakh to imprisonment which may extend to life sentences, for distinct offences under COPRA, 2019.

Municipality Laws

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992 the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the 12th Schedule to the Constitution of India. The respective States of India have enacted laws empowering the municipalities to issue trade license for operating stores and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

Electricity Act, 2003

The Electricity Act, 2003 (“**Electricity Act**”) consolidates the laws relating to generation, transmission, distribution, trading and use of electricity. It lays down provisions in relation to transmission and distribution of electricity. It states that the State Government can specify suitable measures for specifying action to be taken in relation to any electric line or electrical plant, or any electrical appliance under the control of a consumer for the purpose of eliminating or reducing the risk of personal injury or damage to property or interference with its use.

Sale of Goods Act, 1930

The Sale of Goods Act, 1930 (the “**Sale of Goods Act**”) governs contracts relating to the sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract for sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for the sale of goods.

The Micro, Small and Medium Enterprises Development Act, 2006

The Micro, Small and Medium Enterprises Development Act, 2006 was enacted to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (“**MSME**”). A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or

production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. The Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated June 01, 2020 revising definition and criterion and the same has come into effect from July 01, 2020. The notification revised the definitions as “Micro enterprise”, where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees; “Small enterprise”, where the investment in plant and machinery or equipment doesnot exceed ten crore rupees and turnover does not exceed fifty crore rupees; “Medium enterprise”, where the investment in plant and machinery or equipment does not exceed five crore and turnover does not exceed two hundred and fifty crore rupees.

HISTORY AND CORPORATE STRUCTURE

COMPANY'S BACKGROUND

Our Company was originally incorporated as “Sihora Industries Private Limited” as a private limited company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated August 10, 2023, issued by Registrar of Companies, Central Registration Centre also to takeover the running business of Sihora Narrow Fabrics the proprietary firm of the promoter Mr. Gautam Vallabhbhai Sihora. Sihora Narrow Fabrics was taken over along with all its assets and liabilities on 17.10.2023. Thereafter, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated June 12, 2024 and consequently, the name of our Company was changed from “Sihora Industries Private Limited” to “Sihora Industries Limited” and a fresh certificate of incorporation dated July 17, 2024 was issued to our Company by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U13999GJ2023PLC143747.

Our Promoters Mr. Gautam Vallabhbhai Sihora and Mrs. Priyal Gautamkumar Sihora are original subscribers to the Memorandum of Association of the Company. Our promoters have a combined experience of more than 10 years in the field of textile industry.

Incorporated in 2023 and based in Surat, Gujarat, our Company is engaged in the business of manufacturing and sale of woven fabrics, woven labels, fancy lace, zippers and elastics. We sell our products in domestic markets. The products offered by us are used extensively by Fashion industry, packaging industry and also are put to use in other variety of industrial uses. Our Company's manufacturing facility is equipped with necessary technology and machinery to meet international standards. Our manufacturing process adheres to stringent quality standards. Our Manufacturing unit is located at PL 34/D/1 Laxminarayan, BRC Compound, Udhna, Mangrol, Surat-394210, Gujarat, India.

We consider factors such as customer's preference, climate, budget and quality to ensure a strong experience for our buyers. Raw material selection is crucial when it comes to making specialized textile products, as it directly impacts the comfort, durability and overall quality of the bedding.

REGISTERED OFFICE:

Registered Office of the Company is presently situated at Plot 34/D-1, Laxminarayan, BRC Compound, Udhna, Mangrol, Surat-394210, Gujarat, India. The Registered office of our Company has not been changed.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

AUTHORIZED SHARE CAPITAL

The following changes have been made in the Authorized Share Capital of our Company since inception:

Date of Amendment	Particulars
On Incorporation	Authorized Share Capital of ₹ 50.00 Lakh (Rupees Fifty Lakh Only) consisting of 5,00,000 (Fifty Lakh) Equity Shares of ₹ 10/-each.
January 01, 2024	Increase in Authorized Share Capital from ₹ 50.00 Lakh (Rupees Fifty Lakh Only) consisting of 5,00,000 (Five Lakh) Equity Shares of ₹ 10/-each to ₹ 450.00 Lakhs (Rupees Four Hundred Fifty Lakh Only) consisting of 4,50,000 (Four lakh fifty thousand) Equity Shares of ₹ 10/-each.
December 05, 2024	Increase in Authorized Share Capital from ₹ 450.00 Lakh (Rupees Four hundred Fifty Lakh Only) consisting of 4,50,000 (Four Lakh fifty thousand) Equity Shares of ₹ 10/-each to ₹ 600.00 Lakhs (Rupees Six Lakh Only) consisting of 6,00,000 (Six Lakh Equity Shares) of ₹ 10/-each.

NAME CLAUSE

The following changes have been made in Name Clause of our company since its inception:

Date of Shareholder's Approval	Particulars
June 12, 2024	The Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated 12 th June, 2024 and consequently, the name of Company was changed from “Sihora Industries Private Limited” to “Sihora Industries Limited”, vide fresh certificate of incorporation dated July 17, 2024.

OBJECT CLAUSE

No changes have been made in Object Clause of our company since its inception:

MAJOR EVENTS

Except mentioned herein below, there are no major events in the company since its incorporation:

Year	Key Events/Milestone/Achievement
2023	Incorporation of Company in the name and style of “Sihora Industries Private Limited”.
2023	Takeover of the running business of “Sihora Narrow Fabrics”, the proprietary firm of promoter Mr. Gautam Vallabhbhai Sihora
2024	Conversion of our Company from Private Limited to Public Limited, adoption of new set of Articles of Association

OTHER DETAILS REGARDING OUR COMPANY

For information on our activities, services, growth, technology, marketing strategy, our standing with reference to our prominent competitors and customers, please refer to sections titled “Business Overview”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page no. 102, 90 and 158 respectively of this Draft Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled “Our Management” and “Capital Structure” beginning on page nos. 135 and 54 respectively of this Draft Prospectus.

RAISING OF CAPITAL IN FORM OF EQUITY OR DEBT

For details regarding our capital raising activities through equity or debt, please see the section entitled “Capital Structure” and “Restated Financial Information” on page nos. 54 and 154 respectively of this Draft Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS AND CONVERSION OF LOANS INTO EQUITY

There have been no defaults or rescheduling of borrowings with financial institutions/banks in respect of our current borrowings from lenders. None of our outstanding loans have been converted into equity shares.

HOLDINGS AND JOINT VENTURES OF THE COMPANY

As on the date of this Draft Prospectus, our Company does not have Holding Company or Joint Venture Company.

SUBSIDIARIES OF THE COMPANY

As on the date of this Draft Prospectus, our company does not have any Subsidiary.

INJUNCTION AND RESTRAINING ORDER

Our company is not under any injunction or restraining order, as on date of filing of this Draft Prospectus.

MATERIAL ACQUISITIONS / AMALGAMATIONS / MERGERS/ REVALUATION OF ASSETS / DIVESTMENT OF BUSINESS / UNDERTAKING IN LAST TEN YEARS

There has been no Material Acquisitions / Amalgamations/ Mergers / Revaluation of Assets/ Divestment of Business / Undertaking in last ten years.

TOTAL NUMBER OF SHAREHOLDERS OF OUR COMPANY

As on the date of filing of this Draft Prospectus, the total numbers of equity shareholders are 7 (Seven). For more details on the shareholding of the members, please see the section titled “Capital Structure” at page no. 54 of this Draft Prospectus.

MAIN OBJECTS AS SET OUT IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the

funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The objects for which our Company is established are:

- a) To carry on in India or elsewhere the business of manufacturing, buying, selling, importing, exporting and dealing in Narrow Woven Fabrics and Hook and loop compatible narrow fabrics including but not limiting to industrial fabrics, zippers, elastics, lanyard tapes, label garments, garment lace, industrial tapes, industrial ropes, velcro, braiding ropes, carpet yarn, hair band, laces and borders, fancy lace and border, malai dori, Emboss lace, jacquard lace, rapier lace, jari border, digital printed ribbons, velvet tape, garment accessories, harnesses, webbings, straps, cords, rakhi thread, satin ribbon and such other related articles, goods and products.
- b) To carry on the business of producers, processors, distributors, agents, brokers, factor, stockists, commission agents and dealers in different kinds of label, textiles, yarn, fabrics, whether synthetic or natural prepared or manufactured from nylon cellulose, viscose, polyester, acrylics, rayon, silk, artificial silk, linen narrow fabrics, cotton, wool, jute, rubber, Teflon, fibre glass, hessian and any other fibre or fibre as materials, textile, substances, allied products, by products and substitute for all or any of them to manufacture and trade in the Narrow Woven Fabrics and to treat and utilize any waste arising from any such manufacture, production or process and converters of synthetic, artificial and natural and fibre glass into materials like cloth, tapes, ropes, yarns, twines and such other articles as may be produced or manufactured;
- c) To carry on the business of dyeing, texturing, colouring, mercerizing, twisting, improving, buying, selling, reselling, storing, fabricating, developing, marketing, or supplying and otherwise to deal in all types of natural and synthetic yarns and fabrics which are used to manufacture the Narrow Fabrics made of materials such as cotton, Newar cotton, worsted, linen, wool, nylon, viscose, ramie, polyester, silk, artsilk, jute, staple, fibres, cashmilon, filaments, terecotton, comofilaments, acrylics, polynosic, polypropylene, polyimide, polymethane, cellulose, dropping, spun or other fibrous substances or any combination thereof;
- d) To provide business support services including but not limited to transportation, design and content services and to own, create, operate and manage online shopping websites, e-commerce market places, portals, mobile applications and to create a virtual shopping place with online catalogue and to provide a convenient shopping experience to its customers and to carry on business as including but not limited to converters, job workers, indenters, packers, distributors, consignors, transporters, agents, sub-agents, wholesalers, retailers, representatives, commission agents, franchisers and dealers for all the above mentioned items;
- e) To take over the activities either in whole or in part of the business property, goodwill, rights, interests, assets and liabilities of Sole Proprietorship – “M/s. SIHORA NARROW FABRICS” and other firms – whether Proprietorship or Partnership or any other kind.

SHAREHOLDERS' AGREEMENTS

Our Company has not entered into any shareholders agreement as on the date of filing this Draft Prospectus.

OTHER AGREEMENTS

As on the date of this Draft Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered as on the date of this Draft Prospectus.

JOINT VENTURE AGREEMENTS

Our Company has not entered into any joint venture agreement as on the date of this Draft Prospectus.

COLLABORATION AGREEMENTS

Our Company has not entered into any collaboration agreement as on the date of this Draft Prospectus.

STRATEGIC PARTNERS

Our Company is not having any strategic partner as on the date of filing this Draft Prospectus.

FINANCIAL PARTNERS

Our Company has not entered into any financial partnerships with any entity as on the date of filing of this Draft Prospectus.

AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT PERSONNEL, DIRECTORS, PROMOTER, OR ANY OTHER EMPLOYEE

Our Key Managerial Personnel or Senior Management Personnel, Director, Promoters, or any other employee have not

entered into any agreement, either by themselves or on behalf of any other person with any shareholder or any third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

SHAREHOLDERS AGREEMENTS

There are no subsisting shareholder's agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Draft Prospectus.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

There have been no time and cost overrun in the business operations of our Company as on the date of this Draft Prospectus.

INJUNCTION OR RESTRAINING ORDER

Except as disclosed in the section titled "Outstanding Litigation and Material Developments" beginning on page 168 of this Draft Prospectus, there are no injunctions/restraining orders that have been passed against the Company.

ORDERS FROM STATUTORY & REGULATORY AUTHORITIES

Our company has does not received any orders from statutory and regulatory authorities in the past.

COLLABORATION AGREEMENTS

As on date of this Draft Prospectus, Our Company is not a party to any collaboration agreements.

MATERIAL AGREEMENTS

Except as disclosed above and in the chapter titled "Our Business" on page 102 of this Draft Prospectus, we have not entered into any material agreement / contract as on the date of this Draft Prospectus.

DETAILS OF GUARANTEES GIVEN TO THIRD PARTIES BY OUR PROMOTERS

For details of guarantees given by our Promoters in relation to the credit facilities availed by our Company, see "Financial Indebtedness" on page 157.

OUR MANAGEMENT

In accordance with Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than 3 and not more than 15. Our Company currently has 5 (Five) Directors on our Board, out of which 2 (Two) are Executive Directors, 1 (One) is Non-Executive Director and 2 (Two) are Independent Directors.

- | | | |
|------------------------------------|---|------------------------------|
| 1. Mr. Gautam Vallabhbhai Sihora | - | Chairman & Managing Director |
| 2. Mrs. Priyal Gautamkumar Sihora | - | Whole-time Director |
| 3. Mr. Chirag Rameshbhai Dhameliya | - | Non-Executive Director |
| 4. Mr. Rajesh Kalubhai Mepani | - | Independent Director |
| 5. Mr. Pratik Mansukhbhai Radadiya | - | Independent Director |

The following table sets forth the details regarding our Board of Directors of our Company as on the date of filing of this Draft Prospectus:

Sr. No.	Details of Director		Other Directorships / Designated Partner
1.	Name	Gautam Vallabhbhai Sihora	None
	DIN	10275231	
	Father's Name	Late Shri Vallabhbhai Arjanbhai Sihora	
	Address	5, Harish Nagar Society, Behind Tapshil Society, Hirabaug, Varachha Road, Surat 395006	
	Date of Birth	23.11.1981	
	Age	44 years	
	Designation	Chairman & Managing Director	
	Occupation	Business	
	Experience	He is having an experience of more than 17 years in the Textile Industry.	
	Qualifications	He holds a degree of Bachelor of Homeopathic Medicines and Surgery (BHMS) from Veer Narmada South Gujarat University.	
	Nationality	Indian	
	Date of Appointment	He is the original Director of the Company since August 10.2023. Board of Directors in its meeting held on October 25, 2024 changed his Designation to “Chairman and Managing Director” liable to retire by rotation. Thereafter, pursuant to the approval of members in the Extra Ordinary General Meeting held November 11, 2024, his designation was confirmed as Chairman and Managing Director.	
Term of Appointment and date of expiration of current term of office.	He holds office for a period of 5 (five) years with effect from October 25, 2024 liable to retire by rotation. He is entitled to a monthly salary of ₹ 3 Lakh subject to ceiling on maximum remuneration in terms of provisions of Section II of Part II of Schedule V to the Companies Act, 2013.		
2.	Name	Mrs. Priyal Gautamkumar Sihora	None
	DIN	10275230	
	Father's Name	Shri Vrajlal Jadhavbhai Mangukiya	
	Address	5, Harish Nagar Society, Behind Tapshil Society, Hirabaug, Varachha Road, Surat 395006	
	Date of Birth	June 01, 1984	
	Age	41 years	
	Designation	Whole-time Director	
	Occupation	Business	
	Experience	She is having an experience of more than Ten years in textiles business.	
	Qualifications	She holds a degree of Bachelor of Pharmacy (B.Pharm) from Veer Narmada South Gujarat University. She has also completed Diploma in Management and Post Graduate Diploma in Financial Management, both from Indira Gandhi Open University.	

Sr. No.	Details of Director		Other Directorships / Designated Partner
	Nationality	Indian	
	Date of Appointment	She is the original Director of the Company since August 10, 2023. Board of Directors in its meeting held on October 25, 2024 changed her Designation to “Whole-time Director” liable to retire by rotation. Thereafter, pursuant to the approval of members in the Extra Ordinary General Meeting held November 11, 2024, her designation was confirmed as Whole-time Director.	
	Term of Appointment and date of expiration of current term of office.	She holds office for a period of 5 (five) years with effect from October 25, 2024 liable to retire by rotation. She is entitled to a monthly salary of ₹ 2 Lakh subject to ceiling on maximum remuneration in terms of provisions of Section II of Part II of Schedule V to the Companies Act, 2013.	
3.	Name	Chirag Rameshbhai Dhameliya	None
	DIN	10622026	
	Fathers' Name	Rameshbhai Nagajibhai Dhameliya	
	Address	A-83, Natvar Nagar Society, Simada Naka, Varachha Road, Surat City 395006, Gujarat, India	
	Date of Birth	March 25, 1993	
	Age	32 years	
	Designation	Non-Executive Non Independent Director	
	Occupation	Business	
	Experience	Experience of over 5 years in narrow woven fabrics.	
	Qualifications	Bachelor of Engineering (Civil Engineering) from Gujarat Technical University.	
	Nationality	Indian	
	Date of Appointment	Original appointment on May 8, 2024 as Additional Director; thereafter regularized on September 30, 2024.	
	Term of Appointment and date of expiration of current term of office.	Liable to retire by rotation.	
4.	Name	Rajesh Kalubhai Mepani	Other Directorships/ date of appointment:
	DIN	07841263	
	Fathers' Name	Kalubhai Shamjibhai Mepani	
	Address	13, Shyam Krushna Row House, Mahadev Chok, Mota Varachha, Surat 394101, Gujarat, India	
	Date of Birth	April 30, 1980	
	Age	45 years	
	Designation	Independent Director	
	Occupation	Profession - Legal	
	Experience	17 years in the field of practice of Accounting, direct taxes and indirect taxes.	
	Qualifications	B.Com, LL.B.	
	Nationality	Indian	
	Date of Appointment	November 11, 2024	
	Term of Appointment and date of expiration of current term of office.	Hold office for a period of five years w.e.f. November 11, 2024	
			1. Interstar Polyfab Pvt Ltd. since April 30, 2024 2. SCAP Techno Fab Limited since August 01, 2023 3. Shish Industries Limited since June 05, 2017.

Sr. No.	Details of Director		Other Directorships / Designated Partner
5.	Name	Pratik Mansukhbhai Radadiya	Designated Partner/ date of appointment: 1. VCAS & CO LLP, Chartered Accountants since March 17, 2025
	DIN	10830954	
	Fathers' Name	Mansukhbhai Jerambhai Radadiya	
	Address	C-301, Royal Residency, Near River View, Pedar Road, Chorasi, Surat 394101, Gujarat, India	
	Date of Birth	October 21, 1987	
	Age	38 years	
	Designation	Independent Director	
	Occupation	Profession of Chartered Accountancy	
	Experience	Over 14 years.	
	Qualifications	FCA, DISA	
	Nationality	Indian	
	Date of Appointment	November 11, 2024	
	Term of Appointment and date of expiration of current term of office.	Hold office for a period of five years w.e.f. November 11, 2024	

BRIEF PROFILE OF OUR DIRECTORS

Gautam Vallabhbhai Sihora

Gautam Vallabhbhai Sihora, aged 44 years, Chairman & Managing Director, and Promoter of our Company. He holds a degree of Bachelor of Homeopathic Medicine and Surgery (BHMS) from Veer Narmad South Gujarat University passed out in year 2007. He is having an experience of more than 17 years in the Textile Industry. He manages overall marketing of the Company He is actively involved in formulation, business development and implementation of business strategies.

Priyal Gautamkumar Sihora

Priyal Gautamkumar Sihora, aged 41 years, is Executive Director and Promoter of our Company. She did Bachelor in Pharmacy (B.Pharm) in year 2005 from Veer Narmad South Gujarat University and also completed Diploma in Management in year 2009 and Post Graduate Diploma in Financial Management in year 2011 both from Indira Gandhi Open University. She supervises Admin, Finance, and other Commercial functions of the Company.

Chirag Rameshbhai Dhameliya

Chirag Rameshbhai Dhameliya, aged 32 years, is non-executive non independent Director of our company. He did his Bachelors in Civil Engineering (Civil) from Gujarat Technical University. He has rich and in-depth experience of over five years in narrow woven fabrics.

Rajesh Kalubhai Mepani

Rajesh Kalubhai Mepani, aged 45 years, is Independent Director in our Company. He holds Bachelor of Law and Bachelor of Commerce. He is having his own practice in the fields of Accounting, Direct Taxation and Indirect Taxation.

Pratik Mansukhbhai Radadiya

Pratik Mansukhbhai Radadiya, aged 38 years, is Independent Director in our Company. CA Pratik Radadiya is a Member of the Institute of Chartered Accountants of India (ICAI) since year 2011; he is a highly skilled professional with over a decade of expertise in accounting, auditing, and consultancy services. He completed his graduation from Veer Narmad South Gujarat University, Surat, and holds a post-qualification diploma in Information System Audit (DISA). His commitment to specialized knowledge is further demonstrated by certifications in Forensic Accounting & Fraud Detection, Public Finance & Government Accounting, Co-operatives, and Concurrent Audit of Banks.

CONFIRMATIONS

As on the date of the Draft Prospectus

- A. None of the above-mentioned Directors are on the RBI List of willful defaulters or Fraudulent Borrowers.
- B. None of the Promoters, 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, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- 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 a fugitive economic offender.
- 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.

RELATIONSHIP BETWEEN OUR DIRECTORS, KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT

Our Promoters are husband and wife. Other than this there is no relationship between any of the Directors, Key Managerial Personnel or Senior Management of our Company as on the date of the filing of Draft Prospectus.

ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS AND OTHERS

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above-mentioned Directors was selected as director or member of senior management.

SERVICE CONTRACTS WITH DIRECTORS

Our Company has not entered into any service contracts with our Directors, which provide for benefits upon the termination of their employment. Our Company has not entered into formal employment agreements with our Chairman and Managing Director and the Whole-time Director in terms of provisions of Section 190 of the Companies Act, 2013 and approval of the Board of Directors and the consent of the Members vide Special Resolution (along with Explanatory Statement) is considered to be the Memorandum of the terms of employment.

BORROWING POWERS OF THE BOARD OF DIRECTORS

Pursuant to a special resolution passed at the Annual General Meeting of our Company held on September 30, 2024 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 100 Crores.

COMPENSATION AND BENEFITS TO THE CHAIRMAN CUM MANAGING DIRECTOR

Name	Gautam Vallabhbhai Sihora
Designation	Chairman and Managing Director
Date of Appointment/ Change in Designation	He is the original Director of the Company. Thereafter, pursuant to the approval of the Board of Directors in its meeting held on October 25, 2024 he was appointed as the Chairman and Managing Director and the members in the Extra Ordinary General Meeting held on November 11, 2024, approved the same for a period of 5 (five) years with effect from October 25, 2024.
Period	5 (five) years with effect from October 25, 2024.
Salary	Upto ₹ Three Lakhs Per Month, all inclusive subject to ceilings on maximum remuneration in terms of provisions of Section II, of Part II of Schedule V to the Companies Act, 2013.
Bonus	NIL

Name	Gautam Vallabhbhai Sihora
Perquisite/Benefits	NIL
Commission	NIL
Compensation/ remuneration paid during the F.Y. 2024-25	₹ 36.00 Lakh

COMPENSATION AND BENEFITS TO THE WHOLE-TIME DIRECTOR

Name	Priyal Gautamkumar Sihora
Designation	Whole-time Director
Date of Appointment/ Change in Designation	She is the original Director of the Company. Thereafter, pursuant to the approval of the Board of Directors in its meeting held on October 25, 2024 she was appointed as the Whole-time Director and the members in the Extra Ordinary General Meeting held on November 11, 2024, approved the same for a period of 5 (five) years with effect from October 25, 2024.
Period	5 (five) years with effect from October 25, 2024.
Salary	Upto ₹ Two Lakhs Per Month
Bonus	Nil
Perquisite/Benefits	Nil
Commission	Nil
Compensation/ remuneration paid during the F.Y. 2024-25	₹ 24.00 Lakh

BONUS OR PROFIT-SHARING PLAN FOR THE DIRECTORS

Currently, Our Company does not have any bonus or profit-sharing plan for our Directors. In the future, Discretionary bonus may be paid as may be decided by Nomination and Remuneration Committee / Board of Directors, depending upon the performance of the Directors, working of the Company and other relevant factors subject to Maximum of annual salary within the limits laid down under Para A of Section II of Part II of Schedule V of the Companies Act, 2013.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO OUR DIRECTORS

As on the date of this Draft Prospectus, there is no contingent or deferred compensation payable to our Directors which does not form a part of their remuneration.

REMUNERATION PAID OR PAYABLE TO OUR DIRECTORS BY OUR SUBSIDIARY OR ASSOCIATE COMPANY

As on the date of this Draft Prospectus, our Company has neither subsidiary nor associate company.

SITTING FEES PAYABLE TO NON-EXECUTIVE DIRECTORS

Pursuant to resolution passed by our Board of Directors in their meeting held on November 18, 2024, our Non-Executive Directors are entitled to receive sitting fees for attending every meeting. The sitting fee payable is ₹ 2000 per meeting of the Board of Directors and ₹ 1500 per meeting of the Committees of Board of Directors.

SHAREHOLDING OF DIRECTORS

The shareholding of our directors as on the date of this Draft Prospectus are as follows:

Sr. No.	Name of Directors	No. of Equity Shares held	Designation
1.	Gautam Vallabhbhai Sihora	3132900	Chairman & Managing Director
2.	Priyal Gautamkumar Sihora	588225	Whole-time Executive Director

INTEREST OF DIRECTORS

The Executive director of our Company may be deemed to be interested to the extent of fees, payable to them for attending meetings of the Board or Committee if any as well as to the extent of other remuneration and/or reimbursement of expenses

payable to them as per the applicable laws.

Our Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and committees thereof, the re-imbursement of expenses payable to them, as approved by our Board. Further, the Non-Executive Director is interested to the extent of remuneration paid by the Company to him and also payment of interest on unsecured loan, if any in the future. For more details, please refer “Annexure - IX - titled Statement of Related Party & Transactions, As Restated” under Chapter titled “Restated Financial Information” beginning on page 154 of the Draft Prospectus.

Our Directors may also be deemed to be interested to the extent of Equity Shares held by them and their immediate relatives in our Company and also to the extent of any dividend payable to them and other distributions in respect of such shareholding in our Company. For details regarding the shareholding of our Directors in our Company, please see “Capital Structure” and “Our Management” on page 54 and 135.

Our Directors may be deemed to be interested in the contracts, transactions, agreements/ arrangements entered into or to be entered into by our Company with any entity which is promoted by them or in which they are members, or in which they hold directorships or any partnership firm in which they are partners in the ordinary course of business. For further details, please see “Annexure - IX - titled Statement of Related Party & Transactions, As Restated” in the chapter titled “Restated Financial Information” beginning on page 154 and “Our Promoter and Promoter Group” on page 148.

Except as stated under “Annexure - IX - titled Statement of Related Party & Transactions, As Restated” under Chapter titled “Restated Financial Information” beginning on page 154 of the Draft Prospectus, our company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of the Draft Prospectus in which our directors are interested directly or indirectly.

INTEREST OF OUR DIRECTORS IN THE PROMOTION/FORMATION OF OUR COMPANY

Except for Mr. Gautam Vallabhbhai Sihora, and Mrs. Priyal Gautamkumar Sihora, none of our Directors were involved in the promotion and formation of our Company.

INTEREST OF OUR DIRECTORS IN PROPERTY

Except as mentioned in the chapter titled “Business Overview” beginning on page no. 102, none of our Directors are interested in any property acquired or proposed to be acquired of our Company.

OTHER INTEREST

No sum has been paid or agreed to be paid to our Directors or to any firms or companies in which they may be partners or members respectively, in cash or shares or otherwise by any person either to induce him / her to become, or to qualify him/ her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

None of our Directors have been associated with any Company/LLP that has been struck-off by the registrar of companies or the Ministry of Corporate Affairs.

CHANGES IN THE BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Sr. No.	Name of the Director	Date of Appointment / Change in Designation	Reason for Change
1.	Priyal Gautamkumar Sihora	On Incorporation	Appointment as First Director of the Company
2.	Gautam Vallabhbhai Sihora	On Incorporation	Appointment as First Director of the Company
3.	Priyal Gautamkumar Sihora	October 25, 2024	Change in Designation from Director to Whole-time Director of the Company
4.	Gautam Vallabhbhai Sihora	October 25, 2024	Change in Designation from Director to Chairman and Managing Director of the Company
5.	Chirag rameshbhai Dhameliya	May 08, 2024	Appointment as an Additional Non-Executive Director of the Company
6.	Chirag rameshbhai Dhameliya	September 30, 2024	Appointment as Non-Executive Director of the Company

Sr. No.	Name of the Director	Date of Appointment / Change in Designation	Reason for Change
7.	Rajesh Kalubhai Mepani	November 11, 2024	Appointment as Non-Executive Independent Director of the Company
8.	Pratik Mansukhbhai Radadiya	November 11, 2024	Appointment as Non-Executive Independent Director of the Company

CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges.

As on date of this Draft Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the requirements specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 are not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. In spite of certain regulations and schedules of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 is not applicable to our Company, our Company endeavors to comply with the good Corporate Governance and accordingly certain exempted regulations have been compiled by our Company.

Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

COMPOSITION OF BOARD OF DIRECTORS

Currently our Board consists of 5 (Five) directors out of which 2 (One) are Executive Director, 1 (One) is Non-Executive Director and 2 (Two) are Independent Directors. Composition of Board of Directors is set forth in the below mentioned table:

Sr. No.	Name of Directors	Designation	Status	DIN
1.	Gautam Vallabhbhai Sihora	Chairman & Managing Director	Executive	10275231
2.	Priyal Gautamkumar Sihora	Whole-time Director	Executive	10275230
3.	Chirag Rameshbhai Dhameliya	Non-Executive Director	Non-Executive	10622026
4.	Rajesh Kalubhai Mepani	Independent Director	Non-Executive	07841263
5.	Pratik Mansukhbhai Radadiya	Independent Director	Non-Executive	10830954

Constitution of Committees

Our company has constituted the following Committees of the Board;

- Audit Committee**
- Stakeholders Relationship Committee**
- Nomination and Remuneration Committee**

Details of composition, terms of reference etc. of each of the above committees are provided hereunder:

1. Audit Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 177 of the Companies Act, 2013 and rules made thereunder, as amended from time to time, read with SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, as applicable, in its meeting held on November 18, 2024 constituted Audit Committee.

The constitution of the Audit Committee is as follows:

Name of Directors	Designation	Nature of Directorship
Pratik Mansukhbhai Radadiya	Chairman	Independent Director
Rajesh Kalubhai Mepani	Member	Independent Director

Name of Directors	Designation	Nature of Directorship
Gautam Vallabbhai Sihora	Member	Chairman and Managing Director

Our Company Secretary cum Compliance officer shall act as the secretary of the Committee.

Terms of Reference of the Audit Committee:

- i. Recommendation for the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, their remuneration and fixation of terms of appointment of the Auditors of the Company;
- ii. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- iii. Examination of financial statement and auditors' report thereon including interim financial result before submission to the Board of Directors for approval, particularly with respect to;
 - a. Changes, if any, in accounting policies and practices and reasons for the same,
 - b. Major accounting entries involving estimates based on the exercise of judgment by management,
 - c. Significant adjustments made in the financial statements arising out of audit findings,
 - d. Compliance with listing and other legal requirements relating to financial statements,
 - e. Disclosure of any related party transactions,
 - f. Modified opinion(s) / Qualifications in the draft audit report.
- iv. Approval or any subsequent modification of transactions of the Company with related party, subject following conditions;
 - The Audit Committee may make omnibus approval for related party transactions proposed to be entered in to by the Company subject to such conditions provided under the Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof;
 - In case of transaction, other than transactions referred to in section 188 of Companies Act 2013 or any subsequent modification(s) or amendment(s) thereof, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board;
 - In case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee;
- v. Reviewing, with the management, and monitoring 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, and making appropriate recommendations to the Board to take up steps in this matter;
- vi. Scrutiny of Inter-corporate loans and investments;
- vii. Reviewing and discussing 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;
- viii. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
- ix. Valuation of undertakings or assets of the company, where ever it is necessary;
- x. Evaluation of internal financial controls and risk management systems and reviewing, with the management, performance of internal auditors, and adequacy of the internal control systems; and
- xi. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xii. To monitor the end use of fund invested or given by the Company to Subsidiary Companies; and
- xiii. Carrying out any other function as assigned by the Board of Directors from time to time.

Review of information to be done by the Audit Committee:

- i. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- ii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iii. Internal audit reports relating to internal control weaknesses; and
- iv. The appointment, removal and terms of remuneration of the Internal Auditor.
- v. Quarterly / half yearly statement of deviation(s), if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
- vi. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus.

Powers of the Audit Committee:

- i. To investigate any activity within its terms of reference;
- ii. To seek information from any employees;
- iii. To obtain outside legal or other professional advice; and
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

- v. Call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
- vi. To investigate into any matter in relation to the items specified in sub-section (4) of Section 177 of the Companies Act, 2013 or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company.

Quorum and Meetings

The committee shall meet at least four times in a financial year and not more than 120 days shall elapse between any two meetings. The quorum of the meeting of the Audit Committee shall be one third of total members of the Audit Committee or 2, whichever is higher, subject to minimum two Independent Director shall be present at the Meeting.

2. Stakeholders Relationship Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013 and rules made thereunder, as amended from time to time, read with SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, as applicable, in its meeting held on November 18, 2024 constituted Stakeholders Relationship Committee.

The constitution of the Stakeholders Relationship Committee is as follows:

Name of Directors	Designation	Nature of Directorship
Mr. Pratik Mansukhbhai Radadiya	Chairman	Independent Director
Mr. Rajesh Kalubhai Mepani	Member	Independent Director
Mr. Gautam Vallabhbhai Sihora	Member	Chairman and Managing Director

Our Company Secretary and Compliance officer shall act as the secretary of the Committee.

Terms of Reference

To supervise and ensure;

- i. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares;
- ii. Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.;
- iii. Issue duplicate/split/consolidated share certificates;
- iv. Dematerialization/Rematerialization of Share;
- v. Review of cases for refusal of transfer / transmission of shares and debentures;
- vi. Reference to statutory and regulatory authorities regarding investor grievances and to otherwise ensure proper and timely attendance and redressal of investor queries and grievances; Provided that inability to resolve or consider any grievance by the Stakeholders Relationship Committee in good faith shall not constitute a contravention of Section 178 of Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof.
- vii. Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

Quorum and Meetings

The Stakeholders Relationship Committee shall meet at least once in a financial year. The quorum shall be one third of total members of the Stakeholders Relationship Committee or 2 members, whichever is higher.

3. Nomination and Remuneration Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013 and rules made thereunder, as amended from time to time, read with SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, as applicable, in its meeting held on November 18, 2024 constituted Nomination and Remuneration Committee.

The constitution of the Nomination and Remuneration Committee is as follows:

Name of Directors	Designation	Nature of Directorship
Mr. Pratik Mansukhbhai Radadiya	Chairman	Independent Director
Mr. Rajesh Kalubhai Mepani	Member	Independent Director
Mr. Chirag Rameshbhai Dhameliya	Member	Non-Executive Director

Our Company Secretary and Compliance officer shall act as the secretary of the Committee.

Terms of reference

Role of Nomination and Remuneration Committee shall include but not limited to: -

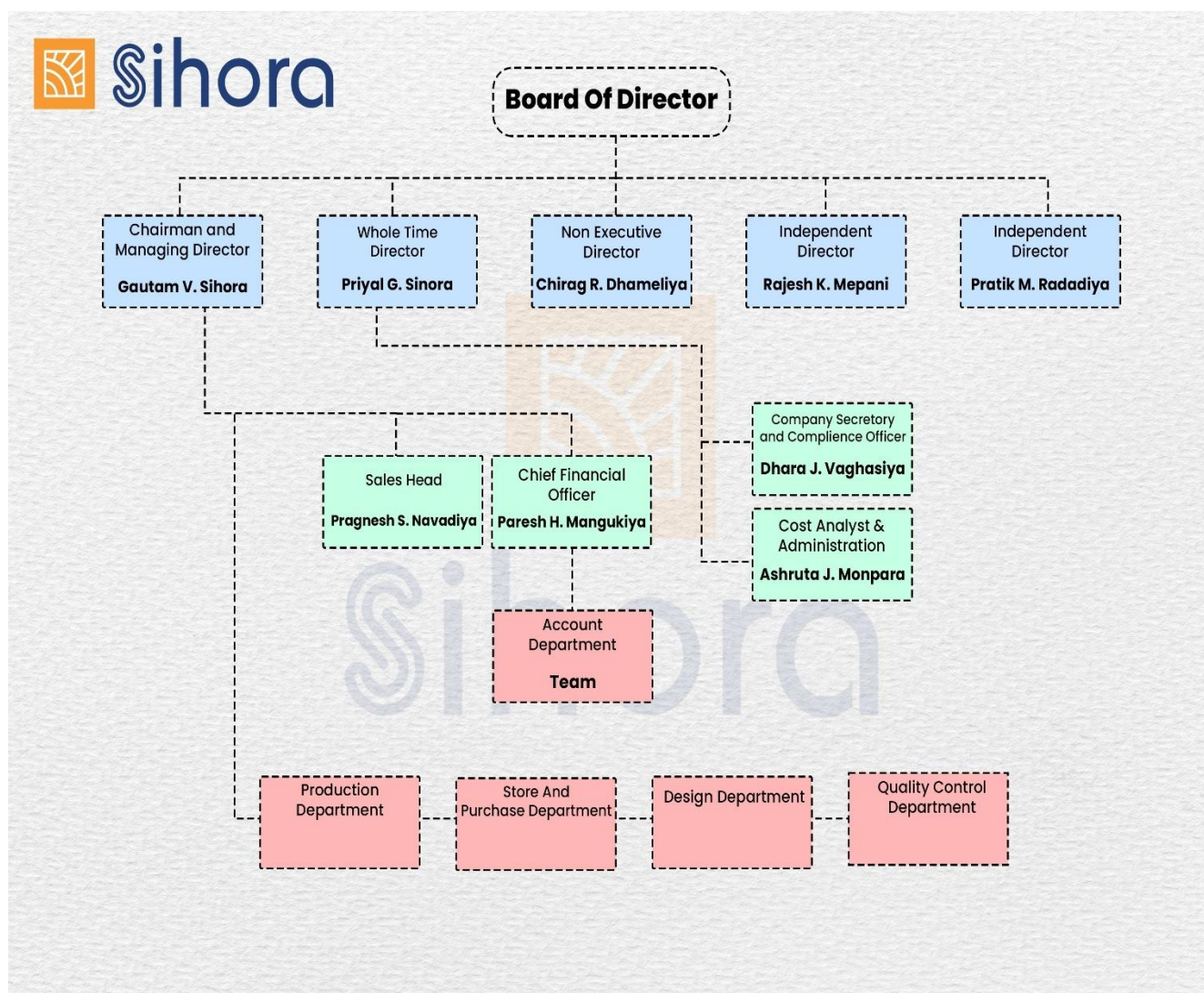
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance.
- To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

Quorum and Meetings

The Committee is required to meet at least once in a financial year. The quorum necessary for a meeting of the Nomination and Remuneration Committee is one third of total members of the Nomination and Remuneration Committee or 2 members, whichever is higher, including atleast one independent director in attendance.

MANAGEMENT ORGANIZATION STRUCTURE

The Management Organization Structure of the company is depicted from the following chart:



OUR KEY MANAGERIAL PERSONNEL

In addition to Gautam Vallabhbhai Sihora, Chairman and Managing Director, whose details are provided under the section titled “Brief Profile of our Directors” in the chapter titled “Our Management” beginning on page 135 the details of our other Key Managerial Personal is as follows:

Name, Designation and Date of Joining		Qualification	Previous Employment	Remuneration paid in F.Y. 2024-25 (₹ in Lakhs)
Name	Ms. Dhara Jatin Vaghasiya	He/ She holds a degree of Company Secretary from Institute of Company Secretaries of India	Excellent Jewels Private Limited	NA
Designation	Company Secretary cum Compliance Officer			
Date of Appointment	18 th June, 2025			
Overall Experience	She is having an experience of over four years in the field of secretarial compliances.			

Name, Designation and Date of Joining		Qualification	Previous Employment	Remuneration paid in F.Y. 2024-25 (₹ in Lakhs)
Name	Mr. Paresh Haribhai Mangukiya	Masters in Business Administration (year 2014)	1. Express Cargo Movers (1 year) 2. Sihora Narrow Fabrics (8 years)	3.88
Designation	Chief Financial Officer (CFO)			
Date of Appointment	Since Incorporation of the Co.			
Overall Experience	He is having an experience of over Ten years in the field of Finance, Accounts and operations.			

SENIOR MANAGEMENT IN OUR COMPANY

Name, Designation and Date of Joining		Qualification	Previous Employment	Remuneration paid in F.Y. 2024-25 (₹ in Lakhs)
Name	Mr. Pragnesh Navadiya	N.A.	Infinity Trendz	1.20
Designation	Sales Head			
Date of Appointment	December 01, 2024			
Overall Experience	He is having an experience of over four years in the field of sales support, client relationship management, and market development. Earlier, he was associated with as a Job contract work for Sihora Narrow fabrics till September 2023.			

Name, Designation and Date of Joining		Qualification	Previous Employment	Remuneration paid in F.Y. 2024-25 (₹ in Lakhs)
Name	Ashruta Monpara	Cost Accountant	Lakhankiya & Dosi LLP	0.68
Designation	Cost Analyst & Administration			
Date of Appointment	Since Incorporation of the Co.			
Overall Experience	She is having responsible for Cost benefit analysis in respect of products of the Company. Apart from that, she is also looking after office administration functions, including facilities management, vendor relations, and procurement			

CHANGES IN THE KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Sr. No.	Name of the KMP	Date of Appointment / Change in Designation	Reason for Change
1.	Paresh Haribhai Mangukiya	December 09, 2024	Appointment as Chief Financial Officer of the Company
2.	Dhara Jatin Vaghasiya	June 18, 2025	Appointment as Company Secretary and Compliance Officer of the Company
3.	Mr. Pragnesh Navadiya	Sales Head	Appointment as Sales Head of the Company
4.	Ashruta Monpara	Cost Analyst & Administration	Appointment as Cost Analyst & Administration of the Company

BONUS OR PROFIT-SHARING PLAN FOR THE KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Currently, our Company does not have any bonus or profit-sharing plan for our Key Managerial personnel and Senior Management.

PAYMENT OF BENEFIT TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

No amount or benefit (non-salary related) was paid or given to our Key Managerial Personnel and Senior Management, within the two (2) preceding years or is intended to be paid or given to our Key Managerial Personnel and Senior Management, other than in the ordinary course of employment.

STATUS OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

All the Key Managerial Personnel and Senior Management mentioned above are on the payrolls of our Company as permanent employees.

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS

There is no arrangement / understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned personnel have been recruited.

SERVICE CONTRACTS WITH OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Our Key Managerial Personnel and Senior Management are governed by the terms of their respective employment letters / resolutions of our Board on their terms of appointment. None of our Key Managerial Personnel and Senior Management have entered into a service contract with our Company, entitling them to any benefits upon termination of employment.

RETIREMENT AND TERMINATION BENEFIT

Except for applicable statutory benefits, none of our Key Managerial Personnel and Senior Management would receive any benefits on their retirement or on termination of their employment with our Company

CONTINGENT AND DEFERRED COMPENSATION PAID OR PAYABLE TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

As on the date of this Draft Prospectus, there is no contingent or deferred compensation payable to our Key Managerial Personnel and Senior Management that does not form part of their remuneration.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

None of our Key Managerial Personnel and Senior Management are related to each other or to any of our Directors.

ATTRITION OF KEY MANAGERIAL PERSONAL AND SENIOR MANAGEMENT VIS-À-VIS INDUSTRY

The rate of attrition of our Key Managerial Personnel and Senior Management is not high in comparison to the industry in which we operate.

EMPLOYEE STOCK OPTION SCHEME

As on the date of filing of Draft Prospectus, our company does not have any ESOP Scheme for its employees.

INTEREST OF OUR KEY MANAGERIAL PERSONS AND SENIOR MANAGEMENT

Our Key Managerial Personnel and Senior Management do not have any interest in our Company other than (i) as stated in “Annexure - IX - titled Statement of Related Party & Transactions, As Restated” in the chapter titled “Restated Financial Information” on page 154, respectively; or (ii) to the extent of remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. The Key Managerial Personnel and Senior Management may also be deemed to be interested to the extent of dividend payable to them and other distributions in respect of Equity Shares held by them in our Company.

LOANS GIVEN/AVAILED BY DIRECTORS/ KEY MANAGERIAL PERSONNEL OF OUR COMPANY

For details of unsecured loan taken from or given to our Directors/KMPs/SMPs and for details of transaction entered by them in the past see “Annexure - IX - titled Statement of Related Party & Transactions, As Restated” in the chapter titled “Restated Financial Information” on page 154.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Except as disclosed below, none of the Key Managerial Personnel and senior management hold any Equity Shares of our Company as on the date of this Draft Prospectus.

Sr. No.	Name of Directors	No. of Equity Shares held	Designation
1.	Gautam Vallabhbhai Sihora	3132900	Chairman & Managing Director
2.	Priyal Gautamkumar Sihora	588225	Whole-time Executive Director

OUR PROMOTERS AND PROMOTERS GROUP



PROMOTERS OF OUR COMPANY ARE:

1. Mr. Gautam Vallabhbhai Sihora
2. Mrs. Priyal Gautamkumar Sihora

For details of the Capital build-up of our Promoters in our Company, see chapter titled “Capital Structure” beginning on page no. 54 of this Draft Prospectus.

The details of our Promoters are as follows:

INDIVIDUAL PROMOTERS

	MR. GAUTAM VALLABHBHAI SIHORA Gautam Vallabhbhai Sihora, aged 44 years, Chairman & Managing Director, and Promoter of our Company. He is actively involved in formulation, business development and implementation of business strategies.
Date of Birth	November 23, 1981
Age	44 Years
PAN and other Regulatory Identities	PAN - BADPS1831D, Aadhar – 7087 0734 3525, Passport No. Z3691498, Voter Id – UGH1448372, Driving License – GJ0520010015690
Educational Qualification	He holds a degree of Bachelor of Homeopathic Medicines and Surgery (BHMS) from Veer Narmad South Gujarat University issued in the year 2007.
Experience in Business/Employment	He has experience of more than 17 years in the Textile Industry when he initiated <i>Sihora Narrow Fabrics</i> and obtained Importer-Exporter Code No. 5206062715 dated March 6, 2007.
Present Residential Address	5, Harishnagar Soc, Hirabaug, Varachha Road, Behind Tapsil Soc, Varachha Road, Surat – 395006, Gujarat, India
Position/posts held in the past	Proprietor of <i>Sihora Narrow Fabrics</i> since year 2007 business of which was taken-over by the Company in year 2023.
Directorships held	NIL
Other Ventures	<ul style="list-style-type: none"> Anaadi Global Co. (50% Partner) Shloka International (25% Partner) Gautam Vallabhbhai Sihora HUF
	MRS. PRIYAL GAUTAMKUMAR SIHORA Mrs. Priyal Gautamkumar Sihora, aged 41 years, Whole-time Director, and Promoter of our Company. She is involved in general administration, HR related activities, and supervision of implementation of business strategies.
Date of Birth	June 1, 1984
Age	41 Years
PAN and other Regulatory Identities	PAN - APM2646E, Aadhar – 2640 4397 2854, Passport No. M8673676, Voter Id – UGH2643930, Driving License – GJ05/057337/07.
Educational Qualification	She holds a degree of Bachelor of Pharmacy (B.Pharm) from Veer Narmad South Gujarat University and Diploma in Management and a Post Graduate Diploma in Financial Management from IGNOU.
Experience in Business	She is having an experience of more than Four years in Business.
Present Residential Address	5, Harishnagar Soc, Hirabaug, Varachha Road, Behind Tapsil Soc, Varachha Road, Surat – 395006, Gujarat, India
Position/posts held in the past	Partner in Anaadi Global Co. since April 2021.
Directorships held	NIL
Other Ventures	Anaadi Global Co. (50% Partner)

HUF – PROMOTER GROUP

Gautam Vallabhbhai Sihora HUF

Gautam Vallabhbhai Sihora – HUF was originally formed on January 26, 2008 where our promoter Mr. Gautam Vallabhbhai Sihora is the Karta.

Gautam Vallabhbhai Sihora HUF is into business of trading and job-work related activities in Narrow fabrics, securities trading and investments.

DECLARATION

We declare and confirm that the details of the permanent account numbers, bank account numbers, passport numbers, Aadhar card number and driving license numbers of our Promoters are being submitted along with filing of this Draft Prospectus with the Stock Exchange on which the specified securities are proposed to be listed.

CHANGE IN THE CONTROL OR MANAGEMENT OF THE ISSUER IN LAST FIVE YEARS

There has been no change in control and management of our Company since Incorporation.

MATERIAL GUARANTEES GIVEN BY OUR PROMOTERS

There are no material guarantees given by the Promoters to third parties with respect to specified securities or borrowings of the Company as on the date of this Draft Prospectus.

INTEREST OF OUR PROMOTERS

- Except as stated in “Annexure - IX - titled Statement of Related Party & Transactions, As Restated” under chapter titled “Restated Financial Information” beginning on Page No. 154 of this Draft Prospectus and to the extent of compensation, remuneration / sitting fees to be paid, Perquisites to be given, reimbursement of expenses to be made in accordance with their respective terms of appointment and to the extent of their shareholding and benefits, if any, arise on the shareholding, our Promoters do not have any other interest in our business.
- Further, our Promoters may be deemed to be interested to the extent of the payments made by our Company, if any, to the Group entities and payment to be made by our Company to the Group Entities. For the payments that are made by our Company to certain Group entities, please refer “Annexure - IX - titled Statement of Related Party & Transactions, As Restated” under chapter titled “Restated Financial Information” beginning on Page No. 154 of this Draft Prospectus.
- Our Promoters, Directors or Group Companies do not have any interest in any property acquired by our Company in the preceding three years before filing this Draft Prospectus. Further, they do not have any interest in any property to be acquired by our Company till the date of this Draft Prospectus.
- Except as otherwise as stated in this Draft Prospectus, we have not entered into any contract, agreements or arrangements during the preceding three years from the date of this Draft Prospectus in which Promoters are directly or indirectly interested.

PAYMENT OF BENEFITS TO OUR PROMOTERS

Except as stated in “Annexure - IX - titled Statement of Related Party & Transactions, As Restated” under section titled “Restated Financial Information” beginning on Page No. 154 of this Draft Prospectus, there has been no payment of benefits to our Promoters since incorporation of the Company. Further, our Company may enter into transaction with or make payment of benefit to the Promoters Directors or Promoters’ Group, towards remunerations as decided by Board of Directors.

CONFIRMATIONS

Our Company and Promoters confirm that they have not been declared as wilful defaulters or Fraudulent Borrowers by the RBI or by any other government authority and there are no violations of securities laws committed by them in the past or are currently pending against them or restraining period are continued.

Further, our Promoters, Promoters Group or Directors have not been directly or indirectly, debarred from accessing the capital market or have not been restrained by any regulatory authority, directly or indirectly from acquiring the securities.

Additionally, our Promoters, Promoters Group or Directors do not have direct or indirect relation with the companies, its Promoters and Whole-time Director, which are compulsorily delisted by any recognized stock exchange or the companies which is debarred from accessing the capital market by the Board.

Also, our Promoters or Directors are not a fugitive economic offender.

We and our Promoters, Group Entities, and Companies promoted by the Promoters confirm that:

- No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past one year against us; and
- There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs during the past three years.

The details of outstanding litigation including its nature and status are disclosed in the section titled “Outstanding Litigation and Material Developments” beginning on Page No. 168 of this Draft Prospectus.

DISASSOCIATION OF PROMOTERS IN THE LAST THREE YEARS:

None of our Promoters have disassociated themselves from any Company or Firm during the preceding three years.

RELATIONSHIP OF PROMOTERS WITH EACH OTHER AND WITH OUR DIRECTORS

Except as disclosed herein, none of our Promoter(s) are related to any of our Company’s directors within the meaning of Section 2 (77) of the Companies Act, 2013.

In addition to our Promoters named above, the following individuals and entities form a part of the Promoters’ Group:

a. Natural persons who are part of our Individual Promoter Group:

Relationship with Promoter	Mr. Gautam Vallabhbhai Sihora	Mrs. Priyal Gautamkumar Sihora
Father	Vallabhbhai Sihora	Vrajlal Jadavbhai Mangukiya
Mother	Vasantben Vallabhbhai Sihora	Madhuben Vrajlal Mangukiya
Spouse	Priyal Gautamkumar Sihora	Gautamkumar Vallabhbhai Sihora
Brother(s)	-	Krunal Vrajlal Mangukiya
Sister(s)	Saritababen Rakeshkumar Mangukiya	Manaliben Harnishkumar Dhameliya
	Pinal Pragnesh Patel	-
	Minakshi Vipul Vaghani	-
Son(s)	Aditya Gautam Sihora	Aditya Gautam Sihora
Daughter(s)	Ananya Gautam Sihora	Ananya Gautam Sihora
Father-in-Law	Vrajlal Jadavbhai Mangukiya	Vallabhbhai Sihora
Mother-in- Law	Madhuben Vrajlal Mangukiya	Vasantben Vallabhbhai Sihora
Brother(s)-in- Law	Krunal Vrajlal Mangukiya	-
Sister(s)-in- Law	Manaliben Harnishkumar Dhameliya	Saritababen Rakeshkumar Mangukiya
	-	Pinal Pragnesh Patel
	-	Minakshi Vipul Vaghani

b. Companies related to our Promoter Company: Not Applicable as our Promoters is not Company.

Nature of Relationship	Name of Entities
Subsidiary or holding company of Promoter Company.	Not Applicable
Any Body corporate in which promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the promoter (Body Corporate).	Not Applicable

c. Companies, Proprietary concerns, HUF’s related to our Promoters

Nature of Relationship	Name of Entities
Any Body Corporate in which twenty percent or more of the equity share capital is held by promoters or an immediate relative of the promoters or a firm or HUF in which promoters or any one or more of his immediate relatives are a member.	1. Sihora Industries Limited 2. Anadi Global Co 3. Shloka International

Nature of Relationship	Name of Entities
Any Body corporate in which Body Corporate as provided above holds twenty percent or more of the equity share capital.	Nil
Any Hindu Undivided Family or Firm in which the aggregate shareholding of the promoters and their immediate relatives is equal to or more than twenty percent.	Gautam Vallabhbhai Sihora HUF

d. Person whose shareholding is aggregated under the heading “Shareholding of the Promoters Group”

Sr. No.	Name of Entities / Person	Number of equity shares held in the Company
1.	Mrs.Saritababen Rajeshkumar Mangukiya	2055
2.	Mrs.Minakshi Vipul Vaghani	2055
3.	Mrs.Pinal Pragnesh Patel	2055
4.	Mrs.Vasantben Vallabhbhai Sihora	55
5.	Gautam Vallabhbhai Sihora HUF	55

For further details on our Group Companies refer Chapter titled “Information with respect to Group Companies/Entities” under Chapter titled “Our Promoters And Promoters Group” beginning on page no. 148 of this Draft Prospectus.

SHAREHOLDING OF THE PROMOTER GROUP IN OUR COMPANY

For details of the shareholding of our Promoters and members of our Promoter Group as on the date of this Draft Prospectus and lock-in of Promoters’ shareholding (including Promoters ‘contribution), refer Chapter titled “Capital Structure” beginning on page no. 54 of this Draft Prospectus.

OUR GROUP COMPANIES

In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of 'group companies', our company has considered such companies (other than a subsidiary) with which they are related party transactions during the period for which Restated Financial Statements has been disclosed in this Draft Prospectus, as covered under the applicable accounting standards.

Accordingly, all such companies (other than a subsidiary) with which there were related party transactions during the periods covered in the Restated Financial Statements, as covered under the applicable accounting standards, shall be considered as Group Companies in terms of the SEBI ICDR Regulations.

Based on the parameters outlined above, our Company does not have any group companies as on the date of this Draft Prospectus.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on few number of factors, including but not limited, net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings and applicable taxes by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. As on the date of this Draft Prospectus, our Company does not have a formal dividend policy.

Upon the listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

Our Company has not declared any dividends since its incorporation. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in the future. For details in relation to the risk involved, please refer section titled “Risk Factors” beginning on Page No. 20 of this Draft Prospectus.

SECTION VII – FINANCIAL STATEMENTS

RESTATED FINANCIAL INFORMATION

Sr. No.	Particulars	Page no.
1.	Restated Financial Statements	F – 1 to F – 30

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**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON
RESTATED FINANCIAL INFORMATION OF SIHORA INDUSTRIES LIMITED**

To,
The Board of Directors
Sihora Industries Limited
PL 34/D/1 Laxminarayan,
BRC Compound, Udhna,
Surat, Mangrol, Gujarat, India, 394210

Dear Sirs,

1. We have examined the attached Restated Financial Information of Sihora Industries Limited (hereunder referred to "the Company", "Issuer") and M/s. Sihora Narrow Fabrics (Proprietor Gautam Vallabhbhai Sihora) comprising the **1)** Statement of Assets & Liabilities, As Restated as at March 31, 2025, and March 31, 2024 of the Company and Statement of Assets & Liabilities, As Restated as at October 17, 2023 and March 31, 2023 of M/s. Sihora Narrow Fabrics (Proprietor Gautam Vallabhbhai Sihora) taken over by Sihora Industries Limited, **2)** the Statement of Profit & Loss as Restated, the Cash Flow Statement, as restated for the year ended March 31, 2025 and March 31, 2024 and the Restated Statement of Profit & Loss, the Restated Cash Flow Statement for the period ended on October 17, 2023 and March 31, 2023 of M/s. Sihora Narrow Fabrics (Proprietor Gautam Vallabhbhai Sihora) **3)** the statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (Collectively, the "**Restated Financial Information**") as approved by the Board of Directors in their meeting held on July 10, 2025 for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus ("Offer Document") in connection with its proposed Initial Public Offering (IPO) of equity shares, prepared by the Company in connection with its Initial Public Offer of Equity Shares (IPO) prepared in terms of the requirement of:-
2. These Restated Summary Information have been prepared in accordance with the requirements of:
 - (i) Section 26 of Part I of Chapter-III to the Companies Act, 2013("Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 as amended ("ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time; and
 - (iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Document to be filed with SME Stock exchange, Securities and Exchange Board of India, the Registrar of Companies, Ahmedabad and in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Information. The Board of Directors' responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statement. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
4. We have examined such Restated Financial Information taking into consideration:

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated November 18, 2024 in connection with the proposed IPO of equity shares of the Issuer;
 - b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
 - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO
5. This Restated Financial information of the Company has been compiled by the management from the Audited Financial Statements of the Company for the as at March 31, 2025, and March 31, 2024 and based on Special Purpose Audited Financial Information of M/s. Sihora Narrow Fabrics (Proprietor Gautam Vallabhbhai Sihora) for the period ended October 17, 2023 and the year ended March 31, 2023, (prepared in accordance with the accounting standards notified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India. The same have been approved by the Board of Directors at their meeting held on July 01, 2025, August 10, 2024, June 23, 2025 and June 23, 2025.
 6. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
 - (i) The “**Statement of Assets & Liabilities, As Restated**” as set out in **Annexure I** to this report, of the Company as at March 31, 2025, and March 31, 2024 and M/s. Sihora Narrow Fabrics (Proprietor Gautam Vallabhbhai Sihora) for the period ended October 17, 2023, and the year ended March 31, 2023, are prepared by the Company and approved by the Board of Directors. These Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate.
 - (ii) The “**Statement of Profit & Loss, As Restated**” as set out in **Annexure II** to this report, of the Company for the year ended March 31, 2025, and March 31, 2024, and M/s. Sihora Narrow Fabrics (Proprietor Gautam Vallabhbhai Sihora) for the period ended October 17, 2023, and the year ended March 31, 2023 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate.
 - (iii) The “**Statement of Cash Flow, As Restated**” as set out in **Annexure III** to this report, of the Company for the year ended March 31, 2025, and March 31, 2024, M/s. Sihora Narrow Fabrics (Proprietor Gautam Vallabhbhai Sihora) and for the period ended October 17, 2023, and the year ended March 31, 2023 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate.
 7. These restated financial information have been compiled by the management from the audited financial statements for the year ended March 31, 2025, and March 31, 2024, and from special purpose audited financial Information for the period ended October 17, 2023, and the year ended March 31, 2023; prepared in accordance with the with the accounting standards notified under the section 133 of the Act and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on July 01, 2025, August 10, 2024, June 23, 2025 and June 23, 2025 respectively. Financial Statements for the financial years ended on March 31, 2025 and March 31, 2024 have been audited by us only and for the period ended October 17, 2023, and the year ended March 31, 2023 we have audited financial Information for special purpose. Accordingly, reliance has been placed on the financial statements audited by us for the said financial years / periods. The financial report included for these years/ periods is based solely on the report submitted by us.
 8. For the purpose of our examination, we have relied on:

- a) Auditors' Report issued by the Statutory Auditors i.e. M/s. Lakhankiya & Dosi LLP Chartered Accountants on the financial statement year/period ended on March 31, 2025, March 31, 2024 and Audit report on special purpose Financial Information for the period ended on October 17, 2023 and March 31, 2023.
9. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the audit report submitted by us for the respective year, we report that the Restated Financial Information:
- a) Adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively for the year ended March 31, 2025, and March 31, 2024, and for the period ended October 17, 2024, and the year ended March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping/ classifications for all the reporting periods, if any.
- b) Adjustments for prior period and other material amounts in the respective financial years/periods to which they relate and there are no qualifications, which require adjustments.
- c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.
- d) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the year ended March 31, 2025, and March 31, 2024, and for the period ended October 17, 2023, and the year ended March 31, 2023, which would require adjustments in this Restated Financial Information of the Company.
- e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate.
- f) These have been prepared in accordance with the Act, ICDR Regulations and Guidance note.
10. In our opinion and to the best of information and explanation provided to us, the Restated Financial Information of the Company, read with significant accounting policies and notes to accounts as appearing in ANNEXURE – IV are prepared after providing appropriate adjustments and regroupings as considered appropriate.
11. We, M/s. Lakhankiya & Dosi LLP, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI which is valid till August 31, 2026.
12. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the year ended March 31, 2025, and March 31, 2024, and for the period ended October 17, 2024, and the year ended March 31, 2023 proposed to be included in the Draft Red Herring Prospectus / Red Herring Prospectus/ Prospectus (“Offer Document”) for the proposed IPO.

Annexures	Particulars
ANNEXURE I	Statement of Assets & Liabilities, as Restated
ANNEXURE II	Statement of Profit & Loss, as Restated
ANNEXURE III	Statement of Cash Flow, as Restated
ANNEXURE IV	Significant accounting policies and notes to accounts
ANNEXURE I.1 to I.19	Notes related to Statement of Assets & Liabilities, as Restated
ANNEXURE II.1 to II.10	Notes related to Statement of Profit & Loss, as Restated
ANNEXURE V	Additional information related to restated financial information

Annexures	Particulars
ANNEXURE VI	Statement of Account ratios
ANNEXURE VII	Statement of Capitalization, As Restated
ANNEXURE VIII	Statement of Tax Shelter, As Restated
ANNEXURE IX	Statement of Related Party & Transactions
ANNEXURE X	Statement of Dividends
ANNEXURE XI	Changes in the Significant Accounting Policies
ANNEXURE XII	Contingent Liabilities and Capital Commitment.

13. The preparation and presentation of the Restated Financial information 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.
14. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
15. We have no responsibility to update our report for events and circumstances occurring after the date of the report. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For M/s. Lakhankiya & Dosi LLP
Chartered Accountants
Firm's Registration No: 154114W/W100873

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CA Shaileshkumar H Lakhankiya
Partner
Membership No. 147112
UDIN: 25147112BMIVKG6122
Place: Surat
Date: 10/07/2025

SIHORA INDUSTRIES LIMITED
ANNEXURE - I
STATEMENT OF ASSETS & LIABILITIES, AS RESTATED

(₹ in Lakhs)

	Particulars	Note	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
I	EQUITY AND LIABILITIES					
	1. Shareholders' funds					
	(a) Share Capital	I.1	372.74	67.77	50.32	50.42
	(b) Reserves and surplus	I.2	153.29	271.00	(9.42)	(36.94)
	Sub Total Shareholders Funds (A)		526.03	338.77	40.90	13.48
	Share Application Money Received Pending Allotment (B)		-	-	-	-
	2. Non-current liabilities					
	(a) Long-term borrowings	I.3	243.53	172.15	53.72	71.64
	(b) Other Non-current Liabilities	I.4	-	-	-	-
	(c) Deferred Tax liability	I.5	-	-	-	-
	(d) Long-term provisions	I.6	14.17	10.91	9.75	13.11
	Sub Total Non Current Liabilities (C)		257.69	183.05	63.47	84.76
	3. Current liabilities					
	(a) Short-term borrowings	I.7	270.46	75.22	228.77	314.48
	(b) Trade payables	I.8				
	i) Due to MSME		88.14	67.23	82.04	128.69
	ii) Due to Others		35.98	53.04	265.58	325.67
	(c) Other current liabilities	I.9	19.72	11.87	0.30	22.22
	(d) Short-term provisions	I.10	66.89	14.60	9.09	5.91
	Sub Total Current Liabilities (D)		481.20	221.96	585.77	796.98
	TOTAL (A+B+C+D)		1,264.92	743.79	690.14	895.21
II.	ASSETS					
	1. Non-current assets					
	(a) Property, Plant and Equipment and Intangible assets					
	(i) Property, Plant and Equipment	I.11	492.05	383.54	171.36	190.88
	(ii) Intangibles Assets	I.11	-	-	0.08	0.11
	(iii) Intangible assets under development	I.11	-	-	-	-
	(iv) Capital Work in progress	I.11	10.69	-	-	-
	(b) Non-current investments	I.12	-	-	-	-
	(c) Long-term loans and advances	I.13	21.26	17.47	0.17	0.17
	(d) Deferred Tax Assets	I.5	9.06	5.90	17.06	18.03
	(e) Non Current Assets	I.14	-	-	-	-
	Total Non Current Assets (A)		533.06	406.91	188.68	209.19
	2. Current assets					
	(a) Inventories	I.15	308.32	126.61	63.36	126.36
	(b) Trade receivables	I.16	244.70	60.48	349.03	297.52
	(c) Cash and Cash Equivalent	I.17	3.60	3.56	3.49	0.53
	(d) Short-term loans and advances	I.18	-	8.67	8.67	173.98
	(e) Other Current Assets	I.19	175.25	137.57	76.91	87.62
	Total Current Assets (B)		731.87	336.89	501.46	686.01
	TOTAL (A+B)		1,264.92	743.79	690.14	895.21

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached

For, Sihora Industries Limited

Lakhankiya & Dosi LLP

Chartered Accountants

Firm's Registration No: 154114W/W100873

-sd-

Shaileshkumar H Lakhankiya

Partner

M No.147112

UDIN: 25147112BMIVKG6122

Place: Surat

Date: 10/07/2025

-sd-

Gautam Vallabhbbhai Sihora
Chairman and Managing Director
(DIN : 10275231)

-sd-

Paresh Haribhai Mangukiya
Chief Financial Officer

Place: Surat

Date: 10/07/2025

-sd-

Priyal Gautamkumar Sihora
Whole-time Director
(DIN : 10275231)

-sd-

Dhara Jatin Vaghasiya
Compalce Officer

SIHORA INDUSTRIES LIMITED
ANNEXURE - II

STATEMENT OF PROFIT & LOSS, AS RESTATED

(₹ in Lakhs)

	Particulars	Note	For the Period/ Year Ended On			
			From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
I	Revenue from operations	II.1	1,456.20	621.10	534.99	1,209.77
II	Other Income	II.2	50.26	6.18	-	-
III	Total Income (I+II)		1,506.46	627.28	534.99	1,209.77
	Expenses:					
	(a) Cost of raw materials consumed	II.3	719.70	407.17	225.44	670.09
	(b) Purchases of stock-in-trade	II.4	-	-	-	-
	(c) Changes in inventories of finished goods and work-in- progress	II.5	(22.03)	(55.95)	55.80	26.46
	(d) Employee benefits expense	II.6	207.71	77.80	65.01	171.84
	(e) Finance costs	II.7	42.24	17.40	20.21	54.11
	(f) Depreciation and amortisation expense	II.7A	86.99	43.69	19.77	44.99
	(g) Other expenses	II.8	221.61	96.54	111.98	224.74
IV	Total expenses		1,256.22	586.65	498.21	1,192.23
V	Profit /(Loss) before tax and Exceptional Items (III-IV)		250.24	40.63	36.78	17.55
VI	Exceptional Items	II.9	-	-	-	-
VII	Profit /(Loss) before tax (V-VI)		250.24	40.63	36.78	17.55
VIII	Tax expense:					
	(a) Current tax expense		66.14	14.40	8.29	5.60
	Less: MAT credit setoff		-	-	-	-
	(b) Short/(Excess) provision of tax for earlier years		-	-	-	-
	(c) Deferred tax charge/(credit)		(3.16)	(5.90)	0.97	(18.03)
			62.98	8.49	9.26	(12.43)
IX	Profit after tax for the year (VII-VIII)		187.26	32.14	27.53	29.98
X	Earnings per share (face value of ₹ 10/- each):	II.10				
	(a) Basic (in ₹)		5.02	0.86	1.00	1.09
	(b) Diluted (in ₹)		5.02	0.86	1.00	1.09

Notes:

1 The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

2 Company has acquired running business of Proprietary firm M/s. Sihora Narrow Fabrics (Proprietary Mr. Gautam Vallabhbbhai Sihora) vide agreement dated October 17, 2023. For the purpose of Restated Financial Statements, the accounts of the Proprietary firm for the year ended on March 31 2023, and for the period ended on October 17, 2023 have been recasted in accordance with the requirements of Schedule III of the Companies Act, 2013. Moreover for the purpose of calculation of EPS, share capital at the incorporation of Company is taken as base and accordingly EPS is calculated.

As per our report of even date attached

For, Sihora Industries Limited

Lakhankiya & Dosi LLP

Chartered Accountants

Firm's Registration No: 154114W/W100873

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Shaileshkumar H Lakhankiya

Partner

M No.147112

UDIN: 25147112BMIVKG6122

Place: Surat

Date: 10/07/2025

-sd-

Gautam Vallabhbbhai Sihora
Chairman and Managing Director
(DIN : 10275231)

-sd-

Paresh Haribhai Mangukiya
Chief Financial Officer

Place: Surat

Date: 10/07/2025

-sd-

Priyal Gautamkumar Sihora
Whole-time Director
(DIN : 10275230)

-sd-

Dhara Jatin Vaghasiya
Compliance Officer

STATEMENT OF CASH FLOW, AS RESTATED

(₹ in Lakhs)

Particulars	For the Period/ Year Ended On			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Extraordinary items	250.24	40.63	36.78	17.55
Adjustment For:				
(a) Depreciation and Amortization	86.99	43.69	19.77	44.99
(b) Finance Charges	42.24	17.40	20.21	54.11
(c) Provision for Gratuity	3.68	1.30	(3.49)	2.82
Operating Profit before Working Capital Changes	383.14	103.03	73.27	119.47
Adjustment For :				
(a) (Increase)/Decrease in Inventories	(181.71)	(63.25)	63.00	32.30
(b) (Increase)/Decrease in Trade Receivables	(184.22)	288.55	(51.51)	91.46
(c) (Increase)/Decrease in Loans & Advances	8.67	-	165.31	(138.92)
(d) (Increase)/Decrease in Other Assets	(12.18)	(53.17)	8.72	11.53
(e) Increase /(Decrease) in Trade Payables	3.85	(227.34)	(106.75)	(132.24)
(f) Increase /(Decrease) in Other Liabilities	7.85	11.57	(21.92)	22.22
(f) Increase /(Decrease) in Short term Provisions	0.42	0.15	(0.13)	(10.30)
CASH GENERATED FROM OPERATIONS	25.82	59.55	130.00	(4.47)
Less : Direct Taxes paid (Net of Refund)	(40.17)	(9.56)	(2.99)	(4.00)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	(14.35)	49.98	127.01	(8.47)
NET CASH FROM OPERATING ACTIVITIES (A)	(14.35)	49.98	127.01	(8.47)
B. CASH FLOW FROM INVESTING ACTIVITIES				
(a) Purchase of Fixed Assets	(206.19)	(255.78)	(0.19)	(0.21)
(b) Sale of Fixed Assets	-	-	-	-
(c) (Increase) / Decrease in Investment	-	-	-	-
(d) (Increase) / Decrease in Long term loans and advances	(3.79)	(17.30)	-	(0.17)
(e) (Increase) / Decrease in Non Current Assets	-	-	-	-
(f) Interest and other income	-	-	-	-
NET CASH FROM INVESTING ACTIVITIES (B)	(209.98)	(273.08)	(0.19)	(0.38)
C. CASH FLOW FROM FINANCING ACTIVITIES				
(a) Increase/(Decrease) in Long Term Borrowing	71.38	118.42	(17.92)	(93.59)
(b) Increase/(Decrease) in Short Term Borrowing	195.25	(153.55)	(85.71)	93.76
(c) Issue of Equity Shares/ Changes in capital	-	275.66	-	34.24
(d) Interest Paid	(42.24)	(17.40)	(20.21)	(54.11)
NET CASH FLOW IN FINANCING ACTIVITIES (C)	224.39	223.14	(123.85)	(19.70)
NET INCREASE IN CASH & CASH EQUIVALENTS (A)+(B)+(C)	0.06	0.05	2.96	(28.54)
OPENING BALANCE – CASH & CASH EQUIVALENT	3.54	3.49	0.53	29.07
CLOSING BALANCE - CASH & CASH EQUIVALENT	3.60	3.54	3.49	0.53

As per our Report of even date

For, Sihora Industries Limited

Lakhankiya & Dosi LLP

Chartered Accountants

Firm's Registration No: 154114W/W100873

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Gautam Vallabhbhai Sihora
Chairman and Managing Director
(DIN : 10275231)Priyal Gautamkumar Sihora
Whole-time Director
(DIN : 10275230)

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Shaileshkumar H Lakhankiya
Partner
M No.147112
UDIN: 25147112BMIVKG6122Paresh Haribhai Mangukiya
Chief Financial OfficerDhara Jatin Vaghasiya
Compliance OfficerPlace: Surat
Date: 10/07/2025Place: Surat
Date: 10/07/2025

**CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET
PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

A. COMPANY INFORMATION

The Company was originally incorporated as “Sihora Industries Private Limited” as a private limited company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated August 10, 2023. Thereafter, the Company was converted from a private limited company to public limited company and consequently, the name of the Company was changed from “Sihora Industries Private Limited” to “Sihora Industries Limited” and a fresh certificate of incorporation dated July 17, 2024 was issued to the Company by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of the Company is U13999GJ2023PLC143747.

Incorporated in 2023 and based in Surat, Gujarat, the Company is engaged in the business of manufacturing and sale of woven fabrics, woven labels, fancy lace, zippers and elastics. The company tookover the running business of “Sihora Narrow Fabrics”, the proprietary firm of its promoter Mr. Gautam Vallabhbbhai Sihora vide a Business Purchase Agreement dated October 17, 2023.

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis.

2. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3. Property, Plant and Equipment and Depreciation

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of all expenses incurred to bring the assets to its present location and condition. Borrowing cost directly attributable to the acquisition /construction are included in the cost of fixed assets. Adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

The company has adopted cost model for all class of items of Property, Plant and Equipment. In case of new projects / expansion of existing projects, expenditure incurred during construction / preoperative period including interest and finance charge on specific / general purpose loans, prior to commencement of commercial production are capitalized. The same are allocated to the respective on completion of construction / erection of the capital project / fixed assets. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future economic benefits from the existing asset beyond its previously assessed standard of performance.

Capital assets (including expenditure incurred during the construction period) under erection / installation are stated in the Balance Sheet as “Capital Work in Progress.”

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal or external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the

estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

4. Foreign currency Transactions

Transactions arising in foreign currencies during the year are converted at rates closely approximating the rates ruling on the transaction dates. Liabilities and receivables in foreign currency are restated at the year-end exchange rates. All exchange rate differences arising from conversion in terms of the above are included in the statement of profit and loss.

5. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

6. Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost means:

- Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Cost of semi-finished, finished goods and work in progress include cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

NRV means:

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

7. Revenue Recognition

Revenue from the operations is recognized based on generally accepted accounting principles and when it is earned and no significant uncertainty exists as to its ultimate collection and includes taxes, wherever applicable.

The Company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The capital gain on sale of investments if any are recognized on completion of transaction. No notional profit/loss are recognized on such investments.

Interest income is recognized on time proportion basis, when it is accrued and due for payment.

8. Borrowing Cost

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

9. Employee Benefits

Short – term employee benefits are recognized as an expense at the undiscounted amount in the profit & loss account of the year in which the related service is rendered.

Long Term Employee benefits (gratuity) are recognized and are accounted in the books of account based on Valuation report of the Actuarial.

10. Taxes on Income

Income tax expenses for the year comprise of current tax and deferred tax. Current tax provision is determined on the basis of taxable income computed as per the provisions of the Income Tax Act. Deferred tax is recognized for all timing differences that are capable of reversal in one or more subsequent periods subject to conditions of prudence and by applying tax rates that have been substantively enacted by the balance sheet date.

11. Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent Liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognized because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are assessed continually and if it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognised in the financial statements of the period in which the change occurs.

12. Earnings Per Share

Basic Earnings Per Share is computed by dividing the net profit attributable to the equity shareholders of the company to the weighted average number of Shares outstanding during the period and Diluted Earnings Per Share is computed by dividing the net profit attributable to the equity shareholders of the company after adjusting the effect of all dilutive potential equity shares that were outstanding during the period.

The weighted average number of shares outstanding during the period includes the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential.

13. Ratio Analysis

While calculating the ratios for the financial year 2022–23, the Company has used the average figures based on the financial statements of FY 2021–22 (for opening/ closing balance purposes) and of FY 2022–23. The figures pertaining to FY 2021–22 are based on unaudited and management certified financial statements filed also in Income Tax for annual filings. The same have been used solely for the purpose of ratio computations.

14. Events occurring after the balance sheet date

The company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. There are no subsequent events to be recognised or reported that are not already disclosed.

Annexure - I.1
Restated Statement of Share Capital
(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
Authorised Capital*				
No. of Equity Shares of ₹ 10/- each	60,00,000	45,00,000	-	-
Authorised Equity Share Capital In Rs.	600.00	450.00	-	-
Issued, Subscribed & Fully Paid up#				
No. of Equity Shares of ₹ 10/- each	37,27,400	6,77,709	-	-
Issued, Subscribed & Fully Paid up Share Capital In Rs.	372.74	67.77	50.32	50.42
Total	372.74	67.77	50.32	50.42

1. Company has allotted 30,49,691 Equity Shares of ₹ 10 each as Bonus Shares December 09, 2024 in the ratio of 9:2 i.e. for every two shares Nine equity shares were allotted as Bonus Shares.

2. Company has allotted 67009 Equity Shares, 87000 Equity Shares, and 23700 Equity Shares of ₹ 10 on January 01, 2024, January 14, 2024 and February 20, 2024 respectively on preferential basis for cash price of ₹ 150 per equity share including securities premium of ₹ 140 per equity share.

3. Company has acquired running business of Proprietary firm M/s. Sihora Narrow Fabrics (Proprietary Mr. Gautam Vallabhbhai Sihora) vide agreement dated October 17, 2023. For the purpose of Restated Financial Statements, the accounts of the Proprietary firm for the year ended on March 31 2023, and for the period ended on October 17, 2023 have been recasted in accordance with the requirements of Schedule III of the Companies Act, 2013. Thus Share Capital disclosed for period /year represents Proprietary firm Capital.

4. The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

4. The company has not proposed any dividend during the period presented.

Reconciliation of the number of shares outstanding is set out below:-

Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
	Number of Shares	Number of Shares		
Shares outstanding at the beginning of the year	6,77,709		5,00,000	5,00,000
Add:-Shares Issued during the year	-		-	-
Subscription to MOA		5,00,000		
Fresh Issue	-	1,77,709		
Bonus Shares Issued	30,49,691		-	-
Less:Shares bought back during the year	-		-	-
Number of shares after Split	-		-	-
Shares outstanding at the end of the year	37,27,400	6,77,709	5,00,000	5,00,000

1. Company has allotted 30,49,691 Equity Shares of ₹ 10 each as Bonus Shares December 09, 2024 in the ratio of 9:2 i.e. for every two shares Nine equity shares were allotted as Bonus Shares.

2. Company has allotted 67009 Equity Shares, 87000 Equity Shares and 23700 Equity Shares of ₹ 10 on January 01, 2024, January 14, 2024 and February 20, 2024 respectively on preferential basis for cash price of ₹ 150 per equity share including securities premium of ₹ 140 per equity share.

Details of Shareholders holding more than 5 % shares:-

Name of Shareholder	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
Gautam Vallabhbhai Sihora				
Number of Shares	31,32,900	5,70,709	-	0
% of Holding	84.05%	84.21%	0.00%	0.00%
Priyal Gautam Sihora				
Number of Shares	5,88,225	1,06,950	-	-
% of Holding	15.78%	15.78%	0.00%	0.00%

Details of promoters holding shares:-

Name of Shareholder	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
Gautam Vallabhbhai Sihora				
Number of Shares	31,32,900	5,70,709	-	-
% of Holding	84.05%	84.21%	0.00%	0.00%
Priyal Gautam Sihora				
Number of Shares	5,88,225	1,06,950	-	-
% of Holding	15.78%	15.78%	0.00%	0.00%

Changes in Promoters Holding During the year

Name of Shareholder	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
Gautam Vallabhbhai Sihora				
Number of Shares	25,62,191.00	5,70,709.00	-	-
% of change in Shareholding	-0.16%	84.21%	0.00%	0.00%
Priyal Gautam Sihora				
Number of Shares	4,81,275.00	1,06,950.00	-	-
% of change in Shareholding	0.00%	15.78%	0.00%	0.00%

Annexure - I.2
Restated Statement of Reserves And Surplus
(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
a. Securities Premium Account	248.79			-
: Add During the year	-	248.79		-
: Less Bonus Shares Issued	(248.79)			-
Total of Securities Premium	-	248.79	-	-
b. Surplus in Statement of Profit & Loss A/c				
Opening balance	22.21		(36.94)	-
(+) Net Profit For the current year	187.26	32.14	27.53	29.98
: Less Bonus Shares Issued	(56.18)	-	-	-
: Less Gratuity Opening Balance Adjustment		(9.93)		(10.60)
: Less Due to Change in Depreciation Method	-	-	-	(56.32)
Net Surplus in Statement of Profit and Loss	153.29	22.21	(9.42)	(36.94)
Total	153.29	271.00	(9.42)	(36.94)

1. 2. Company has acquired running business of Proprietary firm M/s. Sihora Narrow Fabrics (Proprietary Mr. Gautam Vallabhbbhai Sihora) vide agreement dated October 17, 2023. For the purpose of Restated Financial Statements, the accounts of the Proprietary firm for the year ended on March 31 2023, and for the period ended on October 17, 2023 have been recasted in accordance with the requirements of Schedule III of the Companies Act, 2013. Thus Share Capital disclosed for period /year represents Proprietary firm Capital.

Annexure - I.3
Restated Statement of Long Term Borrowings

Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
Secured				
(a) Term loans				
Working Capital Term Loan	-	-		
Machinery Loan	243.53	172.15	53.72	71.64
(Secured By hypothecation of the Vehicle)				
Total Secured Term Loans	243.53	172.15	53.72	71.64
Unsecured				
(b) Unsecured Loan from related Party	-	-	-	-
(c) From Bank and NBFCs	-	-	-	-
Total Unsecured Loans	-	-	-	-
Total	243.53	172.15	53.72	71.64

Terms & Conditions of Loans for Annexure 1.3 & 1.7

Sr. No.	Lender	Nature of facility	Sanctioned Amount (₹ in Lakhs)	Outstanding as on March 31, 2025 (₹ in Lakhs)	Rate of Interest / Margin	Repayment Terms	Security/ Principal terms and conditions
1	ICICI BANK LIMITED	Overdraft Limit	92.00	26.61	Repo Rate +spread of 2.65%	78 Equal Monthly Installments	Hypothecation of; Movable Fixed Assets & Current Assets Mortgage of; 1. Plot No. 34/D/1 Laxminarayan Industrial Park, Udhna, Bhedwad, Surat, Gujarat, India; 2. Plot No. 34/D/2 Laxminarayan Industrial Park, Udhna, Bhedwad, Surat, Gujarat, India; 3. Plot No. 34/D/3 Laxminarayan Industrial Park, Udhna, Bhedwad, Surat, Gujarat, India. Personal Guarantee of; Bhavnnaben Dhameliya Gautam Vallabhbhai Sihora Priyal Gautam Sihora Ramesh Nagjibhai Dhameliya Corporate guarantee of; Sihora Narrow Fabrics
2	ICICI BANK LIMITED	Overdraft Limit	350.00	159.23	Repo Rate +spread of 2.65%	78 Equal Monthly Installments	
3	ICICI TUF LOAN - 603090033777	Plant & Machinery	87.10	37.74	Repo Rate +spread of 2.65%	78 Equal Monthly Installments	
4	ICICI TUF LOAN - 603090037172	Plant & Machinery	375.00	138.21		78 Equal Monthly Installments	
5	ICICI TUF LOAN 603090037743	Plant & Machinery		4.34		78 Equal Monthly Installments	
6	ICICI TUF LOAN- 603090041589	Plant & Machinery		38.63		78 Equal Monthly Installments	
7	ICICI TUF LOAN - 603090043465	Plant & Machinery		11.97		78 Equal Monthly Installments	
8	ICICI TUF LOAN - 603090051884	Plant & Machinery		85.69		78 Equal Monthly Installments	
9	ICICI TUF LOAN - 603090055583	Plant & Machinery		4.11		78 Equal Monthly Installments	
10	ICICI TUF LOAN - 603090055889	Plant & Machinery		7.46		78 Equal Monthly Installments	
Total			904.10	513.99			

Annexure - I.4**Restated Statement of Other Non-Current Liabilities****(₹ in Lakhs)**

Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
Security Deposit	-	-	-	-
Total	-	-	-	-

Annexure - I.5**Restated Statement of Deferred Tax (Liability)/Assets****(₹ in Lakhs)**

Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
Deferred Tax Liability				
On account of timing difference in Net block as per books & as per Income Tax	5.31	3.08	14.56	14.65
Deferred Tax Assets				
On account of timing difference in retirement and other benefits	3.75	2.83	2.50	3.38
Total	9.06	5.90	17.06	18.03

Annexure - I.6**Restated Statement of Long Term Provisions****(₹ in Lakhs)**

Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
Provisions for Gratuity	14.17	10.91	9.75	13.11
Total	14.17	10.91	9.75	13.11

Annexure - I.7**Restated Statement of Short Tem Borrowings****(₹ in Lakhs)**

Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
<u>Secured</u>				
<u>Loan repayable on demand</u>				
(a) Working Capital Loan	185.84	14.94	192.95	278.67
<u>Unsecured</u>				
(a) Loans from Directors/related Party	-	1.00	-	-
(b) Loans from Bank and NBFC	-	-	-	-
(c) Current Maturity of long term debt	84.62	59.28	35.82	35.81
Total	270.46	75.22	228.77	314.48

Annexure - I.8**Restated Statement of Trade Payable****(₹ in Lakhs)**

Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
Micro and Small Enterprises	88.14	67.23	82.04	128.69
Others	35.98	53.04	265.58	325.67
Total	124.12	120.28	347.62	454.36

(a) Ageing schedule:**Balance as at 31st March 2025****(₹ in Lakhs)**

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	88.14	-	-	-	88.14
(ii) Others	35.98	-	-	-	35.98
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	124.12	-	-	-	124.12

Balance as at 31st March 2024**(₹ in Lakhs)**

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	67.23	-	-	-	67.23
(ii) Others	53.04	-	-	-	53.04
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	120.28	-	-	-	120.28

Balance as at October 10, 2023**(₹ in Lakhs)**

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	82.04	-	-	-	82.04
(ii) Others	265.58	-	-	-	265.58
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	347.62	-	-	-	347.62

Balance as at 31st March 2023**(₹ in Lakhs)**

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	128.69	-	-	-	128.69
(ii) Others	325.67	-	-	-	325.67
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	454.36	-	-	-	454.36

(b) Dues payable to Micro and Small Enterprises:**(₹ in Lakhs)**

Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
Principal amount remaining unpaid to any supplier as at the year end	88.14	67.23	82.04	128.69
Interest due on the above mention principal amount remaining unpaid to any supplier as at the year end	-	-	-	-
Amount of the interest paid by the Company in terms of Section 16	-	-	-	-
Amount of the interest due and payable for the period of delay in making payment but without adding the interest specified under the MSMED Act	-	-	-	-
Amount of interest accrued and remaing unpaid at the end of the accounting year	-	-	-	-

Annexure - I.9**Restated Statement of Other Current Liabilities****(₹ in Lakhs)**

Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
TDS Payable	2.49	1.28	-	2.04
Audit Fees Payable	0.65	0.25	0.30	0.30
Professional Tax Payable	0.11	-	-	-
Employee Benefits	16.48	10.34	-	15.79
Others payable	-	-	-	4.09
Total	19.72	11.87	0.30	22.22

Annexure - I.10**Restated Statement Short Term Provisions****(₹ in Lakhs)**

Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
Provision for Gratuity	0.75	0.33	0.18	0.31
Provision for tax- Net of Advance Tax	66.14	14.26	8.90	5.60
Total	66.89	14.60	9.09	5.91

Annexure - I.11 Restated Statement of Property Plant & Equipment												
(₹ in Lakhs)												
	Fixed Assets	Gross Block				Accumulated Depreciation				Net Block		
		As at April 01, 2024	Additions	Disposals	Balance as at March 31, 2025	As at April 01, 2024	Dep.fund Adjstmt.	Depreciation charge for the period	On disposals	Balance as at March 31, 2025	Balance as at March 31, 2025	As At 31-Mar-23
I.	Property Plant & Equipment						-					
1	Building	11.28	0.42	-	11.70	0.24	-	1.09	-	1.33	10.37	11.03
2	Plant and Equipment	378.55	188.24	-	566.78	38.27	-	73.87	-	112.13	454.65	340.28
3	Furniture and Fixtures	17.27	5.66	-	22.93	1.62	-	5.21	-	6.83	16.11	15.65
4	Vehicles	11.79	-	-	11.79	1.68	-	3.16	-	4.83	6.95	10.11
5	Office equipment	6.20	1.18	-	7.38	1.27	-	2.70	-	3.97	3.41	4.93
6	Computers	2.14	-	-	2.14	0.62	-	0.97	-	1.58	0.56	1.53
	Total Tangible Assets	427.23	195.50	-	622.73	43.69	-	86.99	-	130.68	492.05	383.54
	Previous Year	-	427.23	-	427.23	-	-	43.69	-	43.69	383.54	-
II	Ageing Schedule of Capital Work In Progress : Amount in CWIP for a period of											
	Particulars	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total						
	Projects in Progress	10.69	-	-	-	10.69						
	Fixed Assets	Gross Block				Accumulated Depreciation				Net Block		
		As at October 17, 2023	Purchase/Acquisition during the period	Disposals	As At 31-Mar-24	As at October 17, 2023	Dep.fund Adjstmt.	For the period	Disposals	As At 31-Mar-24	As At 31-Mar-24	As At 09-08-2023
I.	Property Plant & Equipment											
1	Building	-	11.28	-	11.28	-	-	0.24	-	0.24	11.03	-
2	Plant and Equipment	-	378.55	-	378.55	-	-	38.27	-	38.27	340.28	-
3	Furniture and Fixtures	-	17.27	-	17.27	-	-	1.62	-	1.62	15.65	-
4	Vehicles	-	11.79	-	11.79	-	-	1.68	-	1.68	10.11	-
5	Office equipment	-	6.20	-	6.20	-	-	1.27	-	1.27	4.93	-
6	Computers	-	2.14	-	2.14	-	-	0.62	-	0.62	1.53	-
	Total Tangible Assets	-	427.23	-	427.23	-	-	43.69	-	43.69	383.54	-
	Previous Year	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total	-	427.23	-	427.23	-	-	43.69	-	43.69	383.54	-
II	Ageing Schedule of Capital Work In Progress : Amount in CWIP for a period of											
	Particulars	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total						
	Projects in Progress	-	-	-	-	-						
	Fixed Assets	Gross Block				Accumulated Depreciation				Net Block		
		As At 01-Apr-2023	Purchase/Acquisition during the period	Disposals	As at October 17, 2023	As At 01-Apr-2023	Dep.fund Adjstmt.	For the period	Disposals	As at October 17, 2023	As at October 17, 2023	As At 31-Mar-2023
I.	Property Plant & Equipment											
1	Building	-	-	-	-	-	-	-	-	-	-	-
2	Plant and Equipment	207.72	-	-	207.72	37.59	-	16.87	-	54.46	153.26	170.13
3	Furniture and Fixtures	13.84	0.23	-	14.07	3.99	-	1.55	-	5.54	8.53	9.85
4	Vehicles	1.43	-	-	1.43	0.45	-	0.17	-	0.61	0.82	0.98
5	Office equipment	10.82	-	-	10.82	2.34	-	0.96	-	3.30	7.52	8.48
6	Computers	0.09	-	-	0.09	0.06	-	0.01	-	0.07	0.02	0.03
7	Electronic Items	1.70	-	-	1.70	0.47	-	0.17	-	0.65	1.06	1.23
8	Printer	0.22	-	-	0.22	0.04	-	0.02	-	0.06	0.16	0.18
	Total Tangible Assets	235.83	0.23	-	236.05	44.94	-	19.75	-	64.69	171.36	190.88
	Previous Year	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
II	Intangible Assets											
	Software	0.15	-	-	0.15	0.05	-	0.02	-	0.07	0.08	0.11
	Total	0.15	-	-	0.15	0.05	-	0.02	-	0.07	0.08	0.11
	Previous Year											
	Total	235.98	0.23	-	236.21	44.99	-	19.77	-	64.76	171.45	190.99

II

Ageing Schedule of Capital Work In Progress :		Amount in CWIP for a period of				
Particulars		Less than 1 year	1-2 years	2-3 years	more than 3 years	Total
Projects in Progress		-	-	-	-	-

(₹ in Lakhs)

	Fixed Assets	Gross Block				Accumulated Depreciation				Net Block		
		As At 01-Apr-2022	Purchase/Acquisitio n during the period	Disposals	As At 31-Mar-23	As At 01-Apr-2022	Dep.fund Adjstmt.	For the period	Disposals	As At 31-Mar-23	As At 31-Mar-23	As At 31-Mar-2022
I.	Property Plant & Equipment											-
1	Land	-	-	-	-	-	-	-	-	-	-	-
2	Building	-	-	-	-	-	-	-	-	-	-	-
3	Plant and Equipment	207.72	-	-	207.72	-	37.59	-	37.59	170.13	-	-
4	Furniture and Fixtures	13.68	0.16	-	13.84	-	3.99	-	3.99	9.85	-	-
5	Vehicles	1.43	-	-	1.43	-	0.45	-	0.45	0.98	-	-
6	Office equipment	10.82	-	-	10.82	-	2.34	-	2.34	8.48	-	-
7	Computers	0.09	-	-	0.09	-	0.06	-	0.06	0.03	-	-
8	Electronic Items	1.70	-	-	1.70	-	0.47	-	0.47	1.23	-	-
9	Printer	0.22	-	-	0.22	-	0.04	-	0.04	0.18	-	-
	Total Tangible Assets	235.67	0.16	-	235.83	-	44.94	-	44.94	190.88	-	-
	Previous Year	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
II	Intangible Assets											
	Software	0.10	0.05	-	0.15	-	0.05	-	0.05	0.11	-	-
	Total	0.10	0.05	-	0.15	-	0.05	-	0.05	0.11	-	-
	Previous Year											
	Total	235.77	0.21	-	235.98	-	44.99	-	44.99	190.99	-	-

Ageing Schedule of Capital Work In Progress :		Amount in CWIP for a period of				
Particulars		Less than 1 year	1-2 years	2-3 years	more than 3 years	Total
Projects in Progress		-	-	-	-	-

Annexure - I.12						
Restated Statement of Non-Current Investments				(₹ in Lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023		
Unquoted Investments:						
Investment in Mutual Funds	-	-	-	-		
	-	-	-	-		
(Market Value : Not applicable)						
Annexure - I.13						
Restated Statement of Long-term loans and advances		(₹ in Lakhs)				
Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023		
a. Security Deposits	4.26	5.47	0.17	0.17		
b. Rent Deposits	17.00	12.00	-	-		
Total	21.26	17.47	0.17	0.17		
Annexure - I.14						
Restated Statement of Non Current Asset		(₹ in Lakhs)				
Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023		
	-	-		-		
Total	-	-		-		
Annexure - I.15						
Restated Statement of Inventories (Valued at Cost or NRV which ever is lower)		(₹ in Lakhs)				
Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023		
(a) Finished goods	77.08	63.31	33.00	63.20		
(b) Stock in Trade	-	-	-	-		
(c) Work in Progress	46.25	37.99	12.35	37.95		
(d) Raw Material	184.99	25.30	18.00	25.20		
	-					
Total	308.32	126.61	63.36	126.36		
Annexure - I.16						
Restated Statement of Trade receivables		(₹ in Lakhs)				
Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023		
Unsecured						
Undisputed Trade Receivable - considered good	244.70	60.48	349.03	297.52		
Total	244.70	60.48	349.03	297.52		
Aging of receivables						
As at March 31, 2025						
Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed						
Trade receivables - Considered good	244.70	-	-	-	-	244.70
Trade receivables - doubtful debt	-	-	-	-	-	-
Disputed						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-	-
Total	244.70	-	-	-	-	244.70
As at March 31, 2024						
Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed						
Trade receivables - Considered good	60.48	-	-	-	-	60.48
Trade receivables - doubtful debt	-	-	-	-	-	-
Disputed						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-	-
Total	60.48	-	-	-	-	60.48

As at October 17, 2023						
Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed						
Trade receivables - Considered good	349.03	-	-	-	-	349.03
Trade receivables - doubtful debt	-	-	-	-	-	-
Disputed						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-	-
Total	349.03	-	-	-	-	349.03
As at 31/03/2023						
Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed						
Trade receivables - Considered good	297.52	-	-	-	-	297.52
Trade receivables - doubtful debt	-	-	-	-	-	-
Disputed						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-	-
Total	297.52	-	-	-	-	297.52

Annexure - I.17					
Restated Statement of Cash and Bank Balance					(₹ in Lakhs)
Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023	
Cash and Cash Equivalents					
Bank Balance					
(i) In current Account	-	0.04	0.04	0.05	
(iii) In foreign currency account	-	-	-	-	
Cash on Hand	3.60	3.51	3.45	0.48	
Total	3.60	3.56	3.49	0.53	

Annexure - I.18					
Restated Statement of Short Term Loans And Advances					(₹ in Lakhs)
Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023	
Advance to Suppliers	-	8.67	8.67	8.67	
Deposits	-	-	-	-	
Advance to Related Parties	-	-	-	165.31	
Total	-	8.67	8.67	173.98	

Annexure - I.19					
Restated Statement of Other current assets					(₹ in Lakhs)
Particulars	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023	
Duties & Taxes Receivable	175.25	137.43	76.63	87.48	
Income Tax Refundable	-	0.15	0.28	0.14	
Total	175.25	137.57	76.91	87.62	

Annexure - II.1
Restated Statement of Revenue from operations
(₹ in Lakhs)

Particulars	For the Period/ Year Ended On			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Sale of products	1,456.20	621.10	534.99	1,209.77
Total	1,456.20	621.10	534.99	1,209.77
Note:				
(i) Sale of products comprises following :				
Domestic sales	1,456.20	621.10	534.99	1,209.77
Export sales	-	-	-	-
Total	1,456.20	621.10	534.99	1,209.77

Annexure - II.2
Restated Statement of Other income
(₹ in Lakhs)

Particulars	For the Period/ Year Ended On			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Interest Income	28.23	5.78	-	-
Subsidy Income	22.03	0.40	-	-
Others	-	-	-	-
Total	50.26	6.18	-	-

Annexure - II.3
Restated Statement of Cost of raw materials consumed
(₹ in Lakhs)

Particulars	For the Period/ Year Ended On			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Inventories at the beginning of the year	25.30	18.00	25.20	31.05
Add: Purchases during the year	879.39	414.47	218.24	664.24
	904.69	432.47	243.44	695.29
Less: Closing stock at the end of the year	184.99	25.30	18.00	25.20
Cost of materials consumed	719.70	407.17	225.44	670.09

Annexure - II.4
Restated Statement of Purchases of stock-in-trade
(₹ in Lakhs)

Particulars	For the Period/ Year Ended On			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Purchases of stock-in-trade	-	-	-	-
Other Direct Purchase related Expenses	-	-	-	-
Purchases of stock-in-trade	-	-	-	-

Annexure - II.5
Restated Statement of Changes in inventories of finished goods and work-in-progress
(₹ in Lakhs)

Particulars	For the Period/ Year Ended On			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Inventories at the end of the year:				
(a) Finished goods	77.08	63.31	33.00	63.20
(b) Stock in Trade	-	-	-	-
(c) Work in Progress	46.25	37.99	12.35	37.95
	123.33	101.30	45.35	101.15
Inventories at the beginning of the year:				
(a) Finished goods	63.31	33.00	63.20	80.01
(b) Stock in Trade	-	-	-	-
(c) Work in Progress	37.99	12.35	37.95	47.60
	101.30	45.35	101.15	127.61
Net (increase) / decrease	(22.03)	(55.95)	55.80	26.46

Annexure - II.6
Restated Statement of Employee benefits expense
(₹ in Lakhs)

Particulars	For the Period/ Year Ended On			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
(a) Salaries and wages	141.56	65.84	67.67	168.59
(b) Directors Remunerations	60.00	10.00	-	-
(c) Gratuity	3.68	1.30	(3.49)	2.82
(d) Other Statutory Obligations	0.80	0.51	0.82	0.43
(d) Staff welfare expenses	1.67	0.15	-	-
Total	207.71	77.80	65.01	171.84

Annexure - II.7
Restated Statement of Finance costs
(₹ in Lakhs)

Particulars	For the Period/ Year Ended On			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Interest Expense	41.42	12.99	20.21	42.98
Other borrowing costs	0.82	4.41	-	11.14
Net (gain) / loss on foreign currency transactions and translation (considered as finance cost)	-	-	-	-
Total	42.24	17.40	20.21	54.11

Annexure - II.7A
Restated Statement of Depreciation
(₹ in Lakhs)

Particulars	For the Period/ Year Ended On			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Depreciation Expenses	86.99	43.69	19.77	44.99
Amortisation Expenses	-	-	-	-
Total	86.99	43.69	19.77	44.99

Annexure - II.8
Restated Statement of Other expenses
(₹ in Lakhs)

Particulars	For the Period/ Year Ended On			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Audit Fees	0.40	0.47	0.10	0.10
Bank Charges	0.41	0.01	0.04	0.03
Commission and Brokerage Expense	3.60	9.57	0.38	3.07
Discount	-	-	0.06	0.29
Duties and taxes	5.43	-	4.81	3.95
Electricity & Related Expenses	75.53	37.62	44.88	87.75
Job work Charges	44.47	26.44	53.03	121.32
Insurance Expenses	1.80	0.42	1.17	1.84
Legal and Professional Fees	11.57	4.94	0.27	0.67
Office Expenses	0.31	9.66	0.06	1.23
Rent Expenses	72.00	4.00	-	-
Others Expenses	2.69	2.82	1.95	1.84
Repair and Maintenance Charges	0.76	0.33	0.51	1.28
Software Expense	0.12	0.13	-	-
Travelling Expenses	2.53	0.14	4.73	1.36
Total	221.61	96.54	111.98	224.74

Annexure - II.9
Restated Statement of Exceptional Items
(₹ in Lakhs)

Particulars	For the Period/ Year Ended On			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Before Exceptional Items				
Profit on sale of Fixed Assets	-	-	-	-
Total	-	-	-	-

Annexure - II.10
Restated Statement of Earning Per Equity Share

Particulars	For the Period/ Year Ended On			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Before Exceptional Items				
1.Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	187.26	32.14	27.53	29.98
2. Weighted Average number of equity shares used as denominator for calculating EPS	37,27,400	6,77,709	5,00,000	5,00,000
2. Weighted Average number of equity shares used as denominator for calculating EPS Post Bonus and Split	37,27,400	30,74,278	27,50,000	27,50,000
4. Basic and Diluted Earning per Share (On Face value of Rs. 10/ per share)	5.02	0.86	1.00	1.09

Company has acquired running business of Proprietary firm M/s. Sihora Narrow Fabrics (Proprietary Mr. Gautam Vallabhbhai Sihora) vide agreement dated October 17, 2023. For the purpose of Restated Financial Statements, the accounts of the Proprietary firm for the year ended on March 31, 2023, and for the period ended on October 17, 2023 have been recasted in accordance with the requirements of Schedule III of the Companies Act, 2013. Moreover for the purpose of calculation of EPS, share capital at the incorporation of Company is taken as base and accordingly EPS is calculated.

ANNEXURE –V
Notes to the Re-stated Financial Statements:
I. Additional Information to the Financial Statements:-
(₹ in Lakhs)

Particulars	For the Period / Year Ended On			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
1. CIF Value of Imports				
Raw Material	-	-	-	-
Raw Material (Payment Made)	-	-	-	-
Traded Goods	-	-	-	-
Capital Goods/ Stores & Spare Parts	57.98	-	-	-
2. Expenditure in Foreign Currency	-	-	-	-
In respect of Business Promotion, Repair & Maintenance & Profession Consultancy & Other Misce Expenses	-	-	-	-
- In respect of Foreign Travelling.	-	-	-	-
- Container Freight	-	-	-	-
3. Earnings in Foreign Currency	-	-	-	-
Exports (FOB Value)	-	-	-	-
Exports Realisation	-	-	-	-

III. Segment Information

Since Company Operates in single segment, therefore segment reporting is not applicable to the company in Accordance with AS-17.

IV. Details of CSR
(₹ in Lakhs)

Particulars	For the Period / Year Ended On			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
a). Amount Required to be spent during the year	NA	NA	NA	NA
b). Amount of expenditure incurred,	NA	NA	NA	NA
c). Shortfall at the end of the year,	NA	NA	NA	NA
d). Total of previous years shortfall	-	-	-	-
e). Reasons for shortfall	-	-	-	-
f). Nature of CSR Activities	-	-	-	-
	-	-	-	-

V. Additional regulatory information
(a) Details of crypto currency or virtual currency

The Company has neither traded nor invested in Crypto currency or Virtual Currency for the year ended March 31, 2025 and 2024, for the period ended October 17, 2023 and the year ended March 31, 2023. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

(b) Compliance with approved scheme of arrangements

Company is not engaged in any scheme of arrangements.

(c) Undisclosed income

During the Periods, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(d) Relationship with struck off companies

The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during for the year ended March 31, 2025 and 2024, for the period ended October 17, 2023 and the year ended March 31, 2023.

(e) Compliance with numbers of layers of companies

The Company is in compliance with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 for the year ended March 31, 2025 and 2024, for the period ended October 17, 2023 and the year ended March 31, 2023.

(f) Utilisation of borrowed funds and share premium

For the year ended March 31, 2025 & 2024, the Company has not advanced or Loans or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

For the year ended March 31, 2025 and 2024, for the period ended October 17, 2023 and the year ended March 31, 2023, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- ii) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

(g) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

- (h) No proceeding have been initiated nor pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

VI. Non-adjustment Items:

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

VII. Material Regroupings:

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

VIII. Material Adjustments in Restated Profit & Loss Account:

(₹ in Lakhs)

Particulars	For the Year/period Ended			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Profit After Tax as per Books of Accounts	186.79	30.61	25.78	17.25
Adjustment for provision of Depreciation	-	-	0.35	(1.88)
Adjustment for Gratuity Provision	-	(1.30)	3.49	(2.82)
Adjustment for provision of Income Tax	0.47	(0.01)	(1.13)	(0.60)
Adjustment for provision of Deferred Tax	-	2.83	(0.97)	18.03
Total Adjustments	0.47	1.52	1.75	12.73
Profit After Tax as per Restated	187.26	32.14	27.53	29.98

Reconciliation of Equity

(₹ in Lakhs)

Particulars	As at			
	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
Balance of Equity (Networth) as per Audited Financial Statement	525.56	347.18	100.51	67.67
Adjustment on account of Opening Gratuity Provision	1.30	(9.93)	(10.60)	(10.60)
Adjustment on account of Deferred Tax	(2.82)	-	-	-
Adjustment on account of Change in Depreciation	-	-	(56.32)	(56.32)
Adjustment related to Profit and Loss account	2.00	1.52	7.32	12.73
Balance of Equity (Networth) as per Restated Financial Statement	526.03	338.77	40.90	13.48

IX. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Based on the information available with the Company in respect of MSME (as defined in the Micro, Small and Medium Enterprises Development Act, 2006) and as confirmed to us there are no delays in payment of dues to such enterprise during the year.

The identification of Micro, Small and Medium Enterprises Suppliers as defined under "The Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the management. As certified by the management, the amounts overdue for the year ended March 31, 2025 and 2024, for the period ended October 17, 2023 and the year ended March 31, 2023 to Micro, Small and Medium Enterprises on account of principal amount together with interest, aggregate to ₹ Nil.

I. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

II. The balance of Sundry Creditors, Sundry Debtors, Loans Advances, Unsecured Loans, and Current Liabilities are subject to confirmation and reconciliation.

- X. As required under SEBI (ICDR) Regulations, the statement of assets and liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived after such deductions.

XI. Long Term Employee Benifits [AS-15]

Accounting Standard (AS) – 15 issued by ICAI is Mandatory. The Company has accounted for Long Term employee Benefits based on Actuarial Valuation report.

Assumption used by Acturial for Grauity Provision

Particulars	For the Year Ended on			
	As at March 31, 2025	As at March 31, 2024	As at October 17, 2023	As at March 31, 2023
Discount Rate	6.75%	7.10%	7.25%	7.40%
Total Number of Employees	55	48	51	62
Average Age	35.93	34.35	33.92	33.66
Monthly Salary	14.61	10.08	11.18	14.36
Average Monthly Salary	0.27	0.21	0.22	0.23
Salary Growth Rate (%)	7.00	6.50	6.50	6.50
Mortality	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Attrition Rate	5% to 1%	5% to 1%	5% to 1%	5% to 1%
Normal Retirement Age	60 Years	60 Years	60 Years	60 Years
Vesting Period	5 Years of service	5 Years of service	5 Years of service	5 Years of service
Benefits on Normal Retirement	Final Salary (Basic + DA)* 0.576923077*Past Service Duration	Final Salary (Basic + DA)* 0.576923077*Past Service Duration	Final Salary (Basic + DA)* 0.576923077*Past Service Duration	Final Salary (Basic + DA)* 0.576923077*Past Service Duration
Limit	Rs. 20 Lakhs	Rs. 20 Lakhs	Rs. 20 Lakhs	Rs. 20 Lakhs

(Source: Based on Actuarial valuation report issued by Trueval Consulting)

XII. Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits

Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.

XIII. Re-grouping/re-classification of amounts

The figures have been grouped and classified wherever they were necessary.

XIV. Examination of Books of Accounts& Contingent Liability

The list of books of accounts maintained is based on information provided by the assessee and is not exhaustive. The information in audit report is based on our

XV. Director Personal Expenses

There are no direct personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

XVI. Deferred Tax Asset / Liability: [AS-22]

The company has created Deferred Tax Asset / Liability as required by Accounting Standard (AS) - 22.

XVII. Pending registration / satisfaction of charges with ROC

NIL

ANNEXURE –VI

Statement of Accounting & Other Ratios, As Restated

(₹ in Lakhs)

Particulars	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Net Profit as Restated (A)	187.26	32.14	27.53	29.98
Add: Depreciation	86.99	43.69	19.77	44.99
Add: Finance Cost	42.24	17.40	20.21	54.11
Add: Income Tax/ Deferred Tax	62.98	8.49	9.26	(12.43)
Less: Other Income	(50.26)	(6.18)	-	-
EBITDA	329.21	95.54	76.76	116.65
EBITDA Margin (%)	22.61%	15.38%	14.35%	9.64%
Net Worth as Restated (B)	526.03	338.77	40.90	13.48
Return on Net worth (%) as Restated (A/B)	35.60%	9.49%	67.29%	222.38%
Equity Share at the end of year (in Nos.)(C)	37,27,400	6,77,709	5,00,000	5,00,000
Equity Share at the end of year (in Nos.)(D) (Post Bonus)	37,27,400	37,27,400	27,50,000	27,50,000
Weighted No. of Equity Shares (in Nos.)(E) (Pre Bonus)	37,27,400	5,58,960	5,00,000	5,00,000
Weighted No. of Equity Shares (F) (Post Bonus)	37,27,400	30,74,278	27,50,000	27,50,000
Basic & Diluted Earnings per Equity Share as Restated (A/E)	5.02	5.75	5.51	6.00
Basic & Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect (A/F)	5.02	0.86	1.00	1.09
Net Asset Value per Equity share as Restated (B/C)	14.11	49.99	8.18	2.70
Net Asset Value per Equity share as Restated after considering Bonus & Split Impact with retrospective effect (B/F)	14.11	11.02	1.49	0.49

Note:-

EBITDA Margin = EBITDA/Total Revenues**Networth**= Paid up share capital plus reserves and surplus less miscellaneous expenditure to the extent not written off**Earnings per share (₹)** = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year**Return on Net worth (%)** = Restated Profit after taxation / Net worth x 100**Net asset value/Book value per share (₹)** = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.

As per Accounting Standard 20 (AS - 20), In case of a bonus issue or a share split, equity shares are issued to existing shareholders for no additional consideration. Therefore, the number of equity shares outstanding is increased without an increase in resources. The number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equities shares outstanding as if the event had occurred at the beginning of the earliest period reported.

Company has acquired running business of Proprietary firm M/s. Sihora Narrow Fabrics (Proprietary Mr. Gautam Vallabbhbai Sihora) vide agreement dated October 17, 2023. For the purpose of Restated Financial Statements, the accounts of the Proprietary firm for the year ended on March 31 2023, and for the period ended on October 17, 2023 have been recasted in accordance with the requirements of Schedule III of the Companies Act, 2013. Moreover for the purpose of calculation of EPS, share capital at the incorporation of Company is taken as base and accordingly EPS is calculated.

A: Accounting Ratio (Column wise Comparison)

(₹ in Lakhs)

Sr. No.	Particulars	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023	Comments
1	Current Assets	731.87	336.89	501.46	686.01	Variation is less than 25%
	Current Liabilities	481.20	221.96	585.77	796.98	
	Current Ratio (In Times)	1.52	1.52	0.86	0.86	
2	Variation	0.21%	77.30%	-0.55%	NA	Due to increase in equity and reduction in debt.
	Total Debt (Short Term + Long Term)	513.99	247.36	282.49	386.12	
	Equity	526.03	338.77	40.90	13.48	
	Debt Equity Ratio	0.98	0.73	6.91	28.64	
3	Variation	33.82%	-89.43%	-75.89%	NA	Due to increase in Profits and reduction in debt and finance cost.
	Earnings available for debt service	329.21	95.54	76.76	116.65	
	Debt Service	126.86	76.68	56.03	89.92	
	Debt Service Coverage Ratio	2.60	1.25	1.37	1.30	
4	Variation	108.26%	-9.05%	5.62%	NA	Due to Increase in Equity.
	Net Profits after taxes – Preference Dividend (if any)	187.26	32.14	27.53	29.98	
	Shareholder's Equity	526.03	338.77	40.90	13.48	
	Return on Equity (ROE):	35.60%	9.49%	67.29%	222.38%	
5	Variation	275.21%	-85.90%	-69.74%	NA	Due to increase in Inventory.
	Sales	1,456.20	621.10	534.99	1,209.77	
	Average Inventory	217.46	94.99	94.86	142.51	
	Inventory Turnover ratio	6.70	6.54	5.64	8.49	
6	Variation	2.41%	15.94%	-33.56%	NA	due to reduction in sales and increase in Trade Receivables
	Net Credit Sales	1,456.20	621.10	534.99	1,209.77	
	Average Trade Receivables	152.59	204.75	323.28	343.39	
	Trade receivables turnover ratio	9.54	3.03	1.65	3.52	
7	Variation	214.61%	83.30%	-53.03%	NA	Due to reduction in Trade Payables
	Net Credit Purchases (Consumption + Other Expenses)	941.31	503.70	337.42	894.83	
	Average Trade Payables	122.20	233.95	400.99	521.98	
	Trade payables turnover ratio	7.70	2.15	0.84	1.71	
8	Variation	257.77%	155.87%	-50.91%	NA	Due to increase in working capital.
	Net Sales	1,456.20	621.10	534.99	1,209.77	
	Working Capital	250.67	114.92	(84.32)	(110.96)	
	Net capital turnover ratio	5.81	5.40	(6.35)	(10.90)	
9	Variation	7.49%	-185.18%	-41.80%	NA	Due to increase in turnover and profit
	Net Profit	187.26	32.14	27.53	29.98	
	Net Sales	1,456.20	621.10	534.99	1,209.77	
	Net profit ratio	12.86	5.17	5.15	2.48	
10	Variation	148.50%	0.58%	107.63%	NA	Due to Increase in EBIT of the Company
	Earning before interest and taxes (EBIT)	329.21	95.54	76.76	116.65	
	Capital Employed	1,030.96	580.23	306.33	381.57	
	Return on capital employed (ROCE)	31.93%	16.47%	25.06%	30.57%	
11	Return on investment	NA	NA	NA	NA	NA

B: Accounting Ratio (Year wise Comparison)

Sr. No.	Particulars	From April 01, 2024 to March 31, 2025	From April 01, 2023 to March 31, 2024 (Combined Period)	From April 01, 2023 to March 31, 2023	Comments
1	Current Assets	731.87	336.89	686.01	Due to reduction in Current Liabilities
	Current Liabilities	481.20	221.96	796.98	
	Current Ratio (In Times)	1.52	1.52	0.86	
	Variation	0.21%	76.33%		
2	Total Debt (Short Term + Long Term)	513.99	247.36	386.12	Due to increase in equity and reduction in debt.
	Equity	526.03	338.77	13.48	
	Debt Equity Ratio	0.98	0.73	28.64	
	Variation	33.82%	-97.45%		
3	Earnings available for debt service	329.21	172.30	116.65	Due to increase in Profits and reduction in debt.
	Debt Service	126.86	96.89	89.92	
	Debt Service Coverage Ratio	2.60	1.78	1.30	
	Variation	45.92%	37.10%		
4	Net Profits after taxes – Preference Dividend (if any)	187.26	59.67	29.98	Due to Increase in Equity.
	Shareholder's Equity	526.03	338.77	13.48	
	Return on Equity (ROE):	35.60%	17.61%	222.38%	
	Variation	102.12%	-92.08%		
5	Sales	1,456.20	1,156.09	1,209.77	Due to increase in Inventory.
	Average Inventory	217.46	126.49	142.51	
	Inventory Turnover ratio	6.70	9.14	8.49	
	Variation	-26.74%	7.67%		
6	Net Credit Sales	1,456.20	1,156.09	1,209.77	Due to reduction in trade receivables
	Average Trade Receivables	152.59	179.00	343.39	
	Trade receivables turnover ratio	9.54	6.46	3.52	
	Variation	47.76%	83.33%		
7	Net Credit Purchases (Consumption + Other Expenses)	941.31	841.13	894.83	Due to reduction in Trade Payables
	Average Trade Payables	122.20	287.32	521.98	
	Trade payables turnover ratio	7.70	2.93	1.71	
	Variation	163.13%	70.77%		
8	Net Sales	1,456.20	1,156.09	1,209.77	Due to increase in working capital.
	Working Capital	250.67	114.92	(110.96)	
	Net capital turnover ratio	5.81	10.06	(10.90)	
	Variation	-42.25%	-192.27%		
9	Net Profit	187.26	59.67	29.98	Due to increase in Profits and Revenue from operations.
	Net Sales	1,456.20	1,156.09	1,209.77	
	Net profit ratio	12.86%	5.16%	2.48%	
	Variation	149.16%	108.28%		
10	Earning before interest and taxes (EBIT)	329.21	172.30	116.65	Due to Increase in EBIT of the Company
	Capital Employed	1,030.96	580.23	381.57	
	Return on capital employed (ROCE)	31.93%	29.70%	30.57%	
	Variation	7.53%	-2.86%		
11	Return on investment	NA	NA	NA	NA

ANNEXURE –VII

Statement of Capitalization, As Restated

(₹ in Lakhs)		
Particulars	Pre-Issue	Post Issue*
	From April 01, 2024 to March 31, 2025	
Debt :		
Long Term Debt	243.53	[●]
Short Term Debt	270.46	[●]
Total Debt	513.99	[●]
Shareholders Funds		
Equity Share Capital	372.74	[●]
Reserves and Surplus	153.29	[●]
Less: Misc. Expenditure	-	-
Total Shareholders' Funds	526.03	[●]
Long Term Debt/ Shareholders' Funds	0.46	[●]
Total Debt / Shareholders Fund	0.98	[●]
* Assuming Full Allotment of IPO shares		

ANNEXURE –VIII

Statement of Tax Shelter, As Restated

(₹ in Lakhs)

Particulars	As At			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Profit Before Tax as per books of accounts (A)	250.24	40.63	36.78	17.55
-- Normal Tax rate	25.17%	25.17%	25.17%	25.17%
-- Minimum Alternative Tax rate	17.28%	17.16%	17.16%	17.16%
Permanent differences				
Other adjustments	-	-	-	-
Interest on TDS/TDS Written Off	-	-	-	-
Loss on sale of Investment	-	-	-	-
Total (B)	-	-	-	-
Timing Differences				
Depreciation as per Books of Accounts	86.99	43.69	19.77	44.99
Depreciation as per Income Tax	78.12	31.47	20.12	43.11
Difference between tax depreciation and book depreciation	8.86	12.22	(0.35)	1.88
Gratuity Provision in Books	3.68	1.30	(3.49)	2.82
Gratuity Actually Paid	-	-		-
Deduction under chapter VI-A	-	-		-
Total (C)	12.54	13.52	(3.84)	4.70
Net Adjustments (D = B+C)	12.54	13.52	(3.84)	4.70
Total Income (E = A+D)	262.78	54.16	32.95	22.25
Brought forward losses set off	-	-		-
Taxable Income/ (Loss) for the year/period (E+F)	262.78	54.16	32.95	22.25
Tax Payable for the year	66.14	13.63	8.29	5.60
Interest & Fees Expenses	-	0.77	-	-
Total Tax Expense	66.14	14.40	8.29	5.60
Tax payable as per MAT	45.00	9.00	6.00	4.00
Tax payable as per normal rates or MAT (whichever is higher)	Normal Tax	Normal Tax	Normal Tax	Normal Tax

ANNEXURE –IX

Statement of Related Party & Transactions, As Restated :

List of Related Parties where Control exists and Relationships:

Sr. No	Name of the Related Party	Relationship
1	GAUTAM VALLABHBHAI SIHORA HUF	Entities where Promoters are interested
2	GAUTAM VALLABHBHAI SIHORA	Promoter and Chairman & Managing Director
3	PINAL PRAGNESH PATEL	Relative of promoter
4	PRIYAL GAUTAM SIHORA	Promoter and Whole Time Director
5	SARITABAHEN RAJESHKUMAR MANGUKIYA	Relative of Promoter
6	VAGHANI MINAKSHI VIPUL	Relative of Promoter
7	VASANTBEN VALLABHBHAI SIHORA	Relative of Promoter
8	SHLOKA INTERNATIONAL	Entities where Promoters /Directors are interested
9	ANAADI GLOBAL CO	Entities where Promoters /Directors are interested
10	PARESH HARIBHAI MANGUKIYA	Key Managerial Personnel (chief financial officer)
11	Ms. DHARA JATIN VAGHASIYA	Key Managerial Personnel (Company Secretary w.e.f. 18.6.25)
12	CHIRAG RAMESHBHAI DHAMELIYA	Non-executive Director

Transactions during the year / Period:	For the Period/ Year Ended On			
	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
PURCHASE				
SHOLKA INTERNATIONAL	21.44	-	-	-
		-	-	-
PAYMENT OF RENT				
GAUTAM VALLABHBHAI SIHORA	60.00	-	-	-
	-	-	-	-
RENT DEPOSIT				
GAUTAM VALLABHBHAI SIHORA	5.00	10.00	-	-
		-	-	-
REMUNERATION				
GAUTAM VALLABHBHAI SIHORA	36.00	-	-	-
PRIYAL GAUTAM SIHORA	24.00	10.00	-	-
PARESH HARIBHAI MANGUKIYA	3.88	1.74	1.60	3.14
		-	-	-
UNSECURED LOANS TAKEN				
GAUTAM VALLABHBHAI SIHORA	14.00	0.75	-	-
PRIYAL GAUTAM SIHORA	-	0.25	-	-
UNSECURED LOANS REPAID				
GAUTAM VALLABHBHAI SIHORA	14.75	-	-	-
PRIYAL GAUTAM SIHORA	0.25	-	-	-
			-	-

Outstanding Balance as at close of the year / Period	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
REMUNERATION				
PRIYAL GAUTAM SIHORA	-	1.00	-	-
PARESH HARIBHAI MANGUKIYA	0.33	0.33	-	0.27
LOAN PAYABLE				
GAUTAM VALLABHBHAI SIHORA	-	0.75	-	-
PRIYAL GAUTAM SIHORA	-	0.25	-	-
Closing Balance of Proprietary Capital				
GAUTAM VALLABHBHAI SIHORA	-	-	40.90	13.48
RENT DEPOSIT				
GAUTAM VALLABHBHAI SIHORA	15.00	10.00	-	-
PURCHASE				
SHOLKA INTERNATIONAL	3.64	-	-	-

ANNEXURE –X**Statement of Dividends**

No Dividend Paid for the year ended March 31, 2025, and March 31, 2024, for the period ended October 17, 2023 and the year ended March 31, 2023.

ANNEXURE –XI**Changes in the Significant Accounting Policies**

There have been no changes in the accounting policies of the company for the period disclosed in the restated financial statement except for accounting for long term employee benefits (Grauity). The Company has changed the accounting policy for Grauity from cash basis to based on Actuarial Valuation report. Actuarial valuation report is issued by Trueval Consulting.

Impact on Profit and loss account due to change in accounting

Particulars	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Reduction in Profits to the extent of	-	-		-

ANNEXURE –XII**Contingent Liabilities:**

a.Claims against the Company (including unasserted claims) not acknowledged as debt:

Particulars	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Related to Direct Tax Matters	-	-		-
Related to Indirect Tax Matters - Disputed GST Demand	11.75	11.75	11.75	11.75

Capital Commitment	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Estimated value of contracts in capital account remaining to be executed (net of capital advance)	-	-		-
Custom Duty against import under EPCG Scheme	-	-		-

OTHER FINANCIAL INFORMATION

ANNEXURE –VI - STATEMENT OF ACCOUNTING & OTHER RATIOS, AS RESTATED

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations, as derived from the Restated Financial Statements, are given below:

(₹ in Lakhs except the percentage and per share data)

Particulars	From April 01, 2024 to March 31, 2025	From August 10, 2023 to March 31, 2024	From April 01, 2023 to October 17, 2023	From April 01, 2022 to March 31, 2023
Net Profit as Restated (A)	187.26	32.14	27.53	29.98
Add: Depreciation	86.99	43.69	19.77	44.99
Add: Finance Cost	42.24	17.40	20.21	54.11
Add: Income Tax/ Deferred Tax	62.98	8.49	9.26	(12.43)
Less: Other Income	(50.26)	(6.18)	-	-
EBITDA	329.21	95.54	76.76	116.65
EBITDA Margin (%)	22.61%	15.38%	14.35%	9.64%
Net Worth as Restated (B)	526.03	338.77	40.90	13.48
Return on Net worth (%) as Restated (A/B)	35.60%	9.49%	67.29%	222.38%
Equity Share at the end of year (in Nos.) (C)	3,727,400	677,709	500,000	500,000
Equity Share at the end of year (in Nos.) (D) (Post Bonus)	3,727,400	3,727,400	2,750,000	2,750,000
Weighted No. of Equity Shares (in Nos.) (E) (Pre Bonus)	3,727,400	558,960	500,000	500,000
Weighted No. of Equity Shares (F) (Post Bonus)	3,727,400	3,074,278	2,750,000	2,750,000
Basic & Diluted Earnings per Equity Share as Restated (A/E)	5.02	5.75	5.51	6.00
Basic & Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect (A/F)	5.02	0.86	1.00	1.09
Net Asset Value per Equity share as Restated (B/C)	14.11	49.99	8.18	2.70
Net Asset Value per Equity share as Restated after considering Bonus & Split Impact with retrospective effect (B/F)	14.11	11.02	1.49	0.49

Notes:-

- EBITDA Margin = EBITDA/Total Revenues
- Networth= Paid up share capital plus reserves and surplus less miscellaneous expenditure to the extent not written off
- Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year
- Return on Net worth (%) = Restated Profit after taxation / Net worth x 100
- Net asset value/Book value per share (₹) = Net worth / No. of equity shares
- The Company does not have any revaluation reserves or extra-ordinary items.
- As per Accounting Standard 20 (AS - 20), In case of a bonus issue or a share split, equity shares are issued to existing shareholders for no additional consideration. Therefore, the number of equity shares outstanding is increased without an increase in resources. The number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equities shares outstanding as if the event had occurred at the beginning of the earliest period reported.
- Company has acquired running business of Proprietary firm M/s. Sihora Narrow Fabrics (Proprietary Mr. Gautam Vallabhbbhai Sihora) vide agreement dated October 17, 2023. For the purpose of Restated Financial Statements, the accounts of the Proprietary firm for the year ended on March 31 2023, and for the period ended on October 17, 2023 have been recasted in accordance with the requirements of Schedule III of the Companies Act, 2013. Moreover for the purpose of calculation of EPS, share capital at the incorporation of Company is taken as base and accordingly EPS is calculated.

CAPITALIZATION STATEMENT

The following table sets forth our capitalisation derived from our Restated Financial Statements as at March 31, 2025, and as adjusted for the Issue. This table should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Restated Financial Information” and “Risk Factors” on pages 158, 154, and 20, respectively of this Draft Prospectus.

Statement of Capitalization, As Restated

(₹ in Lakhs)

Particulars	Pre-Issue From April 01, 2024 to March 31, 2025	Post Issue*
Debt :		
Long Term Debt	243.53	[●]
Short Term Debt	270.46	[●]
Total Debt	513.99	[●]
Shareholders’ Funds		
Equity Share Capital	372.74	[●]
Reserves and Surplus	153.29	[●]
Less: Misc. Expenditure	-	-
Total Shareholders’ Funds	526.03	[●]
Long Term Debt/ Shareholders’ Funds	0.46	[●]
Total Debt / Shareholders Fund	0.98	[●]

* Assuming Full Allotment of IPO shares

FINANCIAL INDEBTEDNESS

Our Company has availed certain credit facilities in the ordinary course of business to meet our working capital requirements and purchase plant and machineries and for general corporate purposes. As of March 31, 2025, our outstanding borrowings aggregated to ₹ 513.99 lakhs.

Set forth below, is a summary of our Company's borrowings as on March 31, 2025, together with a brief description of certain significant terms / material covenants of the relevant financing arrangements.

Sr. No.	Lender	Nature of facility	Sanctioned Amount (₹ in Lakhs)	Outstanding as on March 31, 2025 (₹ in Lakhs)	Rate of Interest / Margin	Repayment Terms	Security/ Principal terms and conditions
1	ICICI BANK LIMITED	Overdraft Limit	92.00	26.61	Repo Rate +spread of 2.65%	78 Equal Monthly Installments	Hypothecation of; Movable Fixed Assets & Current Assets
2	ICICI BANK LIMITED	Overdraft Limit	350.00	159.23	Repo Rate +spread of 2.65%	78 Equal Monthly Installments	
3	ICICI TUF LOAN - 603090033777	Plant & Machinery	87.10	37.74	Repo Rate +spread of 2.65%	78 Equal Monthly Installments	Mortgage of; 1. Plot No. 34/D/1 Laxminarayan Industrial Park, Udhna, Bhedwad, Surat, Gujarat, India; 2. Plot No. 34/D/2 Laxminarayan Industrial Park, Udhna, Bhedwad, Surat, Gujarat, India;
4	ICICI TUF LOAN - 603090037172	Plant & Machinery	375.00	138.21	Repo Rate +spread of 2.65%	78 Equal Monthly Installments	
5	ICICI TUF LOAN 603090037743	Plant & Machinery		4.34		78 Equal Monthly Installments	3. Plot No. 34/D/3 Laxminarayan Industrial Park, Udhna, Bhedwad, Surat, Gujarat, India.
6	ICICI TUF LOAN- 603090041589	Plant & Machinery		38.63		78 Equal Monthly Installments	
7	ICICI TUF LOAN - 603090043465	Plant & Machinery		11.97		78 Equal Monthly Installments	Personal Guarantee of; Bhavnapen Dhameliya Gautam Vallabhbhai Sihora Priyal Gautam Sihora Ramesh Nagjibhai Dhameliya
8	ICICI TUF LOAN - 603090051884	Plant & Machinery		85.69		78 Equal Monthly Installments	
9	ICICI TUF LOAN - 603090055583	Plant & Machinery		4.11		78 Equal Monthly Installments	Corporate guarantee of; Sihora Narrow Fabrics
10	ICICI TUF LOAN - 603090055889	Plant & Machinery		7.46		78 Equal Monthly Installments	
Total			904.10	513.99			

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Prospectus. You should also read the section entitled “Risk Factors” beginning on page 20, which discusses several factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year (“Fiscal Year”) are to the twelve-month period ended March 31 of that year.

The 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 our auditors dated July 07, 2025 which is included in this Draft Prospectus under the section titled “Restated Financial Information” beginning on page 154 of this Draft Prospectus. The restated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial statements to US 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 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 as a result of certain factors such as those described under “Risk Factors” and “Forward Looking Statements” beginning on pages 20 and 12 respectively, and elsewhere in this Draft Prospectus. Accordingly, the degree to which the financial statements in this Draft Prospectus will provide meaningful information depend entirely on such potential investor's level of familiarity with Indian accounting practices. Please also refer to section titled “Presentation of Financial, Industry and Market data” beginning on page 10 of this Draft Prospectus.

BUSINESS OVERVIEW

Our company was established in 2023 and is engaged in the business of manufacturing and trading of garment accessories and narrow woven fabrics. Within a short span, we have established ourselves as a dependable player in the textile accessory segment, offering a wide and customized range of products that include elastic tapes, zippers, fancy lace, designer dupattas, religious and political fatkas, and related materials. Our ability to offer product diversity, design customization, and timely delivery has enabled us to cater to a broad customer base, including garment manufacturers, fashion brands, retailers, and wholesalers.

We operate from our manufacturing unit located in Gujarat, with supply networks extending across key regions in India. Our product range is developed using a combination of traditional craftsmanship and modern machinery, allowing us to maintain high-quality standards while ensuring production efficiency. Our in-house capabilities are complemented by strategic vendor partnerships for procurement of raw materials, which ensures quality consistency and cost-effectiveness.

In line with our focus on customer satisfaction and relationship building, we offer tailored product solutions as per the specific design and functional needs of our clients. This approach has helped us cultivate long-term relationships with recurring orders from several key customers. Our strong emphasis on design aesthetics, coupled with durable construction and competitive pricing, enables us to remain relevant and competitive in a dynamic industry landscape.

To enhance our production capabilities and support future expansion, we have made investments in modern machinery and infrastructure. We continue to explore opportunities for diversifying our product lines, enhancing our production processes, and adopting eco-friendly and sustainable practices across operations.

Our leadership team comprises experienced professionals with industry knowledge in textile manufacturing and accessories trading. Our Promoter, Mr. Gautambhai Sihora, brings strategic guidance, operational insight, and a strong commitment to quality and compliance. Under his leadership, we have prioritized transparency, business integrity, and responsible growth.

We believe that our ability to offer quality products, flexible customization, responsive service, and efficient supply chain management gives us a competitive edge. As we continue to scale our operations, we remain committed to innovation, customer-centricity, and long-term value creation for our stakeholders.

FINANCIAL SNAPSHOT

Financial performance of the company for the last three financial years as per Restated Financial Statements, divided into the following four time periods, is as below.

(₹ In Lakh)

Particulars	For the year ended on March 31, 2025	For the period from August 10, 2023 to March 31, 2024	For the period from April 01, 2023 to October 17, 2023	For the year ended on March 31, 2025
Revenue from Operations	1456.20	621.10	534.99	1209.77
EBITDA	329.21	95.54	76.76	116.65
EBITDA Margin (%)	22.61%	15.38%	14.35%	9.64%
Profit After Tax	187.26	32.14	27.53	29.98
PAT Margin (%)	12.86%	5.17%	5.15%	2.48%
RoE (%)	35.60%	9.49%	67.29%	222.38%
RoCE (%)	31.93%	16.47%	25.06%	30.57%
Operating Cash Flows (before changes in Working Capital and payment of taxes)	383.14	103.03	73.27	119.47
Net Operating Cash Flows (after changes in Working Capital and Payment of Taxes)	(14.35)	49.98	127.01	(8.47)

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO LAST AUDITED BALANCE SHEET:

After the date of last Audited accounts i.e. March 31, 2025, the Directors of our Company confirm that, except disclosed below, there have not been any significant material developments;

- Our Company has executed Lease Agreement dated July 22, 2025 with Rameshbhai Nagjibhai Dhameliya for taking below mentioned machineries on Lease Rent basis for a period of August 01, 2025 to June 30, 2026 at a Rent amount of ₹ 25,000/- per month.
 - High Speed Needle Looms with Electronic Jacquard (16 Quantities)
 - High Speed Need Looms (7 Quantities)
- Our company has initiated the process of executing Long Term Lease Agreement for the Immovable Properties listed below;
 - Plot 34/D-1 and D/2, Lakshmi Industrial Estate, Udhaana Mehan Road, Surat 394210
 - Plot 34/D-3, Lakshmi Industrial Estate, Udhaana Mehan Road, Surat 394210

FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS:

Our Company's future results of operations could be affected potentially by the following factors:

- Credit worthiness of our customers;
- Natural Calamities e.g. Tsunami
- Global GDP growth and trade growth
- Changes in laws or regulations
- Political Stability of the Country;
- Competition from existing players;
- Price of Raw Materials;
- Our dependence on limited number of customers/suppliers/brands for a significant portion of our revenues;
- Any failure to comply with the financial and restrictive covenants under our financing arrangements;
- Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
- Occurrence of Environmental Problems & Uninsured Losses;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;
- The performance of the financial markets in India and globally;

- Our ability to expand our geographical area of operation;
- Concentration of ownership among our Promoters.

OUR SIGNIFICANT ACCOUNTING POLICIES:

For Significant accounting policies, please refer Significant Accounting Policies and Notes to accounts, “Annexure - IV” beginning under Chapter titled “Restated Financial Information” beginning on page 154 of this Draft Prospectus.

FINANCIAL PERFORMANCE FOR THE PERIOD ENDED ON MARCH 31, 2025

(₹ In Lakhs)

INCOME FROM CONTINUING OPERATIONS	March 31, 2025	%
Revenue from operations	1456.20	96.66
Other Income	50.26	3.34
Total Revenue	1,506.46	100.00
Expenses		
Cost of Material Consumed	719.70	47.77
Changes in Inventories of finished goods and work in progress	(22.03)	(1.46)
Purchase of stock in trade	-	-
Employee benefits expense	207.71	13.79
Finance Costs	42.24	2.80
Depreciation and amortisation expenses	86.99	5.77
Other expenses	221.61	14.71
Total Expenses	1,256.22	83.39
Restated profit before tax before exceptional and Extraordinary Items	250.24	16.61
Exceptional Item	-	-
Total tax expense	62.98	4.18
Restated profit after tax from continuing operations	187.26	12.43

DISCLOSURE OF THE YEAR ENDED ON MARCH 31, 2025:

Total Income:

Total Revenue from April 1, 2024 to March 31, 2025 was ₹ 1506.46 Lakh, which includes Revenue from Operations amounting to ₹ 1,456.20 Lakh and Other Income of ₹ 50.26 Lakh. Revenue from Operations fully comprised of Domestic Sales from Product.

Other Income

Other Income mainly includes income from Interest income and Subsidy income.

EXPENDITURE:

Cost of materials consumed

The Cost of Material Consumed was ₹ 719.70 Lakh from April 01, 2024 to March 31, 2025, which is 47.77 % of the Total Income.

Changes in inventories of finished goods and work-in- progress

Change in inventory of Stock in Trade was ₹ (22.03) Lakhs from April 01, 2024 to March 31, 2025 which is (1.46)% of Total Income.

Purchases of Stock-in-Trade

Nil.

Employee Benefit Expenses

Employee Benefit Expenses was ₹ 207.71 Lakh from April 01, 2024 to March 31, 2025, which is 13.79 % of the Total Income. Employee Benefit Expenses mainly includes Salary and wages, Director Remuneration, Gratuity, contribution to Provident fund and Staff welfare expenses.

Finance Cost

Finance expense was ₹ 42.24 Lakh from April 01, 2024 to March 31, 2025, which is 2.80% of the Total Income. Finance Cost mainly, includes Interest Expense and other finance cost.

Depreciation and amortisation expenses

Depreciation and amortization from April 01, 2024 to March 31, 2025 was ₹ 86.99 Lakh that is 5.77 % of the Total Income.

Other Expenses

Other Expenses from April 01, 2024 to March 31, 2025 was ₹ 221.61 Lakh that is 14.71% of the Total Income.

Other expense mainly includes Professional & Consultancy Fees, Rent, Rates & Taxes, Advertisement Expenses, Manufacturing Expense, Conveyance & Petrol Expense, Commission expense, Repair & maintenance, Sales Promotion, Electric Expense, Refreshment Expense, Travelling Expenses, Shipping Expense, Insurance expenses and other miscellaneous expenses.

Restated Profit before tax from continuing operations

Profit before Tax from April 01, 2024 to March 31, 2025 stood at ₹ 250.24 Lakh. During this period, Our Company recorded Profit before Tax margin of 16.61% of Total Income.

Total tax expense

Tax Expenses consisting of Current Tax & Deferred Tax from April 01, 2024 to March 31, 2025 was ₹ 66.14 Lakhs and ₹ (3.16) Lakhs respectively, representing 4.39% and (0.21)% respectively of Total Income.

Restated Profit after tax from continuing operations

Profit after Tax from April 01, 2024 to March 31, 2025 stood at ₹ 187.26 Lakh. During this period, our Company recorded Profit after Tax margin of 12.43% of Total Income.

RESULTS OF OUR OPERATION BASED ON RESTATED FINANCIAL INFORMATION

Particulars	For the year ended on March 31, 2025	For the year ended on March 31, 2024*	For the year ended on March 31, 2025
Revenue from operations	1,456.20	1,156.09	1,209.77
Total Revenue from Operation	1,456.20	1,156.09	1,209.77
% of growth (YOY)	25.96%	(4.44)%	-
Other Income	50.26	6.18	-
% of growth	713.28%	-	-
Total income	1,506.46	1,162.27	1,209.77
% of growth (YOY)	29.61%	(3.93)%	-
Expenses			
Cost of Material consumed	719.70	632.61	670.09
% Increase/(Decrease) YOY	13.77%	(5.59)%	-
Changes in inventories of finished goods and work-in- progress	(22.03)	(0.15)	26.46
% Increase/(Decrease)	14800.91%	(100.56)%	-
Purchases of stock-in-trade	-	-	-
% Increase/(Decrease)	-	-	-
Employee benefits expense	207.71	142.81	171.84
% Increase/(Decrease) YOY	45.45%	(16.89)%	-
Finance Costs	42.24	37.61	54.11
% Increase/(Decrease) YOY	12.31%	(30.50)%	-
Depreciation and amortization expenses	86.99	63.46	44.99
% Increase/(Decrease) YOY	37.07%	41.06%	-
Other expenses	221.61	208.52	224.74
% Increase/(Decrease) YOY	6.28%	(7.22)%	-
Total Expenses	1,256.22	1,084.86	1,192.23
% to total revenue YOY	83.39%	93.34%	98.55%
Profit/(Loss) Before Extra-Ordinary Items & Tax	250.24	77.42	17.55
% to total revenue YOY	16.61%	6.66%	1.45%
Exceptional Items	-	-	-
Profit before Tax	250.24	77.42	17.55
Total tax expense	62.98	17.75	(12.43)
% Increase/(Decrease) YOY	254.84%	242.80%	-

Particulars	For the year ended on March 31, 2025	For the year ended on March 31, 2024*	For the year ended on March 31, 2023
Profit and Loss after tax for the period as Restated	187.26	59.67	29.98
% to total revenue YOY	12.86%	5.16%	2.48%
% Increase/(Decrease) YOY	213.84%	99.04%	-

* Results of operation for the period from April 01, 2023 to October 17, 2023 of Sihora Narrow Fabrics and for the period from August 10, 2023 to March 31, 2024 of Sihora Industries Limited have been clubbed for better presentation and comparison of Financial Performance of the Company.

COMPARISON OF FY 2024-25 WITH FY 2023-24:

During the Financial Year 2023-24 the running business of Sihora Narrow Fabrics was taken over by Sihora Industries Limited. and FY 2023-24 recorded little dip in revenue performance as compared to performance in year 2022-23. Financial Year 2024-25 however remained full of all-round improvement in performance. Moreover, Results of operation for the period from April 01, 2023 to October 17, 2023 of Sihora Narrow Fabrics and for the period from August 10, 2023 to March 31, 2024 of Sihora Industries Limited have been clubbed for better presentation and comparison of Financial Performance of the Company.

REVENUE:

Revenue from operations

Total Revenue from operations in FY 2024-25 increased by 25.96% as compared to YOY performance of FY 2023-24. Revenue from Operations increased due to increase in Revenue from Sale of Product.

Other Income:

Other income of the company increased from ₹ 6.18 lakhs to ₹50.26 lakhs during FY 2024-25 . Other Income consists of Interest on FDR and Subsidy income.

EXPENDITURE:

Cost of materials consumed

Cost of materials consumed increased by 13.77% during the period due to increase in revenue from operations of our company.

Changes in inventories of finished goods and work-in- progress

Changes in inventories of finished goods and work-in- progress were ₹ (0.15) lakhs in FY 2023- 24 and was ₹ (22.03) lakhs in FY 2024-25 showing increase of 14800.91%.

Purchases of stock-in-trade

NIL

Employee Benefit Expenses

Employee Benefit expenses Increased to ₹ 207.71 Lakhs for FY 2024-25 from ₹ 142.81 Lakh for FY 2023-24 showing an Increase by 45.45%. Employee Benefit Expenses mainly includes Salary and wages, Director Remuneration, Gratuity, contribution to Provident fund and Staff welfare expenses.

Finance Cost

Finance expense were ₹ 42.24 Lakhs for FY 2024-25 as against ₹ 37.61 Lakhs in FY 2023-24 showing an Increase of 12.31%. Finance Cost mainly includes Interest expense and other finance cost.

Depreciation and amortisation expenses

Depreciation and amortization expense for FY 2024-25 was ₹ 86.99 Lakh as against ₹ 63.46 Lakhs for FY 2023-24 showing Increase by 37.07%.

Other Expenses

Other Expenses increased to ₹ 221.61 Lakh for FY 2024-25 from ₹ 208.52 Lakh for FY 2023-24 showing an increase of 6.28% only. Other expense mainly includes Professional & Consultancy Fees, Rent, Rates & Taxes, Advertisement Expenses, Manufacturing Expense, Conveyance & Petrol Expense, Commission expense, Repair & maintenance, Sales Promotion, Electric Expense, Refreshment Expense, Travelling Expenses, Insurance expenses and other miscellaneous expenses.

Total Tax Expenses

Company's tax expenses increased to ₹ 62.98 lakhs in the FY 2024-25 from ₹ 17.75 lakhs in the FY 2023-24 due to higher income earned by the company during FY 24-25.

Profit before Extra-Ordinary Items and Tax

The Profit before Extra-Ordinary Items and Tax for the FY 2024-25 was 16.61% of the Total revenue from operations and it was 6.66% of Total revenue from operations for the FY 2023-24. The Profit before Extra-Ordinary Items and Tax has Increased to ₹ 250.24 Lakh in FY 2024-25 from ₹ 77.42 Lakh in FY 2023-24.

Profit after Tax (PAT)

PAT Increased to ₹ 187.26 Lakh in FY 2024-25 from ₹ 59.67 Lakh in the FY 2023-24. PAT was 12.86% and 5.16% of Total Revenue of our company for the year ended on March 31, 2025 and March 31, 2024 respectively.

COMPARISON OF FY 2023-24 WITH FY 2022-23:

During the entire Financial Year 2022-23 the business was run under the name and style of Sihora Narrow Fabrics which was taken over by Sihora Industries Limited during FY 2023-24. Performance during FY 2023-24 recorded little dip in revenue as compared to performance in year 2022-23. Moreover, Results of operation for the period from April 01, 2023 to October 17, 2023 of Sihora Narrow Fabrics and for the period from August 10, 2023 to March 31, 2024 of Sihora Industries Limited have been clubbed for better presentation and comparison of Financial Performance of the Company.

REVENUE:

Revenue from operations

Total Revenue from operations in FY 2023-24 decreased by 4.44% as compared to performance of FY 2022-23. Revenue from Operations were Revenue from Sale of Product only.

Other Income:

Other income of the company was ₹ 6.18 lakhs against NIL during FY 2022-23. Other Income consists of Interest on FDR and Subsidy income.

EXPENDITURE:

Cost of materials consumed

Cost of materials consumed decreased by 5.59% during the period due to decrease in revenue from operations of our company.

Changes in inventories of finished goods and work-in- progress

Changes in inventories of finished goods and work-in- progress were ₹ (0.15) lakhs in FY 2023-24 and was ₹ 26.46 lakhs in FY 2022-23.

Purchases of stock-in-trade

NIL

Employee Benefit Expenses

Employee Benefit expenses were ₹ 142.81 Lakh for FY 2023-24 against ₹ 171.84 Lakh showing a decrease by 16.89%. Employee Benefit Expenses mainly includes Salary and wages, Director Remuneration, Gratuity, contribution to Provident fund and Staff welfare expenses.

Finance Cost

Finance expense were ₹ 37.61 Lakhs in FY 2023-24 against ₹ 54.11 Lakhs in FY 2022-23 showing a decrease of 30.50%. Finance Cost mainly includes Interest expense and other finance cost.

Depreciation and amortisation expenses

Depreciation and amortization expense were ₹ 63.46 Lakhs for FY 2023-24 against ₹ 44.99 Lakhs for FY 2022-23 showing Increase by 41.06%.

Other Expenses

Other Expenses were ₹ 208.52 Lakh for FY 2023-24 against ₹ 224.74 Lakh for FY 2022-23 showing a decrease of 7.22%. Other expense mainly includes Professional & Consultancy Fees, Rent, Rates & Taxes, Advertisement Expenses, Manufacturing Expense, Conveyance & Petrol Expense, Commission expense, Repair & maintenance, Sales Promotion, Electric Expense, Refreshment Expense, Travelling Expenses, Insurance expenses and other miscellaneous expenses.

Total Tax Expenses

Company's tax expenses were ₹ 17.75 lakhs in the FY 2023-24 against ₹ (12.43 lakhs) in the FY 2022-23. During FY 2022-23 the current tax expenses were ₹ 5.60 lakhs and also a Deferred Tax Credit of ₹ (18.03 Lakhs). During FY 2023-24 the current year tax was ₹ 22.69 lakhs and a Deferred Tax Charge of ₹ (4.94) lakhs.

Profit before Extra-Ordinary Items and Tax

The Profit before Extra-Ordinary Items and Tax in FY 23-24 was 6.66% of the Total revenue from operations and it was 1.45 % of Total revenue from operations for the FY 2022-23. The Profit before Extra-Ordinary Items and Tax has Increased to ₹ 77.42 Lakh in FY 2023-24 from ₹ 17.55 Lakh in FY 2022-23.

Profit after Tax (PAT)

PAT Increased to ₹ 59.67 Lakh in the FY 2023-24 against ₹ 29.98 Lakhs achieved in the FY 2022-23. PAT was 5.16% and 2.48% of Total Revenue of our company for the year ended on March 31, 2024 and March 31, 2023 respectively.

DISCUSSION ON THE STATEMENT OF CASH FLOWS

The table below summaries our cash flows from our restated financial statements:

(₹ in Lakhs)

Particulars	For the year ended on March 31, 2025	For the period from August 10, 2023 to March 31, 2024	For the period from April 01, 2023 to October 17, 2023	For the year ended on March 31, 2025
Net cash generated from / (used in) Operating activities	(14.35)	49.98	127.01	(8.47)
Net cash generated from / (used in) Investing activities	(209.98)	(273.08)	(0.19)	(0.38)
Net cash generated from / (used in) from Financing activities	224.39	223.14	(123.85)	(19.70)
Net Increase / (decrease) in Cash & Cash Equivalents	0.06	0.05	2.96	(28.54)
Cash and cash equivalents at the beginning of the Period / year	3.54	3.49	0.53	29.07
Cash and cash equivalents at the end of the Period/ year	3.60	3.54	3.49	0.53

Cash generation vs Cash utilization – activities Operations, Financing and Investing

- **In the Financial year 2024-25**, net cash generated from operating and financing activities (raising of loans) was used primarily in investing activities (purchase of Fixed Assets and in creation of current assets i.e. Inventories and Trade Receivables).
- **In whole of Financial Year 2023-24**, net cash generated from operating and financing activities (issue of share capital and raising of loans) was used primarily investing activities (purchase of Fixed Assets and in supporting current assets i.e. Inventories and Trade Receivables). In between during the financial year the proprietary business was taken over by the newly formed Company.
- **In Financial Year 2022-23**, the business was conducted by the proprietary firm of the Promoter. Cash generated from operating activities and by increasing the capital contribution was used in streamlining the current assets as no new fixed assets were purchased during this period.

RELATED PARTY TRANSACTIONS

For further information, please refer “Annexure - IX - titled Statement of Related Party & Transactions, As Restated” in the chapter titled “Restated Financial Information” beginning from page no. 154 of this Draft Prospectus.

FINANCIAL MARKET RISKS

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

INTEREST RATE RISK

We are currently exposed to interest to rate risks to the extent of outstanding loans. However, any rise in the future borrowings may increase the risk.

EFFECT OF INFLATION

We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

INFORMATION REQUIRED AS PER ITEM (11) (II) (C) (iv) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS, 2018:

1. Unusual or infrequent events or transactions

Except as described in this Draft Prospectus, there have been no other events or transactions to the best of our knowledge which may be described as “unusual” or “infrequent”. For further information on potential risks arising from certain non-recurring or infrequent transactions, please refer to Risk Factor no. 74- ‘*Any future unusual or infrequent events or transactions may adversely affect our financial performance.*’ on page 41 of this Draft Prospectus.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject to, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in ‘Factors Affecting our Results of Operations’ and the uncertainties described in the section entitled Risk Factor no. 68 ‘*If inflation rises in India, increased costs may result in a decline in the profits of our Company. Inflation rates in India have been volatile in recent years, and such volatility may continue in the future.*’ under chapter titled Risk Factor beginning on page no. 20 of the Draft Prospectus. To our knowledge, except as we have described in the Draft Prospectus, there are no other known factors which we expect to bring about significant economic changes.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed in this Draft Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

For further information, please refer to Risk Factor no. 65- ‘*Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations, financial condition, and prospectus.*’ on page 39 of this Draft Prospectus.

4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.

Our Company’s future costs and revenues will be determined by demand/supply situation, researches in technology, government policies and other economic factor.

For further information, please refer to Risk Factor no. 51- ‘Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.’ under chapter titled Risk Factor beginning on page no. 20 of the Draft Prospectus.

5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices.

Other than as disclosed in this section and in “Business Overview” on page 102 we have not announced and do not expect to announce in the near future any new business segments.

6. Total turnover of each major industry segment in which the issuer company operated.

Our Company is engaged in the business of manufacturing and sale of woven fabrics, zippers, elastic tapes, fancy lace, digital printed narrow fabric, technical textiles etc. The industry is not very organized, however, relevant data, as available, has been included in the chapter titled “Industry Overview” beginning on page no. 90 of this Draft Prospectus.

7. Status of any publicly announced new products or business segment.

Our company has not publicly announced any new business segment till the date of this Draft Prospectus.

8. The extent to which business is seasonal.

The Business of our company is not seasonal in nature. Hence, our business is not subject to seasonality or cyclicity.

9. Any significant dependence on a single or few suppliers or customers.

Contribution of our customers and suppliers, as a percentage of total revenue and cost, respectively, for the periods indicated below:

(₹ in Lakhs)

Particulars	Top Customers as a percentage (%) of revenue from operations							
	For the year ended on March 31, 2025		For the period from August 10, 2023 to March 31, 2024		For the period from April 01, 2023 to October 17, 2023		For the year ended on March 31, 2025	
	Amount	%	Amount	%	Amount	%	Amount	%
Top 1	265.54	18.23	132.98	21.41	138.08	25.81	177.73	14.69
Top 3	660.94	45.39	266.80	42.96	212.14	39.65	378.33	31.27
Top 5	830.06	57.00	352.93	56.82	259.82	48.57	531.41	43.93
Top 10	1,025.66	70.43	435.00	70.04	348.41	65.12	742.32	61.36

(₹ in Lakhs)

Particulars	Top Suppliers as a percentage (%) of Purchase							
	For the year ended on March 31, 2025		For the period from August 10, 2023 to March 31, 2024		For the period from April 01, 2023 to October 17, 2023		For the year ended on March 31, 2025	
	Amount	%	Amount	%	Amount	%	Amount	%
Top 1	167.40	19.04	73.13	17.64	41.18	18.87	119.81	18.04
Top 3	289.29	32.90	179.43	43.29	100.08	45.86	252.49	38.01
Top 5	380.67	43.30	242.87	58.60	127.30	58.33	336.09	50.60
Top 10	551.98	62.78	322.36	77.78	161.79	74.13	478.43	72.03

For further information, please refer to Risk Factor no. 3- ‘A significant portion of our revenue is derived from a limited number of customers. Our top five customers contributed 57%, 56.82%, 48.57%, and 43.93% of our total revenue during Fiscal 2025, the period October 18, 2023 to March 31, 2024, the period April 1, 2023 to October 17, 2023, and Fiscal 2023, respectively, based on our Restated Financial Statements. Any loss of such major customers or a significant reduction in their demand could materially and adversely affect our business, financial condition, cash flows, and results of operations.’ on page 21 of this Draft Prospectus.

10. Working Capital and Liquidity Management

We expect to experience increased working capital requirements in line with our business growth, particularly due to increases in inventories, trade receivables, and expansion-related operations.

To maintain a healthy working capital cycle post utilization of IPO proceeds, we plan to:

- Implement an inventory optimization and tracking system to ensure optimal stock levels and minimize overstocking;
- Establish a credit policy with defined receivable cycles and incentivized early payments;
- Strengthen supplier relationships to negotiate longer credit periods, especially for imported raw materials;
- Utilize short-term working capital facilities, where required, to bridge temporary gaps;
- Continuously monitor operating cycle metrics such as inventory turnover, receivable and payable days, and adjust procurement or sales strategies accordingly.

The effective management of our working capital is expected to support our operational scale-up and ensure sustainable business growth.

For further information, please refer to Risk Factor no. 14- ‘Our business is working capital intensive. Any inability to secure adequate working capital or efficiently manage our working capital cycle may adversely affect our business, financial condition, results of operations and cash flows.’ on page 25 of this Draft Prospectus.

11. Competitive conditions:

We face competition from existing and potential competitors which is common for any business. Section titled “Business Overview” beginning on page no. 102 of this Draft Prospectus further deliberates on this matter.

For further information, please refer to Risk Factor no. 35- ‘Changes in technology may affect our business by making our equipment or products less competitive or obsolete.’ on page 32 of this Draft Prospectus.

SECTION VIII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding: (a) criminal proceedings; (b) actions by statutory or regulatory authorities; (c) claims relating to direct and indirect taxes; or (d) Litigation (as defined below); involving our Company, its Directors, the Promoters and the Group Companies ("**Relevant Parties**"). Further, there are no disciplinary actions (including penalties) imposed by SEBI or the Stock Exchanges against our Promoters in the last five (5) FYs, including any outstanding action.*

Except as stated in this Section, there are no outstanding dues to creditors of our Company. The trade payables of our Company as of March 31, 2025 were ₹ 124.12 Lakhs. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of the number of cases and the amount involved, shall be uploaded and disclosed on the website of the Company as required under the SEBI ICDR Regulations.

For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder, as amended, as has been relied upon by the Statutory Auditors.

Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus. All terms defined in a particular litigation disclosure pertains to that litigation only.

I. Litigation involving our Company.

A. Litigation filed against our Company.

1. Criminal proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil

3. Material civil proceedings

Nil

4. Tax Proceedings

Under CGST Act, 2017 – wrong claim of blocked Input Tax Credit (ITC)

Running Business of “Sihora Narrow Fabrics”, proprietary firm of the Promoter Mr. Gautam Vallabhbbhai Sihora was taken over by Sihora Industries Limited in year 2023. State Tax Officer Ghatak 62 (Surat) Range-16 Division -7 Gujarat raised a demand for total ₹ 11,74,875 pertaining to FY 2019-20 under Section 73 of the CGST Act, 2017 on “Sihora Narrow Fabrics” alleging that the assessee has claimed blocked Input Tax Credit (ITC) in violation of Section 17(5) of the CGST Act. Appeal was filed on 28.11.2024 along with a deposit of ₹ 56,175 against the impugned order. No hearing has taken place since the appeal was made in November 2024.

B. Litigation filed by our Company

1. Criminal proceedings

Nil

2. Material civil proceedings

Nil

C. Tax proceedings

NIL

II. Litigation involving our directors (other than Promoters)

A. Litigation filed against our Directors (other than Promoters)

1. Criminal proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil

3. Material civil proceedings

Nil

B. *Litigation filed by our Directors (other than Promoters)*

1. Criminal proceedings

Nil

2. Material civil proceedings

Nil

C. *Tax proceedings*

Nil

III. Litigation involving our KMPs / Senior Management

A. *Litigation filed against our KMPs/ Senior Management*

1. Criminal proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil

3. Material civil proceedings

Nil

B. *Litigation filed by our KMPs/ Senior Management*

1. Criminal proceedings

Nil

2. Material civil proceedings

Nil

C. *Tax proceedings*

Nil

IV. Litigation involving our Promoters

A. *Litigation filed against our Promoters*

1. Criminal proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil

3. Civil proceedings

Nil

B. *Litigation filed by our Promoters*

1. Criminal proceedings

Nil

2. Civil proceedings

Nil

C. Tax proceedings***Priyal Gautamkumar Sihora vs ITO (Income Tax Appellate Tribunal) – Appeal against additions made u/s 68 (unexplained credit)***

Appeal No. ITA 1121/SRT/2024 was filed on 29.10.2024 against the Order of Income Tax Officer Ward 3(3)(5), Surat passed u/s 143(3) dated 22.12.2018 pertaining to Assessment Year 2016-17 raising income tax demand of ₹ 10,79,250 and interest [and separate proceedings u/s 271(1)(c)] on account of additions made u/s 68 (unexplained credits) while assessing the ITR filed by our Promoter Mrs. Priyal Gautamkumar Sihora.

Last date of hearing in the Appeal was 16th April 2025 and the next date of hearing is 9th June 2025.

(₹ in lakhs)

Particulars	Number of cases	Amount involved^
Direct Tax	1	10.79 + interest
Indirect Tax	Nil	Nil
Total	1	10.79 + interest

V. Litigation involving Promoter Group Entities**A. Litigation filed against our Promoter Group Entities****1. Criminal proceedings**

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil

3. Civil proceedings**Anaadi Global Co – Infringement of Trademark**

Saga Lifesciences Limited (Plaintiff) vs M/s Anaadi Global Co. (Defendant) CS(Comm) 574/2023 filed in April 2023 and IA 15667/2023-Stay, IA 19731/2023 pending in the High Court of Delhi at New Delhi alleging “infringement of Trade Mark” by the defendant.

Plaintiff is the proprietor of registered mark “SAGA” registered in favor of the Plaintiff in Class 5, Class 35 and Class 39 and it uses SAGA as the prefix for its various pharmaceutical products which are being sold in the market since 2009 and generating regular and substantial sale. Anaadi Global Co, the Defendant, uses the mark “HALESAGA” for health supplements and it also holds registration of the impugned Mark(s) in Class 3. It is alleged that the infringement of trademark has been resorted to by the defendant to create confusion in the mind of customers of average intelligence and imperfect recollection.

On September 5, 2023 the plaint was registered as a suit and is pending for further hearings and also for disposal of various interlocutory applications moved by the parties in between. Next date of hearing is Next date of hearing is August July 5, 2025 before the Roster Bench. On the last date of July 31st, 2025 the parties sought to address fresh arguments before the Roster Bench.

B. Litigation filed by our Promoters**1. Criminal proceedings**

Nil

2. Civil proceedings

Nil

C. *Tax proceedings*

Nil

Outstanding dues to creditors

As per the Restated Financial Statements, 10% of Total Tax Payable for the F.Y. 2024-25, was ₹12.41 Lakhs and accordingly, creditors to whom outstanding dues exceed ₹12.41 Lakhs have been considered as material creditors for the purposes of disclosure in this Draft Prospectus.

Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at March 31st, 2025, by our Company, are set out below and the disclosure of the same is available on the website of our Company at www.sihoragroup.com.

(₹ in lakhs)

Particulars	Number of Creditors	Amount involved^
Material Creditors		
Dues to Micro and Small & Medium Enterprises	1	41.27
Dues to Other Creditors	1	21.04
Total Outstanding dues to Material Creditors	2	62.31
Non-Material Creditors		
Dues to Micro and Small & Medium Enterprises	18	46.87
Dues to Other Creditors	10	14.94
Total Outstanding dues to Other Creditors	28	61.81
Grand Total	30	124.12

Material Developments

Other than as stated in the section entitled “Significant Developments Subsequent to last Audited Balance Sheet” under the chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 158, 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.

GOVERNMENT AND OTHER STATUTORY APPROVALS

We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking its business activities. In view of these key approvals, our Company can undertake this Issue and its business activities. In addition, certain of our key approvals may expire in the ordinary course of business and our Company will make applications to the appropriate authorities for renewal of such key approvals, as necessary. Unless otherwise stated herein and in the section "Risk Factors" beginning on page 20, 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 "Key Industry Regulations" beginning on page 123.

Our Company submitted necessary application(s) with the regulatory authorities for change of its name from private limited to public limited in the approvals, licenses, registrations and permits issued to our Company and majority of the applications have been successfully disposed of by the regulatory authorities.

I. Material approvals obtained in relation to the Issue

- a. The Board of Directors has, pursuant to a resolution passed at its meeting held on December 9, 2024, 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.
- b. The shareholders of the Company have, pursuant to a special resolution passed in the shareholders extra-ordinary general meeting held on December 12, 2024, authorized the Issue under Section 62 of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
- c. The Company has obtained the in-principle listing approval from BSE SME, 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

- a. Our Company was originally incorporated as a private limited company in the name of "Sihora Industries Private Limited" vide Certificate of Incorporation dated August 10, 2023, issued by the Registrar of Companies.
- b. Fresh Certificate of Incorporation dated July 17, 2024 was issued to our Company by the RoC, pursuant to the conversion of our Company from private limited to public limited and the ensuing change in the name of our Company from "Sihora Industries Private Limited" to "Sihora Industries Limited".

B. Tax related approvals obtained by our Company

Sr. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue / Renewal	Date of Expiry
1.	Permanent Account Number (PAN)	ABLCS4533P	Income Tax Department	August 10, 2023	Valid till cancelled
2.	Tax Deduction Account Number (TAN)	SRTS30225G	Income Tax Department	August 10, 2023	Valid till cancelled
3.	GST Registration Certificate	24ABLCS4533P1ZS	Goods and Services Tax Department	October 3, 2023	Valid till cancelled
4.	Professional Tax – Certificate of Registration	PRC03SZ200034656	Surat Municipal Corporation	October 1, 2023	Valid till cancelled
5.	Professional Tax – Certificate of Registration	PEC03SZ00067268	Surat Municipal Corporation	December 23, 2024	Valid till cancelled

C. Regulatory approvals of our Company

Sr. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue / Renewal	Date of Expiry
1.	Provident Fund Code Number	EPFO code – SRSRT3038168000	Employees' Provident Fund Organisation	August 10, 2023	Valid till cancelled
2.	ESIC - Registration Code	39000676620000199	Employees' State Insurance Corporation	August 10, 2023	Valid till cancelled
3.	Import-Export Code (IEC)	ABLCS4533P	Joint Director General of Foreign Trade, Surat	October 14, 2023	Valid till cancelled
4.	UDYAM Registration Certificate	UDYAM-GJ-22-0432896 [as a Micro Enterprise]	Ministry of Micro, Small and Medium Enterprises	November 15, 2024	Valid till cancelled
5.	Factory License	47274	Directorate of Industrial Safety and Health, Gujarat State	October 03, 2024	December 31, 2026

III. Material approvals or renewals for which applications are currently pending before relevant authorities

Name of the Company was changed from Private Limited to Limited and resultant changes are yet to get recorded in Regional PF Commissioner, EPFO Regional Office, Surat and Employees' State Insurance Corporation; already the applications have been moved on 23rd December 2024 and 15th May 2025 respectively for the change of name.

IV. Material approvals expired and renewal yet to be applied for

Nil

V. Material approvals required but not obtained or applied for

NIL

VI. Intellectual Property / Trade Marks

(a) Our Promoter Mr. Gautam Vallabhbbhai Sihora holds following three Registered Trademarks under Class No. 26. All the Three Trademarks pertained to “Sihora Narrow Fabrics” the proprietorship firm of Mr. Gautam Vallabhbbhai Sihora that was taken over by the Company.

- “SIHORA NARROW FABIRCS” – TM No. 2725408
- “ANANYA DESIGNER & CUSTOMER LACE” – TM No. 4393183
- “SIHORA NARROW FABRICS” – TM No. 4712147

However these is trademarks are yet to be transferred to the Company.

(b) Our Company had made application for registration of our Trademarks with the Registrar of Trademarks under the Trademarks Act. We set out below the details of such applied for trademarks:

Sr. No.	Particulars of the Mark	Application No.	Class	Date of Application	Status
1.	SIHORA	6096451	26	September 5, 2023	“Objected” Company is not using this Trade Mark and has not taken up the matter against the Objection raised except replying once on 13.12.2023.
2.	ZEVE ZIPPER	6480941	26	June 14, 2024	Company received on 26.6.2025 an objection from the Office of the Regulator for which

Sr. No.	Particulars of the Mark	Application No.	Class	Date of Application	Status
					reply was sent on 01.07.2025.
3.	ENZO ZIPPER	6480940	26	June 14, 2024	Application has been accepted on 02.07.2025 and Advertisement has been made
4.	ENZO ELASTIC	6910179	26	March 18, 2025	“Formalities Chk Pass”
5.	LXM	7035010	26	July 29, 2025	“Formalities Chk Pass”
6.	SOY	7035011	26	July 29, 2025	“Formalities Chk Pass”
7.	ZEVE ELASTIC	7035012	26	July 29, 2025	“Formalities Chk Pass”

Applications under Serial Nos. 1 to 3 referred above were applied when our company was a private limited company. We are applying for change of the name of applicant to Sihora Industries Limited. For risk associated with our intellectual property please see, “**Risk Factors**” beginning on page 20.

SECTION – IX – OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Board of Directors has, pursuant to a resolution passed at its meeting held on December 9, 2024 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in Extra Ordinary General Meeting held on December 12, 2024 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

Our Company has received an In-Principle Approval letter dated [●] from BSE for using its name in this Draft Prospectus for listing our shares on the SME Platform of BSE Limited. BSE is the Designated Stock Exchange for the purpose of this Issue.

PROHIBITION BY SECURITIES MARKET REGULATORS

Our Company, our Promoters, our Directors and our Promoters's Group have not been prohibited from accessing or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.

CONFIRMATIONS

1. Our Company, our Promoters, Promoters' Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
2. None of the Directors is in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI.
3. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoters or directors.

PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

Neither our Company, nor our Promoters, nor the relatives (as defined under the Companies Act) of our Promoters nor Group Companies/Entities have been identified as willful defaulters or Fraudulent Borrowers by the RBI or any other governmental authority.

ELIGIBILITY FOR THE ISSUE

Our company whose post issue paid-up capital is less than or equal to ₹ 10 Crore therefore, our company is eligible for the Issue in accordance with Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018.

As per Regulation 229 (3) of the SEBI ICDR Regulations read along with SEBI ICDR (Amendment) Regulations, 2025, our Company satisfies track record and/or other eligibility conditions of BSE SME;

1. **The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.**

Our Company is incorporated under the Companies Act, 2013.

2. **The post issue paid up capital of the company (face value) shall not be more than ₹ 25.00 Crore.**

The present paid-up capital of our Company is ₹ 3.73 Crores and we are proposing issue of 16,00,000 Equity Shares of ₹ 10/- each at Issue price of ₹ [●]. per Equity Share including share premium of ₹ [●] per Equity Share, aggregating to ₹ [●] Lakh. Hence, our Post Issue Paid up Capital will be ₹ 5.33 Crores which is less than ₹ 25.00 Crore.

3. **Net-worth: At least ₹ 1 crore for 2 preceding full financial years.**

As per restated financial information, the net-worth of the Company is ₹ 526.03 lakhs and ₹ 338.77 lakhs as on March 31, 2025 and March 31, 2024 respectively. The Company has fulfilled the criteria of networth of at least ₹ 1 crore for 2 preceding full financial years.

(₹ in lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Paid-up share capital	372.74	67.77	50.42
All reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account	153.29	271.00	(36.94)
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	Nil	Nil	Nil
Net worth	526.03	338.77	13.48

4. Net Tangible Asset: At least Rs 3 crores in last preceding (full) financial year

As per restated financial information, the net tangible assets of The Company are ₹ 526.03 Lakhs as on March 31, 2025. The Company has fulfilled the criteria of at least Rs 3 crores of Net Tangible Assets in last preceding (full) financial year.

(₹ in lakhs)

Particulars	As at 31st March, 2025
Net Assets	526.03
Less: Intangible Assets	0.00
Net Tangible Assets	526.03

5. The company or the partnership/proprietorship/LLP Firm or the firm which have been converted into the company should have combined track record of at least 3 years

Our Company was originally incorporated on August 10, 2023 under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre to takeover the running business, through a *Business Transfer Agreement (BTA)* of *Sihora Narrow Fabrics*, the proprietary firm of Mr. Gautam Vallabhai Sihora, the promoter of the Company (holding Importer Exporter Code since year 2007) and engaged in the business of manufacture and sale of narrow fabrics. The running business of Sihora Narrow Fabrics along with all its assets and liabilities was taken over on 17th October 2023. Therefore, we are in compliance with criteria of having track record of 3 years.

6. Leverage Ratio: Leverage ratio of not more than 3:1

As on March 31st, 2025, total debt and total shareholders fund of the Company was ₹ 526.03 lakhs and ₹ 513.99 lakhs respectively. Accordingly, Leverage ratio (Total debt / total shareholders fund) of The Company works out at 0.98:1. Hence leverage ratio of the Company is not more than 3:1.

(₹ in lakhs)

Particulars	As at 31st March, 2025
Total Debt (Short Term + Long Term)	513.99
Total Equity	526.03
Debt Equity Ratio	0.98

7. Disciplinary Action

There is no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.

The Promoter(s) or directors are not promoter(s) or directors of any companies that are compulsory delisted companies by the Exchange and the applicability of consequences of compulsory delisting is attracted or companies that are suspended from trading on account of non-compliance.

Directors are not disqualified/debarred by any of the Regulatory Authority.

8. There are no pending defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by the applicant company, promoters/ promoting company(ies), Subsidiary Companies- **Not Applicable in the present case.**

9. Name Change

Not Applicable in the present case.

10. Other Requirements

We confirm that;

- i. The Company has a live and operational website: www.sihoragroup.com
- ii. The entire Equity Shares held by the Promoters are dematerialized.
- iii. Our Company shall mandatorily facilitate trading in demat securities and have entered into an agreement with both the depositories. Our Company has entered into an agreement for registration with the Central Depository Services Limited (CDSL) dated January 25, 2024 and National Securities Depository Limited dated December 19, 2023 for establishing connectivity.
- iv. There has been no change in the promoter(s) of our Company in the preceding one year from the date of filing application to BSE for listing on BSE SME.
- v. The composition of the Board is in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval.
- vi. Our Company has not been referred to the NCLT under IBC.
- vii. There is no winding up petition against our Company, which has been admitted by the Court or a liquidator has not been appointed.

11. As per Regulation 229 (4) of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, our Company has ensured that:

“In case of an issuer, which had been a proprietorship or a partnership firm or a limited liability partnership before conversion to a company or body corporate, such issuer may make an initial public offer only if the issuer company has been in existence for at least one full financial year before filing of offer document”:

Our Company was originally incorporated on August 10, 2023 under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre to takeover the running business, through a *Business Transfer Agreement (BTA)* of *Sihora Narrow Fabrics*, the proprietary firm of Mr. Gautam Vallabhai Sihora, the promoter of the Company (holding Importer Exporter Code since year 2007) and engaged in the business of manufacture and sale of narrow fabrics. The running business of Sihora Narrow Fabrics along with all its assets and liabilities was taken over on 17th October 2023. Therefore, our company has been in existence for at least one full financial year before filing of offer document.

12. As per Regulation 229 (5) of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, our Company has ensured that:

“In cases where there is a complete change of promoter of the issuer or there are new promoter(s) of the issuer who have acquired more than fifty per cent of the shareholding of the issuer, the issuer shall file offer document only after a period of one year from the date of such final change(s)”: Not Applicable

13. As per Regulation 229 (6) of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, our Company has ensured that:

“An issuer may make an initial public offer, only if the issuer had minimum operating profits (earnings before interest, depreciation and tax) of ₹1 crore from operations for at least two out of the three previous financial years”

Our Company confirms that it has operating profits (earnings before interest, depreciation and tax) of ₹ 1 Crore from operations for at least two out of three previous financial years preceding the application date as per the Restated Financial Statements.

(₹ In lakh)

Particulars	For the year ended on March 31, 2025	For the year ended on March 31, 2024*	For the year ended on March 31, 2025
Profit before Tax	250.24	77.42	17.55
Add: depreciation	86.99	63.46	44.99
Add: Interest Expenses	42.24	37.61	54.11
Less : Other Income	(50.26)	(6.18)	-
Operating profit (earnings before interest, depreciation and tax and other income) from operations	329.21	172.31	116.65

* Results of operation for the period from April 01, 2023 to October 17, 2023 of Sihora Narrow Fabrics and for the period from August 10, 2023 to March 31, 2024 of Sihora Industries Limited have been clubbed for better presentation and comparison of Financial Performance of the Company.

14. Other Disclosures:

- We have disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoter/promoting company(ies), group companies, companies promoted by the promoter/promoting company(ies) of our company in the Prospectus.
- There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our company, promoter/promoting company(ies), group companies, companies promoted by the promoter/promoting company(ies) during the past three years except as mentioned in the Prospectus.
- We have disclosed the details of our company, promoter/promoting company(ies), group companies, companies promoted by the promoter/promoting company(ies) litigation record, the nature of litigation, and status of litigation. For details, please refer the chapter “Outstanding Litigations and Material Developments” on page 168 of this Draft Prospectus.
- We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.

For Details, refer the chapter “Outstanding Litigations and Material Developments” on page 168 of this Draft Prospectus.

As per Regulation 230 (1) of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, our Company has ensured that:

- The Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the SME platform of BSE. BSE is the Designated Stock Exchange;
- Our Company has entered into an agreement with Central Depository Services Limited (CDSL) dated March 03, 2025 and National Securities Depository Limited dated February 28, 2025 for dematerialisation of its Equity Shares already issued and proposed to be issued;
- The entire pre-Issue capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO are fully paid-up;
- The entire Equity Shares held by the Promoters are in dematerialized form;
- The fund requirements set out for the Objects of the Issue are proposed to be met entirely from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue as required under the SEBI ICDR Regulations. For details, please refer the chapter “Objects of the Issue” on page 66;
- The size of offer for sale by selling shareholders shall not exceed twenty per cent of the total issue size: Not Applicable;
- The shares being offered for sale by selling shareholders shall not exceed fifty per cent of such selling shareholders’ pre-issue shareholding on a fully diluted basis: Not Applicable;
- The objects of the issue does not consist of repayment of loan taken from promoter, promoter group or any related party,

from the issue proceeds, directly or indirectly.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR (Amendment) Regulations, 2025 to the extent applicable.

We further confirm that:

4. In accordance with Regulation 245 (1) and (2) of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, the offer documents contains:
 - a. All material disclosures which are true and adequate so as to enable the applicants to take an informed investment decision;
 - b. Disclosures specified in the Companies Act, 2013;
 - c. Disclosures specified in Part A of Schedule VI;
 - d. Details pertaining to Employees' Provident Fund and Employee State Insurance Corporation;
 - e. Site visit report of issuer prepared by the lead manager(s) is made available as a material document for inspection; and
 - f. Fees of Lead Manager to be disclosed in Prospectus.
5. In accordance with Regulation 246 of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025 the lead manager shall ensure that the issuer shall file copy of the Prospectus with SEBI along with relevant documents as required at the time of filing the Prospectus to SEBI.
6. In accordance with Regulation 260 of the SEBI ICDR Regulations, this Issue has been one hundred percent (100%) underwritten and that the Lead Manager to the Issue has underwritten at least 15% of the Total Issue Size. For further details, pertaining to said underwriting please see "General Information" beginning on page 47 of this Draft Prospectus.
7. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018 we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in the Issue.
8. In accordance with Regulation 268 of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to two hundred (200), otherwise, the entire application money will be unblocked or refunded forthwith with interest as prescribed under SEBI ICDR Regulations and as per the applicable law.

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. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI ICDR Regulations, with respect to the Issue.

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:

1. In accordance with regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting by LM, please refer to Section titled "General Information" beginning on page no. 47 of this Draft Prospectus.
2. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the LM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled "General Information" beginning on page no. 47 of this Draft Prospectus.
3. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to two hundred, and should our Company fail to do so, the Bid Amounts received by our Company shall be refunded to the Applicants, in accordance with the SEBI ICDR Regulations

and applicable law.

4. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of Issue Document through LM immediately up on filing of the Issue Document with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on our Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and Subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

SEBI DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT OFFER DOCUMENT/ OFFER 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 OFFER DOCUMENT/~~DRAFT LETTER OF OFFER/OFFER DOCUMENT~~. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT/~~DRAFT LETTER OF OFFER/OFFER DOCUMENT~~ ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED 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 OFFER DOCUMENT / OFFER DOCUMENT, THE LEAD MANAGER(S) 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(S), SOBHAGYA CAPITAL OPTIONS PRIVATE LIMITED HAS FURNISHED TO STOCK EXCHANGE/SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 08, 2025, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS OFFER DOCUMENT/~~DRAFT LETTER OF OFFER/OFFER DOCUMENT~~ DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY 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(S) ANY IRREGULARITIES OR LAPSES IN THIS OFFER DOCUMENT/~~DRAFT LETTER OF OFFER/OFFER DOCUMENT~~.”

ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, AHMEDABAD, IN TERMS OF SECTION 26, 30 AND SECTION 33 OF THE COMPANIES ACT, 2013.

DISCLAIMER CLAUSE OF BSE

The copy of the Draft Prospectus is submitted to BSE. Post scrutiny of the Draft Prospectus, the Disclaimer Clause as intimated by BSE to us is read as under:

"BSE Limited ("BSE") has vide its letter dated [•], given permission to "[•]" to use its name in the Offer Document as the Stock Exchange on whose Small and Medium Enterprises Platform ("SME platform") the Company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company.

BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or take any responsibility for the financial or other soundness of this Company, its promoters, its management

or any scheme or project of this Company.

- iii. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- iv. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- v. The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai".

DISCLAIMER FROM OUR COMPANY, THE DIRECTORS AND THE LEAD MANAGER

Our Company, the Directors and the Lead Manager accept no responsibility for statements made in relation to the Company or the Issue other than those confirmed by itself or its issued Shares in this Draft Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, www.sihoragroup.com or the respective websites of any affiliate of our Company would be doing so at his or her own risk.

The Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriter and our Company and Market Maker Agreement entered into among Market Maker and our Company.

All information, to the extent required in relation to the Issue shall be made available by our Company and the Lead Manager to the applicants and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the collection Centres or elsewhere.

Applicants will be required to confirm and will be deemed to have represented to our Company, the Underwriters and their respective directors, partners, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, allot, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, Underwriters and their respective directors, partners, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Lead Manager and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, our Promoter, members of the Promoter Group and their respective group companies, their respective affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoter, members of the Promoter Group and their respective group companies, their respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

CAUTION

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Memorandum of Understanding entered into between the Lead Manager, Sobhagya Capital Options Private Limited and our Company dated August 8, 2025 and the Underwriting Agreement dated [●] between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker, [●] and our Company.

All information shall be made available by us and LM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers etc.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and our Promoter Group, affiliates or associates in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and our Promoter Group, affiliates or associates for which they have received, and may in the future receive, compensation.

Note:

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not offer, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriters 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 of our company.

DISCLAIMER IN RESPECT OF JURISDICTION

The Issue is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, as amended, including Indian nationals resident in India, HUFs, companies, other corporate bodies, scientific institutions and societies registered under the applicable laws in India and authorised to invest in equity shares, Mutual Funds, VCFs, FVCIs, AIFs, Indian financial institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their respective constitution to hold and invest in equity shares, multilateral and bilateral development finance institutions, state industrial development corporations, insurance companies registered with IRDAI, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, provident funds (subject to applicable law) with minimum corpus of ₹ 2,500.00 Lakhs and pension funds registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of Section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund set up by the GoI through resolution F. No.2/3/2005-DD-II dated November 23, 2005, 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) and permitted Non-Resident Indians including Eligible FPIs registered with SEBI and Eligible NRIs, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Draft Prospectus does not 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 Issue 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 the Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

This Draft Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Issue in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Issue will be made only pursuant to the Prospectus if the recipient is in India or the preliminary offering memorandum for the Issue, which comprises the Prospectus and the preliminary international wrap for the Issue, if the recipient is outside India. No person outside India is eligible to make application for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.

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 SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any Issue or sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1933

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be

offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

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

The Draft Prospectus is being filed with BSE Limited, Phiroze Jeejeebhoy Towers, Dalal St, Kala Ghoda, Fort, Mumbai, Maharashtra - 400001. The Draft Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Prospectus in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>

A copy of the Prospectus, along with the material contracts and documents referred elsewhere in the Prospectus, will be delivered to the RoC Office situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat and will be made available on the website of the Company i.e. www.sihoragroup.com

LISTING

The Equity Shares of our Company are proposed to be listed on BSE SME. Our Company has obtained in-principle approval from BSE Limited by way of its letter dated [•] for listing of equity shares on BSE (BSE SME).

BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the BSE SME is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within the prescribed time, then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the BSE SME of BSE mentioned above are taken within Three (3) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within Three (3) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- (a). makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or**
- (b). makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- (c). Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”**

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud

involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud. Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

CONSENTS

Consents in writing of each of our Directors, our Company Secretary and Compliance Officer, legal advisor to the offer, the Lead Manager, the Bankers to our Company, Statutory Auditors, Peer Review Auditors and the Registrar to the Issue to act in their respective capacities, have been obtained and consents in writing of Bankers to the Issue (Escrow Collection Bank, Public Issue Account Bank, Sponsor Bank and Refund Bank) to act in their respective capacities, will be obtained, and will be filed along with a copy of the Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

EXPERT OPINION

Except for report and certificates from Peer Review Auditors on financial matter, we have not obtained any other expert opinions.

PREVIOUS PUBLIC OR RIGHTS ISSUE

There have been no public or rights issue by our Company during the last five years.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

We have not made any previous public Issue. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

CAPITAL ISSUE DURING THE LAST THREE YEARS

Other than as disclosed in Chapter titled “Capital Structure” on page 54, our Company has not undertaken any capital issue in the last three years preceding the date of this Draft Prospectus.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LM

For details regarding the price information and track record of the past issue handled by Sobhagya Capital Options Private Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI is as follows:

TABLE 1
SME IPO:

Sr. No	Issuer Name	Issue Size (₹ in Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30 th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90 th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180 th Calendar Days from Listing
1.	Asston Pharmaceuticals Limited	27.56 cr	₹ 123 per share	16.7.2025	₹ 119 per share	NA	NA	NA

MAIN BOARD IPO:

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.	NIL							

Source: Price Information www.bseindia.com and www.nseindia.com, Issue Information from respective Prospectus.

Note:

1. The S&P NSE Sensex and NSE Nifty are considered as the Benchmark.
2. "Issue Price" is taken as "Base Price" for calculating % Change in Closing Price of the respective Issues on 30th / 90th/180th Calendar days from listing.
3. "Closing Benchmark" on the listing day of respective scripts is taken as "Base Benchmark" for calculating % Change in Closing Benchmark on 30th / 90th/180th Calendar days from listing. Although it shall be noted that for comparing the scripts with Benchmark, the +/- % Change in Closing Benchmark has been calculated based on the Closing Benchmark on the same day as that of calculated for respective script in the manner provided in Note No. 4 below.
4. In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the previous trading day for the respective Scripts has been considered, however, if scripts are not traded on that previous trading day then last trading price has been considered.

TRACK RECORD OF PAST THREE YEARS OF LEAD MANAGER

For details regarding track record of the Lead Manager to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Lead Manager at: www.sobhagvacapital.com.

SUMMARY STATEMENT OF DISCLOSURE**TABLE 2****SME IPO:**

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%
2025-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-

MAIN BOARD IPO:

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%
2025-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

1. Issue opening date is considered for calculation of total number of IPOs in the respective financial year.
2. In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
3. Source: www.bseindia.com and www.nseindia.com

PROMISE VIS-A-VIS PERFORMANCE

Neither our Company nor our Promoter's Group Companies/Entities have made any previous rights or public issues during last five years.

STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

REDRESSAL AND DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges or any such period as prescribed under the applicable laws, to enable the Applicants to approach the Registrar to the Issue for redressal of their grievances.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Applicant, ASBA Form number, Applicant's DP ID, Client ID, PAN, address of Applicant, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for UPI Applicants who make the payment of Application Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Application was submitted. Further, the Application shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Applications submitted through Registered Brokers may be addressed to the Stock Exchange with a copy to the Registrar to the Issue.

All grievances of the Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for, Application Amount paid on submission of the Application Form and the name and address of the Lead Manager where the Application Form was submitted by the Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the 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 their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 the SEBI master circular no. SEBI/HO/CFD/PoD 2/P/CIR/2023/00094 dated June 21, 2023 and subject to applicable law, any ASBA Applicant whose application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as modified by SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period and such compensation to investors shall be computed from T+3 day. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the SCSBs and the Lead Manager shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay.

Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing

fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the LM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Separately, pursuant to the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, following compensation mechanism has become applicable for investor grievances in relation to Applications made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation Amount	Compensation Period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Application Amount (whichever is higher)	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchange till the date of actual unblock
Blocking of multiple amounts for the same Application made through the UPI Mechanism	Instantly revoke the blocked funds other than the original application amount And ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Application Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Application Amount	Instantly revoke the difference amount, i.e., the blocked amount less the Application Amount And ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Application Amount were blocked till the date of actual unblock
Delayed unblock for non-allotted / partially allotted applications	₹100 per day or 15% per annum of the Application Amount (whichever is higher)	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Lead Manager shall be liable to compensate the investor at the rate of ₹100 per day or 15% per annum of the Application Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Our Company, the Lead Manager to the Issue and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Applicants whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

For helpline details of the Lead Manager pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “General Information –Lead Manager” on page 47 of this Draft Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company, after filing of this Draft Prospectus shall obtain authentication on the SCORES in terms of the SEBI circular no. SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023 in relation to redressal of investor grievances through SCORES.

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint, provided however, in relation to complaints pertaining to blocking/unblocking of funds, investor complaints shall be resolved on the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints within 30 days of receipt of complaint or upon receipt of satisfactory documents.

Our Company has constituted Stakeholders Relationship Committee as follows:

Name of the Directors	Designation	Nature of Directorship
Mr. Pratik Mansukhbhai Radadiya	Chairman	Independent Director
Mr. Rajesh Kalubhai Mepani	Member	Independent Director
Mr. Gautam Vallabhbbhai Sihora	Member	Chairman & Managing Director

Our Company has appointed Mrs. Dhara Jatin Vaghasiya as the Company Secretary cum Compliance Officer who may be contacted in case of any pre-issue or post-issue related problems at the following address:

Plot 34/D-1, Laxminarayan, BRC Compound, Udhna, Mangrol, Surat-394210, Gujarat, India.

Telephone No.: +91 9824152000

Web site: www.sihoragroup.com

E-Mail: compliance@sihoragroup.com

Till date of this Draft Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

FEES PAYABLE TO LM TO THE ISSUE

The total fees payable to the LM will be as per the Memorandum of Understanding for Initial Public Offer, a copy of which is available for inspection at the Registered Office of our Company.

FEES PAYABLE TO THE REGISTRAR TO THE ISSUE

The fees payable to the Registrar to the Issue, for processing of Bidding application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement between the Company and the Registrar to the Issue.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, communication expenses etc. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post or email.

FEES PAYABLE TO OTHERS

The total fees payable to the Sponsor Bank, Legal Advisor, Statutory Auditor and Peer Review Auditor, Market maker and Advertiser, etc. will be as per the terms of their respective engagement letters.

COMMISSION PAYABLE TO SCSBS

- Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:
Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST) Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)
^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).*
- The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.*
- Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.*
- SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.*
- Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.*
- The processing fees for applications made by Retail Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no.*

PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “Capital Structure” beginning on page no. 54 of this Draft Prospectus, our Company has not Issued any Equity Shares for consideration otherwise than for cash.

LISTED VENTURES OF PROMOTERS

There are no listed ventures of our Company as on date of filing of this Draft Prospectus.

OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Prospectus.

CAPITALIZATION OF RESERVES OR PROFITS

As disclosed under chapter titled “Capital Structure” on page 54 of this Draft Prospectus, our Company capitalized Share Premium Reserves and Profits during Financial Year 2024-25 and allotted Bonus Shares against the same.

REVALUATION OF ASSETS

Our Company has not revalued its assets.

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI SHALL BE DISCLOSED

Our Company has not applied for or received any exemption from the SEBI from complying with any provisions of securities laws, as on the date of this Draft Prospectus.

OTHER CONFIRMATIONS

No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the initial public offer, except for fees or commission for services rendered in relation to the Issue.

SECTION X – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, 2013, SEBI (ICDR) Regulations, 2018 including amendments thereof, our Memorandum and Articles of Association, the terms of this Draft Prospectus, Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, ROC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Other than Individual Investor applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Further vide the said circular, Registrar to the Issue and Depository Participants have also been authorized to collect the Application forms. Investor may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

THE ISSUE

The Issue comprises the Fresh Issue. For details in relation to the Issue expenses, see “Objects of the Issue – Issue related expenses”, on page 66.

RANKING OF EQUITY SHARES

The Allottees upon Allotment of Equity Shares under the Issue will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares being Issued and allotted shall be subject to the provisions of the Companies Act 2013, the SEBI ICDR Regulations as amended, SCRA, SCRR, our Memorandum of Associations and Articles of Association shall rank pari passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “Main Provisions of the Articles of Association” beginning on page 227 of this Draft Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any, declared) will be approved by the Board of Directors.

FACE VALUE AND ISSUE PRICE

The face value of the Equity Shares is ₹ 10/- each and the Issue Price is ₹ [●] 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. 81 of this Draft Prospectus.

At any given point of time there shall be only one denomination for the Equity Shares of our company, subject to applicable laws.

COMPLIANCE WITH SEBI (ICDR) REGULATIONS, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

ALLOTMENT ONLY IN DEMATERIALIZED FORM

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations as amended from time to time, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite agreement dated March 03, 2025 amongst our Company, CDSL and Bigshare Services Private Limited.
- Tripartite agreement dated February 28, 2025 between our Company, NSDL and Bigshare Services Private Limited.

For details in relation to the Basis of Allotment, see “Issue Procedure” on page 202.

OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

Allotment of Equity Shares to successful Applicant will only be in the dematerialized form. Applicant will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchange.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the LM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed. If the Issue is withdrawn after the designated Date, amounts that have been credited to the Public Issue Account shall be transferred to the Refund Account.

The LM, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Banks (in case of UPI Applicants), to unblock the bank accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification and also inform the Bankers to the Issue to process refunds, as the case may be. 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. In terms of the UPI Circulars, in relation to the Issue, the LM will submit reports of compliance with the applicable listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Further, 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 at a uniform rate of ₹100/- per day 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 LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company in consultation with LM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue, our Company shall file a fresh Prospectus with Stock Exchange.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports 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;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the chapter titled “Main Provisions Of The Articles Of Association” beginning on page no. 227 of this Draft Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, our Company shall ensure that the minimum application size shall be two lots per application:

“Provided that the minimum application size shall be above ₹ 2.00 lakhs.”

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by SME Platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

MINIMUM NUMBER OF ALLOTTEES

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 200 shareholders. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Issue and all the monies blocked by the SCSBs or Sponsor Bank shall be unblocked within two (2) Working days of closure of issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Surat.

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

JOINT HOLDERS

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013, read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or First Applicant, along with other joint Applicants, may nominate any one person in whom, in the event of the death of the sole Applicant or in case of joint Applicants, the death of all the Applicants, 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 death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person 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 the 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 or variation to our Company in the prescribed form. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered Office or with the registrar and transfer agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

PERIOD OF OPERATION OF SUBSCRIPTION LIST OF PUBLIC ISSUE

ISSUE OPENS ON	●	ISSUE CLOSES ON	●
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An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Closing Date	●
Finalization of Basis of Allotment with BSE	●
Initiation of refunds /unblocking of funds from ASBA Account	●
Credit of Equity Shares to demat accounts of Allottees	●
Commencement of trading of the Equity Shares on BSE	●

- Our Company shall, in consultation with the Lead Manager, consider closing the Issue Period for QIBs, one Working Day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations.
- UPI mandate end time and date shall be at 5:00 p.m. IST on the Issue Closing Date.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the 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, 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 LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Applicant shall be compensated by the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with the 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 SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, and the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable. The processing fees for applications made by UPI Applicants using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation 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, 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.

The above timetable is indicative and does not constitute any obligation or liability on our Company or the Promoter or the LM.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within such time as prescribed by SEBI, the timetable may be extended due to various factors, such as extension of the Issue Period by our Company in consultation with the Lead Manager, revision of the Issue Price or any delay in receiving the final listing and trading

approval from the Stock Exchanges. In terms of the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, our Company shall within three days from the closure of the Issue, refund the subscription amount received in case of non - receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. The Shareholder, severally and not jointly, has specifically confirmed that it shall extend such reasonable support and co-operation required by our Company and the Lead Manager for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange within such time as prescribed by SEBI.

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 LM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the Allotment and listing procedure within three Working Days from the Issue Closing Date or such other time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Issue Closing Date, the Applicant shall be compensated 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, in the manner specified in the UPI Circulars, to the extent applicable, which for the avoidance of doubt, shall be deemed to be incorporated herein. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Any circulars or notifications from SEBI after the date of this Draft Prospectus may result in changes to the listing timelines. Further, the issue procedure is subject to change basis any revised SEBI circulars to this effect.

Submission of Applications:

Issue Closing Date	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For Individual Investors	Only between 10:00 a.m. and up to 5:00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Application Amount is up to ₹500,000)	Only between 10:00 a.m. and up to 4:00 p.m. IST
Submission of Electronic Applications (Syndicate – Non-Individual Investor, Non-Individual Applications)	Only between 10:00 a.m. and up to 3:00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10:00 a.m. and up to 1:00 p.m. IST
Submission of Physical Applications (Syndicate Non-Individual Applications, Non-Individual Applications where Application Amount is more than ₹500,000)	Only between 10:00 a.m. and up to 12:00 p.m. IST

** UPI mandate and time and date shall be at 5:00 p.m. on Issue Closing Date*

#QIBs and Non-Institutional Applicants can neither revise their applications downwards nor cancel/withdraw their applications.

On the Issue Closing Date, the Applications shall be uploaded until:

- 4.00 p.m. IST in case of Applications by QIBs and Other than Individual Applicants, and
- until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange in case of Applications by Individual Investors.

On Issue Closing Date, extension of time may be granted by the Stock Exchange only for uploading Applications received by Individual Investors, after taking into account the total number of Applications received and as reported by the LM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on a daily basis within 60 minutes of the Application closure time from the Issue Opening Date until the Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the LM and the Registrar to the Issue on a daily basis.

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, would be rejected.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date, and in any case, no later than 1:00 pm IST on the Issue Closing Date. Any time mentioned in this Draft Prospectus is IST. Applicants are cautioned that, in the event a large number of Applications are received on the Issue Closing Date, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only during Monday to Friday (excluding any public holiday). None of our Company, the Promoter or any member of the Syndicate is liable for any failure in uploading the Applications due to faults in any software or hardware system or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Bank due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Form, for a particular Applicant, the details as per the Application file received from the Stock Exchange shall be taken as the final data for the purpose of Allotment.

In case of any revision to the Issue Price, the Issue Period will be extended by at least three additional Working Days following such revision, subject to the Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, 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 Price, and the revised Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice and also by indicating the change on the respective websites of the LM and at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks (“SCSBs”), other Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of a revision of the Price, the Application lot shall remain the same.

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten per Regulation 260(1) of SEBI ICDR Regulations.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the Issue Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. If there is a delay beyond Two days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Draft Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations read along with SEBI ICDR (Amendment) Regulations, 2025, our Company shall ensure that the minimum application size shall not be less than two lots.

“Provided that the minimum application size shall be above ₹2 lakhs.”

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations read along with SEBI ICDR (Amendment) Regulations, 2025, the minimum number of allottees in this Issue shall be 200 shareholders. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within two (2) working days of closure of Issue.

The Equity Shares have not been and will not 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 application law of such jurisdiction.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of 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.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by SME Platform of BSE from time to time by giving prior notice to investors at large.

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 the SME Platform of BSE.

APPLICATION BY ELIGIBLE NRIS, FPIS OR VCFS REGISTERED WITH SEBI

It is to be understood that there is no reservation for Eligible NRIs or FPIs / FIIs registered with SEBI or VCFs or Eligible QFIs. Such Eligible NRIs, Eligible QFIs, FPIs registered with SEBI will be treated on the same basis with other categories for the purpose of allocation.

NRIs, FPIs / FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public issue without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and / or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS OFFER

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be

subject to other investment restrictions under the Foreign Exchange Management (Transfer or offer of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Issue Equity Shares and Minimum Promoters' Contribution in the Issue as detailed in the chapter "Capital Structure" beginning on page no. 54 of this Draft Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details, please refer to the chapter titled "Main Provisions Of The Articles Of Association" beginning on page no. 227 of this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of 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.

NEW FINANCIAL INSTRUMENTS

As on the date of this Draft Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue. Further, our Company is not issuing any new financial instruments through this Issue.

OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

MIGRATION TO MAIN BOARD

Our Company may migrate its securities from SME Platform of BSE Limited to Main Board Platform of the BSE Limited, if we fulfil the criteria as per SEBI (ICDR) Regulation and as per BSE Circular dated November 24, 2023:

A. As per BSE guidelines

As per BSE Circular dated November 24, 2023, our Company may migrate its securities from SME Platform of BSE Limited to main board platform of the BSE Limited.

Eligibility Criteria	Details
Paid up capital and market capitalization	Paid-up capital of more than 10 Crores and Market Capitalisation should be minimum ₹ 25 Crores (Market Capitalisation will be the product of the price (average of the weekly high and low of the closing price of the related shares quoted on the stock exchange during 3 (Three) months prior to the date of the application) and the post issue number of equity shares).
Promoter holding	Promoter(s) shall be holding at least 20% of equity share capital of the company at the time of making application.
Financial Parameters	<ul style="list-style-type: none"> The applicant company should have positive operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years and has positive Profit after tax (PAT) in the immediately preceding Financial Year of making the migration application

Eligibility Criteria	Details
	<ul style="list-style-type: none"> to Exchange. The applicant company should have a Net worth of at least ₹15 crores for 2 preceding full financial years.
Track record of the company in terms of listing/ regulatory actions, etc	The applicant company is listed on SME Exchange/ Platform having nationwide terminals for at least 3 years.
Regulatory action	<ul style="list-style-type: none"> No material regulatory action in the past 3 years like suspension of trading against the applicant company, promoters/promoter group by any stock Exchange having nationwide trading terminals. No Debarment of company, promoters/promoter group, subsidiary company by SEBI. No Disqualification/Debarment of directors of the company by any regulatory authority. The applicant company has not received any winding up petition admitted by a NCLT.
Public Shareholder	The applicant company shall have a minimum of 250 public shareholders as per the latest shareholding pattern.
Other parameters like No. of shareholders, utilization of fund	<ul style="list-style-type: none"> No proceedings have been admitted under the Insolvency and Bankruptcy Code against the applicant company and Promoting companies. No pending Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by the applicant, promoters/promoter group /promoting company(ies), Subsidiary Companies. The applicant company shall obtain a certificate from a credit rating agency registered with SEBI with respect to utilization of funds as per the stated objective pursuant to IPO and/or further funds raised by the company, if any post listing on SME platform. The applicant company has no pending investor complaints. Cooling off period of 2 months from the date the security has come out of trade-to-trade category or any other surveillance action

B. As per ICDR guidelines As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Platform of BSE Limited on a later date subject to the following:

As per Regulation 280(2) of the SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025, Where the post-issue paid up capital of the Company listed on a BSE SME is likely to increase beyond twenty five crore rupees by virtue of any further issue of capital by the Company by way of rights issue, preferential issue, bonus issue, etc. the Company shall migrate its equity shares listed on a BSE SME to the Main Board and seek listing of the equity shares proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of equity shares laid down by the Main Board:

Provided that no further issue of capital shall be made unless –

- the shareholders have approved the migration by passing a special resolution through postal ballot wherein the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal;
- the Company has obtained an in-principle approval from the Main Board for listing of its entire specified securities on it

Provided further that where the post-issue paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is likely to increase beyond ₹25 crores, the Company may undertake further issuance of capital without migration from SME exchange to the main board, subject to the undertaking to comply with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to companies listed on the main board of the stock exchange(s).”

If the Paid-up Capital of the company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

MARKET MAKING

The shares offered through this issue are proposed to be listed on the SME Platform of BSE, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Platform of BSE for a minimum period of three years from the date of listing of shares offered through this Draft Prospectus. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker; please see “General Information” on page no. 47 of this Draft Prospectus.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (1) of the Chapter IX of SEBI ICDR Regulations read along with SEBI ICDR (Amendment) Regulations, 2025, whereby, our post Issue face value capital is less than or equal to ten crore rupees. The Company shall Issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the BSE SME). For further details regarding the salient features and terms of such this Issue, please see the chapters titled “Terms of the Issue” and “Issue Procedure” beginning on page 190 and 202 respectively, of this Draft Prospectus.

Public issue of 16,00,000 equity shares of face value of ₹ 10/- each for cash at a price of ₹ [●] per equity share including a share premium of ₹ [●] per equity share (the “issue price”) aggregating to ₹ [●] Lakh (“the issue”) by our company.

Particulars	Net Issue to Public *	Market Maker reservation portion
Number of Equity Shares*	15,20,000 Equity Shares	80,000 Equity Shares
Percentage of Issue Size available for allocation	95% of the Issue Size	5% of the Issue Size
Basis of Allotment/ Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of [●] Equity Shares and Further allotment in multiples of [●] Equity Shares each. For further details please refer to the section titled “ Issue Procedure – Basis of Allotment ” beginning on page no. 202 of this Draft Prospectus.	Firm Allotment
Mode of Application	Through ASBA Process or up to ₹ 5.00 Lakh through UPI for Individual Investors.	Through ASBA process Only.
Mode of Allotment	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
Minimum Application Size	For other than Individual Investors: Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds 2 lot. For Individual Investors who apply for minimum application size: [●] Equity Shares at Issue Price of ₹ [●] each so that the Application Value exceeds ₹ 2,00,000.	80,000 Equity Shares @ ₹ [●] each.
Maximum Application Size	For other than Individual Investors: Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits. For Individual Investors who apply for minimum application size: [●] Equity Shares at Issue Price of ₹ [●] each so that the Application Value exceeds ₹ 2,00,000.	80,000 Equity Shares @ ₹ [●] each.
Trading Lot	[●] Equity Shares	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Terms of payment	100% at the time of submission of Application Form.	
Application Lot Size	[●] Equity Share and in multiples of [●] Equity Shares thereafter	

^SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹500,000, shall use UPI. Individual investors Applications under the Non-Institutional Portion Applications for more than ₹200,000 and up to ₹500,000, using the UPI Mechanism, shall provide their UPI ID in the Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. Further SEBI vide its circular no.

SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIIs and IIs and also for all modes through which the applications are processed, accept the ASBA applications only with a mandatory confirmation on the application monies blocked.

⁽¹⁾ Since present Issue is a fixed price Issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI ICDR Regulations read along with SEBI ICDR (Amendment) Regulations, 2025, shall be made as follows:

(a) Minimum fifty per cent to individual investors; and

(b) Remaining to:

- i) individual applicants other than individual investors; and
- ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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

Explanation - For the purpose of sub-regulation (2), if the individual investor category is entitled to more than fifty per cent of the Issue size on a proportionate basis, the individual investors shall be allocated that higher percentage.”

⁽²⁾ In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.

⁽³⁾ In case of ASBA Applicants, the SCSB shall be authorised to block such funds in the bank account of the ASBA Applicant (including Individual Investors applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

This Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations. For further details, please refer chapter titled “Issue Procedure” beginning on page 202 of this Draft Prospectus.

ISSUE PROCEDURE

All Applicants should read the General Information Document for Investing in Public Offer (“GID”) prepared and issued in accordance with the SEBI circular no SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 & UPI Circulars which highlights the key rules, processes and procedures applicable to public offers in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the website of Stock Exchange(s), the Company and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment Instructions for ASBA Applicants; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) price discovery and allocation; (vii) General Instructions (limited to instructions for completing the Application Form); (viii) designated date; (ix) disposal of applications; (x) submission of Application Form; (xi) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025 effective from the date of their publication in official gazette, has prescribed the allocation to each Individual Investors which shall be not less than 50% of the Net Issue who applies for minimum application size, The allotment to each Individual Investors (who applies for minimum application size) shall not be less than the minimum application size applied by such individual investors (who applies for minimum application size), subject to availability of Equity Shares in the Individual Investor Portion and the remaining available Equity Shares, shall be allocated to individual investors other than individual investors who applies for minimum application size and investors including corporate bodies or institutions, irrespective of the number of specified securities applied for.

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.”

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. SEBI vide the UPI Circulars, has introduced an alternate payment mechanism using UPI and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI mechanisms for RIIs applying through Designated Intermediaries have been made effective along with the process and timeline of T+6 days (“UPI Phase I”). The same was applicable until June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, , read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with timeline of T+6 days will continue for a period of three months or launch of five main board public offers, whichever is later (“UPI Phase II”). However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline of T+3 days be made effective using the UPI Mechanism for applications by RIIs (“UPI Phase III”) and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 and made effective on a voluntary basis for all issues opening on or after September 01, 2023 and on a mandatory basis for all issues opening on or after December 01, 2023, as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by SEBI from time to time. Please note that we may need to make appropriate changes in the Prospectus depending upon the prevailing conditions at the time of the opening of the Issue.

The LM shall be the nodal entity for any Issues arising out of the public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, 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 master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of these circulars are deemed to form part of this Draft Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual applicants in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

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 271 application monies are blocked in the bank accounts of investors (all categories). Accordingly, Stock Exchanges shall, for all categories of investors and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications only with a mandatory confirmation on the application monies blocked.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two (2) Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two (2) Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Additionally, SEBI vide its circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 has reduced the time period for refund of application monies from 15 days to four days.

Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and is not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Prospectus.

Further, the Company and the Lead Manager are not liable for any adverse occurrences' consequent to the implementation of the UPI Mechanism for application in this Issue.

Investors must ensure that their PAN is linked with Aadhar and are in compliance with the notification by the Central Board of Direct Taxes dated February 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

Investors should note that the Equity Shares will be Allotted to all successful Applicants only in dematerialized form. The Application Forms which do not have the details of the Applicants' depository account, including DP ID, Client ID, PAN and UPI ID, for UPI Applicants using the UPI Mechanism, shall be treated as incomplete and will be rejected. However, they may get the Equity Share rematerialized subject to allotment of the equity shares in the Issue, subject to applicable laws.

Phased implementation of Unified Payments Interface

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and 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 (collectively the "UPI Circulars") in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through 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 Mechanism, the UPI Circular proposes to introduce and implement 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 was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, a RIB also had the option to submit the ASBA Form with any of the Designated Intermediaries and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

Phase II: This phase commenced on completion of Phase I, i.e., with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public offers, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the 272 current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Individual Investor through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public Issue closure to listing would continue to be six working days during this phase.

Phase III: Pursuant to SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Circular, once Phase III becomes applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

Individual investors applying under the Non-Institutional Portion applying for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Application Form for applying through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful applicants to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – issue LM will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one or more of the SCSBs as a Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Investors.

Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the LM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints shall be paid by the SCSB.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the LM.

FIXED PRICE ISSUE PROCEDURE

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

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

Subject to the valid Applications being received at an Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Individual Investors Portion where Allotment to each Individual Investors shall not be less than the minimum lot, subject to availability of Equity Shares in Individual Investors Portion, and the remaining

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the 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 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. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.

Electronic registration of Applications

- The Designated Intermediary registered the Applications using the online facilities of the Stock Exchanges. The Designated Intermediaries could also set up facilities for off-line electronic registration of Applications, subject to the condition that they would subsequently upload the off-line data file into the online facilities on a regular basis before the closure of the Issue.
- On the Issue Closing Date, the Designated Intermediaries uploaded the Applications till such time as were permitted by the Stock Exchanges and as disclosed in this Draft Prospectus.
- Only Applications that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 5:00 pm on the Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Issue Period after which the Stock Exchange(s) send the application information to the Registrar to the Issue for further processing.

Application Form

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries and at the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the website of the BSE Limited (www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All Applicants (other than Applicants using the UPI mechanism) shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants (other than Applicants using the UPI mechanism) must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected. Further Investors using UPI Mechanism for an application size of up to ₹5,00,000 may participate in the Issue through UPI by providing details in the relevant space provided in the Application Form and the Application Forms that do not contain the UPI ID are liable to be rejected. Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of Electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour*
Resident Indians/ eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)	Blue

**Excluding Electronic Application Form*

Designated Intermediaries (other than SCSBs) after accepting application form submitted by UPI applicants (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the Applicants has a bank account and shall not submit it to any non-SCSB Bank.

For UPI applicants using UPI mechanism, the Stock Exchanges shall share the application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI applicants for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI applicants, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every application entered in the Stock Exchanges

bidding platform, and the liability to compensate UPI applicants (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the Banker to the Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to an Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Banker to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the website of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

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).

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following intermediaries (Collectively called – Designated Intermediaries”):

1. A SCSB, with whom the bank account to be blocked, is maintained.
2. A syndicate member (or sub-syndicate member).
3. A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’).
4. A Depository Participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity).
5. A Registrar to an Issue and share transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity).

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by Investors to SCSBs:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of 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 intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic 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 re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the 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 Prospectus, without prior or subsequent notice of such changes to the Applicants. Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorising blocking of funds that are available in the bank account specified in the Application Form used by ASBA Applicants. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

Who Can Apply?

In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

1. Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The 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;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. 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;
6. 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);
7. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional investor's category;
10. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
11. Foreign Venture Capital Investors registered with the SEBI;
12. 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;
13. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
14. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
15. Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
16. Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
17. 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;

18. Insurance funds set up and managed by army, navy or air force of the Union of India;
19. Multilateral and bilateral development financial institution;
20. Eligible QFIs;
21. Insurance funds set up and managed by army, navy or air force of the Union of India;
22. Insurance funds set up and managed by the Department of Posts, India;
23. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.
24. Applications not to be made by:
 - Minors (except through their Guardians)
 - Partnership firms or their nominations
 - Foreign Nationals (except NRIs)
 - Overseas Corporate Bodies

Maximum and Minimum Application Size

For Individual Investors (who applies for minimum application size)

The Application must be for a minimum of 2 lots of [●] Equity Shares each and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Amount is not less than ₹2,00,000 in accordance with Regulation 229(2)(a) of the SEBI ICDR Regulations, as amended. In case of revision of Applications, the Individual Investors have to ensure that the Application Amount remains equal to or above ₹2,00,000 and in multiples of 2 lots thereafter.

For Individual Investors who applies for more than minimum application size and other Investors (Non-Institutional Investors and QIBs)

The Application must be for a minimum of such number of Equity Shares that the Application Amount is more than the minimum application size of ₹2,00,000 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.

In case of revision in Applications, the Non-Institutional Investors, who are individuals, have to ensure that the Application Amount is greater than minimum application size for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

Participation by Associates/Affiliates of Lead Manager, Promoter, Promoter Group and Persons Related To Promoter/Promoter Group

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, in the Non-Institutional Portion subject to compliance with applicable laws. The Promoters, Promoter Group, Lead Manager and any persons related to the Lead Manager (except Mutual Funds sponsored by entities related to the Lead Manager) cannot apply in the Issue.

All categories of investors, including associates or affiliates of the Lead Manager and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Applications by Mutual Funds

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company in consultation with the Lead Manager, reserves the right to reject any application without assigning any reason thereof, subject to applicable law.

Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

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 such application has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any single company, provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Applications by Eligible Non-Resident Indians

Eligible NRIs applying on a non-repatriation basis must use the Resident Application Form (White), while those applying on a repatriation basis must use the Non-Resident Application Form (Blue). Eligible NRIs may obtain these forms from the Designated Intermediaries. Only applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for allotment.

NRI Applicants applying on a repatriation basis must authorize their SCSB to block the application amount via ASBA in their NRE or FCNR account at the time of form submission.

NRI Applicants applying on a non-repatriation basis must authorize their SCSB to block the application amount via ASBA in their NRO account at the time of form submission. Those applying on a non-repatriation basis via the UPI mechanism must ensure their NRO account is UPI-enabled before submitting the Application Form.

NRIs may apply through UPI Channels I or II, and, subject to UPI enablement of their NRE/NRO accounts, they may also use Channel IV, as per SEBI's UPI Circulars.

In accordance with FEMA Rules (PIS route), for repatriation-based applications: an individual NRI's holding shall not exceed 5%, and the aggregate holdings of all NRIs/OCIs shall not exceed 10%, which may be increased to 24% by passing a special resolution in a general meeting

Bids by Hindu Undivided Families or HUFs are required to be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs may be considered at par with Bids from individuals.

Applications by FPIs (Including Deemed FPIs/FIIs)

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control) shall be below 10% of our post-offer Equity Share capital 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 Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any Applications without assigning any reason. FPIs who wish to participate in the offer are advised to use the Application Form for Non-Residents (Blue in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

1. such offshore derivative instruments are issued only by persons registered as Category I FPIs;
2. such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;
3. such offshore derivative instruments are issued after compliance with 'know your client' norms;
4. such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and
- b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Applications by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Applications:

- a) FPIs which utilise the multi-investment manager structure;
- b) Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- c) Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- d) FPI registrations granted at investment strategy level / sub fund level where a collective investment scheme or fund has multiple investment strategies / sub-funds with identifiable differences and managed by a single investment manager.
- e) Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- f) Government and Government related investors registered as Category 1 FPIs; and
- g) Entities registered as collective investment scheme having multiple share classes.

The Applications belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single application in the Bidding process. The Equity Shares allotted in the application may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Applications, FPIs making multiple Applications using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Application Forms that the relevant FPIs making multiple Applications utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Collecting Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Applications shall be rejected.

Participation of FPIs in the Offer shall be subject to the FEMA Rules.

There is no reservation for Eligible NRI Applicants, AIFs and FPIs. All Applicants will be treated on the same basis with other categories for the purpose of allocation.

Applications under Power of Attorney

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, funds set up by the army, navy or air force of India, Department of Posts, National Investment Fund and provident funds with a minimum corpus of ₹2,500.00 lakhs and pension funds with a minimum corpus of ₹2,500.00 lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), 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, as applicable must be lodged along with the Application Form. Failing this, our Company reserve 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, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form.

In accordance with RBI regulations, OCBs cannot participate in the Issue.

Applications by SEBI Registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations, inter alia, prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, subject to FEMA Rules, VCFs and FVCIs can invest only up to 33.33% of their investible funds in various prescribed instruments, including in public offerings. Regulatory rules require that at least 66.67% of investible funds must be deployed in unlisted venture capital undertakings, with the remaining 33.33% permitted in listed/public instruments, including IPOs. SEBI has removed the one-year lock-in on IPO-subscribed shares held by VCFs/FVCIs, allowing them to sell immediately post-listing, subject to applicable investment agreements.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one Investee Company. A category III AIF cannot invest more than 10% of the investible funds in one Investee Company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. SEBI has extended the VCF wind-down period for those migrating to Category I AIFs until July 19, 2026, subject to scheme-by-scheme liquidation timelines. Funds re-registered as AIFs must henceforth comply with AIF investment caps. Our Company, the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the issue shall be subject to the FEMA Rules.

Applications by Limited Liability Partnership

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 in consultation with the Lead Manager, reserve the right to reject any application without assigning any reason thereof.

Applications by Banking Companies

In case of Applications made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form. Failing this, our Company in consultation with the Lead Manager, reserve the right to reject any Application without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, (the “Banking Regulation Act”), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank’s own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial services company cannot exceed 20% of the investee company’s paid-up share capital and reserves. Investments classified under the “Held for Trading” category and sold within 90 days are excluded from the 20% aggregate cap, and no prior RBI approval is required for such trades. 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 bank’s 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 the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) 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 circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Each SCSB must identify its Designated Branches (DBs) where ASBA applications can be submitted and appoint a Controlling Branch (CB) to act as the single point of coordination with the Registrar, Stock Exchanges, and Merchant Bankers for the ASBA process. The SCSB must communicate the list of its DBs and CB (including contact details) to Stock Exchanges and publish them on its website.

SCSBs making applications on their own account using ASBA must maintain a separate ASBA account with another SEBI-registered SCSB, which is used exclusively for public issue payments, and ensure clear, demarcated funds are available in that account before bid submission. The SCSB must provide an acknowledgment slip or confirmation number upon receipt of ASBA applications

Applications by Insurance Companies

In case of Applications made by insurance companies registered with the IRDAI, a certified copy of the IRDAI registration certificate must be attached to the Application Form. Failing this, our Company, in consultation with the Lead Manager, reserves the right to reject any application without assigning reason, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended (“IRDAI Investment Regulations”), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. At any point in time, an insurer’s investment in equity shares (including preference shares) of a single investee company, its group, or industry sector shall not exceed 20% of the investee’s subscribed share capital or 5% of the insurer’s controlled funds. Insurance companies participating in the issue are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time. Insurers are also required to file quarterly and annual investment compliance reports with IRDAI as per the Regulations.

Applications by Provident Funds/Pension Funds

In case of Applications made by provident funds/pension funds with minimum corpus of ₹2,500.00 lakhs, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form. Failing this, our Company in consultation with the Lead Manager, reserve the right to reject any Application, without assigning any reason thereof.

Applications by Systemically Important Non-Banking Financial Companies

In case of applications made by Systemically Important Non-Banking Financial Companies (“NBFC-ULs”) registered with the RBI, certified copies of the following must be submitted along with the Application Form:

1. Certificate of registration issued by the RBI;
2. Latest audited standalone financial statements;
3. Net worth certificate from the statutory auditor; and
4. Any other RBI-required approvals.

Failure to comply may result in rejection of the application by the Company, in consultation with the Lead Manager, without assigning any reason, subject to applicable law. Systemically Important NBFCs must comply with all applicable RBI regulations and circulars, including the Scale-Based Regulation (SBR) framework and Large Exposure Framework (LEF).

Exposure Limits:

Systemically Important NBFCs are subject to exposure limits under the RBI’s LEF:

- Single counterparty exposure must not exceed 20% of Tier I capital, which may be increased by up to 5% (to a maximum of 25%) with Board approval; an additional 5% (to 25%) is permitted if exposure is to infrastructure projects—total cap remains 25% for non-infrastructure NBFC-ULs; for NBFC-IFCs, this cap is 30%.
- Group of connected counterparties exposure must not exceed 25% of Tier I capital, with an additional 10% (to 35%) allowed for infrastructure projects.
- These limits apply to both on-balance-sheet and off-balance-sheet exposures, with exemptions as prescribed by RBI.

In case of a breach, the NBFC must report immediately to RBI and reduce exposure within 30 days. All instances of breach or near-limit exposures ($\geq 10\%$ of Tier I) must be included in LEF returns.

Issue Procedure for Application Supported by Blocked Account (ASBA)

Applicants In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section. “This ASBA process is conducted in accordance with Regulation 6(2) and Schedule VI of the SEBI (ICDR) Regulations, 2025.”

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.

Method and Process of Applications

The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.

The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.

During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.

The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to 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.

Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.

The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until 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 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 Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

Payment Mechanism

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non- Institutional Investors shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI ICDR Regulations, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying up to ₹500,000 must provide their UPI ID in the ASBA Form and use the UPI mechanism for payments.

This ASBA process is undertaken in accordance with Regulation 6(2) and Schedule VI of the SEBI (ICDR) Regulations, 2025.

A list of SCSBs and their Designated and Controlling Branches is provided on the SEBI website under 'Recognised Intermediaries'.

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them (iii) the applications accepted but not uploaded by them or (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) The applications accepted by any Designated Intermediaries (ii) The applications uploaded by any Designated Intermediaries or (iii) The applications accepted but not uploaded by any Designated Intermediaries.
5. The Stock Exchange will issue an electronic facility for registering applications for the Issue. This facility will be 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 Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given along with the Application Forms to Designated Branches of the SCSBs for blocking of funds.
7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
 - a) Name of the Applicant;
 - b) IPO Name;
 - c) Application Form Number;
 - d) Investor Category;
 - e) PAN (of First Applicant, if more than one Applicant);
 - f) DP ID of the demat account of the Applicant;
 - g) Client Identification Number of the demat account of the Applicant;
 - h) Number of Equity Shares Applied for;
 - i) Bank Account details;
 - j) Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - k) Bank account number
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- Institutional Investors and Individual Investors, applications would not be rejected except on the technical grounds as mentioned in the 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 1.00 p.m. on the next working day after 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.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after filing the Prospectus with the RoC, publish a pre- issue advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of English national daily newspaper, all editions of Hindi national daily newspaper, and all editions of the Regional daily newspaper in Gujarat (Gujarati also being the regional language of Gujarat where our Registered Office is located) each with wide circulation.

In the pre- issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Signing of the Underwriting Agreement and Filing with the RoC

Our company has entered into an Underwriting Agreement dated [●].

After signing the Underwriting Agreement, an updated Prospectus will be filed with the RoC in accordance with applicable law.

Depository Arrangements

The Allotment of the Equity Shares in the Issue shall be only in a dematerialized form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). For more information, see "Terms of the Issue" on page 190.

Allotment Advertisement

Our Company, the Lead Manager and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of English national daily newspaper, all editions of Hindi national daily newspaper and all editions of the Regional daily newspaper in Gujarat (Gujarati also being the regional language of Gujarat, where our Registered Office is located) each with wide circulation.

The information set out above is given for the benefit of the Applicants. Our Company, 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 application for do not exceed the prescribed limits under applicable laws or regulations.

Issuance of Confirmation on Allocation Note and Allotment in the issue

Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.

The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants 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.

Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 2 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

Designated Date

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue. The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

General Instructions

Do's:

1. Check if you are eligible to apply as per the terms of this Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals; All Applicants should submit their applications through the ASBA process only;
2. Ensure that you have apply at Issue Price.
3. Read all the instructions carefully and complete the Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID and Bank Account Number (UPI ID, as applicable) are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic applications) within the prescribed time. UPI Applicants using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants;
6. Ensure that you have mentioned the correct ASBA Account number and such ASBA account belongs to you and no one else if you are not an II Applicant using the UPI Mechanism in the Application Form (with maximum length of 45 characters) and if you are an II using the UPI Mechanism ensure that you have mentioned the correct UPI ID in the Application Form;
7. Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries. Ensure that you use only your own bank account linked UPI ID (only for UPI Mechanism for an application size of up to ₹5,00,000 for UPI Applicants) to make an application in the Issue. Investors using the UPI Mechanism shall ensure that the bank with which they have their bank account where the funds equivalent to the Application Amount are available for blocking, is UPI 2.0 certified by NPCI;
8. If the first applicant is not the bank account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form (for all Applicants other than Individual Investors, applying using the UPI Mechanism);
9. All Applicants should submit their Applications through the ASBA process only;
10. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
11. Individual Investors submitting an Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Application is listed on the website of SEBI at www.sebi.gov.in;

12. Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
13. Ensure that you request for and receive a stamped acknowledgement of your application;
14. Investors using the UPI mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Application Form;
15. Instruct your respective banks to release the funds blocked in accordance with the ASBA process;
16. Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
17. Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining / specifying their PAN for transacting in the securities market including without limitation, multilateral/ bilateral institutions, and (iii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
18. Ensure that the Demographic Details are updated, true and correct in all respects;
19. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
20. Ensure that the correct investor category and the investor status is indicated in the Application Form;
21. Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
22. Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
23. Ensure that you use only your own bank account linked UPI ID (only for Individual Investors using the UPI Mechanism) to make an application in the Issue;
24. Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
25. Applicants, other than Individual Investors using the UPI Mechanism, shall ensure that they have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form to the relevant Designated Intermediaries;
26. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Application Form and that the name of the Applicant, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database;
27. In case of ASBA Applicants (other than Individual Investors using UPI Mechanism), ensure that while Applying through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
28. Once the Sponsor Bank Issues the UPI Mandate Request, the Individual Investors would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request;
29. Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
30. Individual Investors who wish to revise their applications using the UPI Mechanism, should submit the revised Application with the Designated Intermediaries, pursuant to which Individual Investors should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Application Amount in the Individual Investors ASBA Account.
31. Investors using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN.

Upon the authorization of the mandate using his/her UPI PIN, a Investor shall be deemed to have verified the attachment containing the application details of the Investor in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount specified in the Application Form;

32. Investors applied using the UPI Mechanism should mention valid UPI ID of only the applicant (in case of single account) and of the first applicant (in case of joint account) in the Application Form;
33. Individual Investors using the UPI Mechanism who have revised their applications subsequent to making the initial Application should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of Allotment in a timely manner;
34. Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
35. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form;
36. Investors shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Issue Closing Date.
37. The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.
38. UPI Applicants using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Applicants shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not apply for lower than the minimum Application size;
2. Do not apply at a Price different from the Price mentioned herein or in the Application Form;
3. Do not apply by another Application Form after submission of Application to the Designated Intermediary.
4. Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest or any mode other than blocked amounts in the bank account maintained with SCSB;
5. Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
6. Do not submit the Application Forms to any non-SCSB bank or our Company;
7. Do not apply on a physical Application Form that does not have the stamp of the relevant Designated Intermediary;
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not submit more than one Application Forms per ASBA Account;
10. Do not submit the Application Forms to any Designated Intermediary that is not authorised to collect the relevant Application Forms or to our Company;
11. Do not apply for an Application Amount below Rs. 200,000 (for Applications by Individual Investors);
12. Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Prospectus;
13. Do not submit the General Index Register number instead of the PAN;
14. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
15. Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
16. If you are a Individual Investor and are using UPI Mechanism, do not submit more than one Application Form for each UPI ID;
17. If you are an Individual Investor and are using UPI Mechanism, do not make the ASBA application using third party bank account or using third party linked bank account UPI ID;
18. Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
19. Do not submit an application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
20. Do not apply if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

21. Do not withdraw your application or lower the size of your application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Individual Investors can revise their applications during the Issue Period and withdraw their Applicants on or before the Issue Closing Date;
22. Do not apply for shares more than specified by respective Stock Exchanges for each category;
23. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by Investor using the UPI mechanism;
24. Do not submit incorrect UPI ID details, if you are a Investors applying through UPI Mechanism;
25. If you are a Non-Institutional Investor or Individual Investor, do not submit your application after 3.00 p.m. on the Issue Closing Date;
26. Do not apply if you are an OCB.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for Technical Rejection

In addition to the grounds for rejection of Applications on technical grounds as provided in the GID, Applicants are requested to note that Applications maybe rejected on the following additional technical grounds:

1. Applications submitted without instruction to the SCSBs to block the entire Application Amount;
2. Applications submitted by Applicants which do not contain details of the Application Amount and the bank account details / UPI ID in the Application Form;
3. Applications submitted on a plain paper;
4. Applications submitted by Individual Investors using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
5. Applications submitted by Individual Investors using third party bank accounts or using a third party linked bank account UPI ID;
6. Applications by HUFs not mentioned correctly.
7. Application Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
8. Application submitted without the signature of the First Applicant or sole Applicants;
9. Applications by person for whom PAN details have not been verified and whose beneficiary accounts are 'suspended for credit' in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Application by Individual Investors with Application Amount for a value below Rs. 200,000 and less than 2 lots;
12. Applications by person who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Applications by Applicants accompanied by cheques or demand drafts;
14. Applications accompanied by stock invest, money order, postal order or cash;
15. Application by OCB.

For details of grounds for technical rejections of a Application Form, please see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchange, along with the Lead Manager and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares issued through the 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. Further, upon oversubscription, an Allotment of not more than 1% of the Issue to public may be made for the purpose of making Allotment in minimum lots. The allotment of Equity Shares to Applicants other than to the Individual Investors, Non-Institutional Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed. The allotment of Equity Shares to each Individual Investors shall not be less than the minimum lot, subject to the availability of shares in Individual Investors Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis. The allotment to each Non-Institutional Investors shall not be less than the Minimum NII Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

Allotment Procedure and Basis of Allotment

The Allotment of Equity Shares to Applicants other than Individual Investors may be on 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.

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 bid file / Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with LM(s)/ Company for their review/comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of 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 12345678 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.

On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

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 front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com.

APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the 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, Applicants 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 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at BSE SME where the Equity Shares are proposed to be listed are taken within 3 (three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (three) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2(two) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the LM 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, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

INVESTOR GRIEVANCE

In case of any Pre-Issue or Post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please refer to the chapter titled "General Information" on page 47.

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 Offer Closing Date, the Applicant shall be compensated in accordance with law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who—

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than 6 months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to 3 times such amount (provided that where the fraud involves public interest, such term shall not be less than 3 years.) Further, where the fraud involves an amount less than ₹ 1 million or 1% 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 5 years or with fine which may extend to ₹ 5 million or with both.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes (CBDT) on February 13, 2020, and press release dated June 25, 2021.

NOMINATION FACILITY TO APPLICANTS

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes (CBDT) on February 13, 2020, and press release dated June 25, 2021.

UNDERTAKINGS BY OUR COMPANY

Our Company undertake as follows:

- 1) our Company shall ensure compliance with all disclosure and accounting norms as may be specified by SEBI from time to time;
- 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 law, failing which interest will be due to be paid to the Applicant at the rate prescribed under applicable law for the delayed period;
- 3) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 4) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 3 (three) Working days of Issue Closing Date or such other time as may be prescribed.
- 5) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- 6) That if the Company do not proceed with the Issue, 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;
- 7) the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) 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;
- 8) If Allotment is not made within three working days from the Issue Closing Date or such other prescribed timelines under applicable laws, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and other applicable laws for the delayed period;
- 9) That our Promoter's contribution in full has already been brought in;
- 10) That no further issue of Equity Shares shall be made until the Equity Shares offered through the Draft Prospectus/Prospectus are listed or until the Application monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc and
- 11) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the ROC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;
- 12) That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the Issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 13) That Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received;
- 14) Adequate arrangements shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- 15) that if our Company do not proceed with the Issue after the Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The Stock Exchanges shall be informed promptly;
- 16) that if our Company, in consultation with the LM, withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Issue document with Stock Exchange/SEBI, in the event our Company or subsequently decide to proceed with the Issue;
- 17) That the certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time; and
- 18) That neither our promoter nor the directors of the Company are willful defaulter under Section 5(c) of SEBI (ICDR) Regulations, 2018, as amended.

UTILIZATION OF ISSUE PROCEEDS

The Board of Directors 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 2013;

- 2) Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;
- 3) The utilisation of monies received under the Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- 4) the details of all unutilised monies out of the funds received under the Promoters' contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 has prescribed the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government of India has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases.

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GoI, earlier known as Department of Industrial Policy and Promotion ("**DPIIT**") has issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**") by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by DPIIT that were in force and effect as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Foreign investment of upto 100% is currently permitted under the automatic route for our Company.

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 as per the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits provided under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India, has also made a similar amendment to the FEMA Rules. 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.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only 249 to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Draft Prospectus as "U.S. QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Prospectus as "QIBs".

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 Issue may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the LEAD MANAGER are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Apply for the Issue do not exceed the applicable limits under applicable laws or regulations.

For further details, see "Issue Procedure" beginning on page 202.

SECTION XI - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013

COMPANY LIMITED BY SHARES (Incorporated under the Companies Act, 1956)

ARTICLES OF ASSOCIATION*

OF

SIHORA INDUSTRIES LIMITED

I.

CONSTITUTION OF THE COMPANY AND INTERPRETATION CLAUSE

- A.** The regulations contained in table “F” of Schedule I to the Companies Act, 2013 shall apply to the Company only in so far as the same are not provided for or are not inconsistent with these Articles.
- B.** “Public Company” means a company which—
- (a) is not a private company;
 - (b) has a minimum paid-up share capital as may be prescribed:
- Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles.
- C.** The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings unless excluded by the subject or context:
- a. ‘The Act’ or ‘The Companies Act’ shall mean ‘The Companies Act, 2013, its rules and any statutory modifications or reenactments thereof.’
 - b. ‘The Board’ or ‘The Board of Directors’ means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.
 - c. ‘The Company’ or ‘This Company’ means **SIHORA INDUSTRIES LIMITED. ***
 - d. ‘Directors’ means the Directors for the time being of the Company.
 - e. ‘Writing’ includes printing, lithograph, typewriting and any other usual substitutes for writing.
 - f. ‘Members’ means members of the Company holding a share or shares of any class.
 - g. ‘Month’ shall mean a calendar month.
 - h. ‘Paid-up’ shall include ‘credited as fully paid-up’.
 - i. ‘Person’ shall include any corporation as well as individual.
 - j. ‘These presents’ or ‘Regulations’ shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.
 - k. ‘Section’ or ‘Sec.’ means Section of the Act.
 - l. Words importing the masculine gender shall include the feminine gender.

** The name of the Company was changed from “Sihora Industries Private Limited” to “Sihora Industries Limited” vide Special Resolution passed by the Members in their Extra-ordinary General Meeting held on June 12, 2024.*

- m. Except where the context otherwise requires, words importing the singular shall include the plural and the words importing the plural shall include the singular.
- n. ‘Special Resolution’ means special resolution as defined by Section 114 in the Act.
- o. ‘The Office’ means the Registered Office for the time being of the Company.

- p. 'The Register' means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013.
- q. 'Proxy' includes Attorney duly constituted under a Power of Attorney.
- r. Except as provided by Section 67, no part of funds of the Company shall be employed in the purchase of the shares of the Company, and the Company shall not directly or indirectly and whether by shares, or loans, give, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company.
- s. The Authorized Share Capital of the Company shall be as prescribed in Clause 5 of the Memorandum of Association of the Company.

II.

SHARE CAPITAL AND VARIATION OF RIGHTS

1. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the person to whom the shares are offered, to renounce the shares offered to him in favour of any other person.

Subject to the provisions of the Act, any redeemable Preference Share, including Cumulative Convertible Preference Share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by special resolution, determine.

2. Member' right to share Certificates

- i. Every person whose name is entered as a member in the Register shall be entitled to receive without payment:
 - a. One certificate for all his shares; or
 - b. Share certificate shall be issued in marketable lots, where the share certificates are issued either for more or less than the marketable lots, sub-division/consolidation into marketable lots shall be done free of charge.
- ii. The Company shall, within two months after the allotment and within fifteen days after application for registration of the transfer of any share or debenture, complete and have it ready for delivery; the share certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide.
- iii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- iv. The certificate of title to shares and duplicates thereof when necessary shall be issued under the seal of the Company and signed by two Directors and the Secretary or authorized official(s) of the Company.

One Certificate for joint holders

- v. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of several joint holders shall be sufficient delivery to all such holders. Subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificates in accordance with Article 20 below.
3. (a) If a certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, it shall, if requested, be replaced by a new certificate without any fee, provided however that such new certificate shall not be given except upon delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses as the Board may require in the case of the certificate having been destroyed or lost. Any renewed certificate shall be marked as such in accordance with the provisions of the act in force.
 - (b) For every certificate issued under the last preceding Article, no fee shall be charged by the Company.
 - (c) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

Splitting and consolidation of Share Certificate

- (d) The shares of the Company will be split up/consolidated in the following circumstances:
- (i) At the request of the member/s for split up of shares in marketable lot.
 - (ii) At the request of the member/s for consolidation of fraction shares into marketable lot.

Directors may issue new Certificate(s)

- (e) The Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount, (subject to compliance with the provisions of Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares.

Trust not recognised

4. Save as otherwise provided by these Articles, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by a statute required, be bound to recognise any equitable, contingent, future or partial interest lien, pledge or charge in any share or (except only by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

Power to pay commission

5. The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share, debenture or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, such commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures, the rate of commission shall not exceed, two and half percent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful.

Issue of further shares with disproportionate rights

6. (i) The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of the class) may, subject to the provisions of Section 48 of the Act, be varied with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a General Meeting of the holders of the shares of that class.
- (ii) To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall Mutatis Mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.
7. Subject to the provisions of the Act, the rights conferred upon the holders of the shares of any class issued with preferred or other rights or not, unless otherwise expressly provided for by the terms of the issue of shares of that class, be deemed to be varied by the creation of further shares ranking *pari passu* therewith.
8. (i) Subject to the provisions of the Act, any redeemable Preference Share, including Cumulative Convertible Preference Share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by special resolution, determine.
- (ii) The Company may issue any shares (not being Preference Shares) which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being Preference Shares.
- (iii) The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely:
- I. (a) Such further shares shall be offered to the persons who, at the date of the offer, are holder of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date.

- (b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
- (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in clause (b) shall contain a statement of this right.
- (d) After the expiry of the time specified in the notice aforesaid, or in respect of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company.

II. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any.

III. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by:

- (iv) A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and
- (v) The Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.
- (vi) The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied or for services rendered or to be rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business and shares may be so allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares.
- (vii) As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act.
- (viii) An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any share therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any share and whose name is on the Register shall, for the purpose of these Articles, be a shareholder.
- (ix) If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment, shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative or representatives, if any.

LIEN

Company's lien on shares

9. The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either or jointly with any other person, and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors, at any time, may declare any share to be exempt, wholly or partially from the provisions of this Article. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

As to enforcing lien by sale

10. For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount in respect of which the lien exists has been given to the registered holders of the shares for the time being or to the person entitled to the shares by reason of the death of insolvency of the register holder.

Authority to transfer

- 11. a. To give effect to such sale, the Board of Directors may authorise any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer.
- b. The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

Application of proceeds of sale

12. The net proceeds of any such sale shall be applied in or towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of sale.

CALLS ON SHARES

Calls

13. Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and the member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board of Directors.

When call deemed to have been made

14. (a) A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. The Board of Directors making a call may by resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board of Directors making such calls.

Length of Notice of call

- (b) Not less than thirty day's notice of any call shall be given specifying the time and place of payment provided that before the time for payment of such call, the Directors may, by notice in writing to the members, extend the time for payment thereof.

Liability of joint holders of shares

15. The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share or shares.

When interest on call or instalment payable

16. If the sum payable in respect of any call or, instalment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the instalment shall fall due, shall pay interest for the same at the rate of 12 percent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board of Directors shall also be at liberty to waive payment of that interest wholly or in part.

Sum payable in fixed instalments to be deemed calls

17. (a) If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by instalments at fixed time, whether on account of the share or by way of premium, every such amount or instalment shall be payable as if it were a call duly made by the Directors, on which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or instalment accordingly.

Sums payable at fixed times to be treated as calls

- (b) The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any such sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.

Payment of call in advance

18. (a) The Board of Directors, may, if it thinks fit, receive from any member willing to advance all of or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advance may (until the same would, but for such advance become presently payable) pay interest at such rate as the Board of Directors may decide but shall not in respect of such advances confer a right to the dividend or participate in profits.

Partial payment not to preclude forfeiture

- (b) Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from, time to time, be due from any member in respect of any share, either by way of principal or interest nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein after provided.

TRANSFER OF SHARES

Transfer

19. a. The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof.
- b. The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the certificate and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application on such terms in writing made by the transferee and bearing the stamp required for an instrument of transfer, register the transfer on such terms as to indemnity as the Board may think fit.

- c. An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly paid shares, be effected unless the Company gives notice of the application to the transferee. The Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.
- d. For the purpose of Sub-clause (c), notice to the transferee shall be deemed to have been duly given if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be delivered in the ordinary course of post.
- e. Nothing in Sub-clause (d) shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law.
- f. Shares in the Company shall be transferred by an instrument in writing in such common form as specified in Section 56 of the Companies Act.

Board's right to refuse to register

20. a. The Board, may, at its absolute discretion and without assigning any reason, decline to register
 1. The transfer of any share, whether fully paid or not, to a person of whom it do not approve or
 2. Any transfer or transmission of shares on which the Company has a lien

Provided that registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on the shares.

- b. If the Board refuses to register any transfer or transmission of right, it shall, within fifteen days from the date of which the instrument or transfer of the intimation of such transmission was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.
- c. In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 58.
- d. The provisions of this clause shall apply to transfers of stock also.

Further right of Board of Directors to decline to recognize any instrument of transfer

21. the board may decline to recognise any instrument of transfer unless –
 - a. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
 - b. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - c. the instrument of transfer is in respect of only one class of shares.
22. i. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

No transfer to infant, etc.

- ii. No transfer shall be made to an infant or a person of unsound mind.

Endorsement of transfer and issue of certificate

- iii. Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some person for the time being duly authorised by the Board in that behalf.

Custody of transfer

- iv. The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.

Register of members

- v. a. The Company shall keep a book to be called the Register of Members, and therein shall be entered the particulars of every transfer or transmission of any share and all other particulars of shares required by the Act to be entered in such Register.

Closure of Register of members

- b. The Board may, after giving not less than seven days previous notice by advertisement in some newspapers circulating in the district in which the Registered Office of the Company is situated, close the Register of Members or the Register of Debenture Holders for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.

When instruments of transfer to be retained

- c. All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.

Company's right to register transfer by apparent legal owner

- vi. The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right or title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in the books of the Company; but the Company shall nevertheless be at liberty to have regard and to attend to any such notice and give effect thereto, if the Board shall so think fit.

TRANSMISSION OF SHARES

Rights to shares on death of a member for transmission

- 23. a. In the event of death of any one or more of several joint holders, the survivor, or survivors, alone shall be entitled to be recognised as having title to the shares.
- b. In the event of death of any sole holder or of the death of last surviving holder, the executors or administrators of such holder or other person legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased.

Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased shareholder.

Provided further that if the deceased shareholder was a member of a Hindu Joint Family, the Board, on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise the survivors of Karta thereof as having titles to the shares registered in the name of such member.

Provided further that in any case, it shall be lawful for the Board in its absolute discretion, to dispense with the production of probate or letters of administration or other legal representation upon such evidence and such terms as to indemnity or otherwise as the Board may deem just.

Rights and liabilities of person

- 24. 1. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time be required by the Board and subject as herein, after provided elect either

- a. to be registered himself as a holder of the share or
 - b. to make such transfer of the share as the deceased or insolvent member could have made.
2. The Board, shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

Notice by such a person of his election

25. a. If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- c. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice of transfer had been signed by that member.
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. Not Applicable

FORFEITURE OF SHARES

If call or instalment not paid, notice may be given

28. (a) If a member fails to pay any call or instalment of a call on the day appointed for the payment not paid thereof, the Board of Directors may during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest, which may have accrued. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other share.

Evidence action by Company against shareholders

- (b) On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Form of Notice

29. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice), on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.

If notice not complied with, shares may be forfeited

30. (a) If the requirements of any such notice as, aforementioned are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Notice after forfeiture

- (b) When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose

name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

Boards' right to dispose of forfeited shares or cancellation of forfeiture

31. A forfeited or surrendered share may be sold or otherwise disposed off on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit.

Liability after forfeiture

32. (a) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys, which at the date of forfeiture is payable by him to the Company in respect of the share, whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys due in respect of the shares.
- (b) The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

Evidence of forfeiture

33. A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

Non-payment of sums payable at fixed times

34. (a) The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable at a fixed time, whether, on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.

Validity of such sales

- (b) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

ALTERATION OF CAPITAL

Alteration and consolidation, sub-division and cancellation of shares

35. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
36. a. The Company may, from time to time, in accordance with the provisions of the Act, alter by Ordinary Resolution, the conditions of the Memorandum of Association as follows:
- increase its share capital by such amount as it thinks expedient by issuing new shares;
 - consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of the denomination;
 - sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid, on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived.
 - Cancel shares which, at the date of passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

- vi. Classify and reclassify its share capital from the shares on one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may for the time being be permitted under legislative provisions for the time being in force in that behalf.
- b. The resolution whereby any share is sub-divided may determine that, as between the holder of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others.

37. Conversion of shares into stock

- i. The Company may, by Ordinary Resolution, convert all or any fully paid share(s) of any denomination into stock and vice versa.

Transfer of stock

- ii. 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.

Right of stockholders

- iii. The holders of the stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and its assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

Applicability of regulations to stock and stockholders

- iv. Such of the regulations contained in these presents, other than those relating to share warrants as are applicable to paid-up shares shall apply to stock and the words shares and shareholder in these presents shall include stock and stockholder respectively.

- 38. (i) The Company may, by Special Resolution, reduce in any manner with and subject to any incident authorised and consent as required by law:
 - a. its share capital;
 - b. any capital redemption reserve account; or
 - c. any share premium account.

Surrender of shares

- (ii) The Directors may, subject to the provisions of the Act, accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof.

Power of modify shares

- (iii) The rights and privileges attached to each class of shares may be modified, commuted, affected, and abrogated in the manner provided in Section 48 of the Act.

Set-off of moneys due to shareholders

- (iv) Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person, to the Company in respect of calls.

(v) DEMATERIALISATION OF SECURITIES

a) Definitions

For the purpose of this Article:

‘Beneficial Owner’ means a person or persons whose name is recorded as such with a depository;

‘SEBI’ means the Securities and Exchange Board of India;

‘Depository’ means a company formed and registered under the Companies Act, 2013, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and

‘Security’ means such security as may be specified by SEBI from time to time.

b) Dematerialisation of securities

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

c) Options for investors

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person, who is the beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

d) Securities in depositories to be in fungible form

All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

e) Rights of depositories and beneficial owners:

- (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
- (ii) Save as otherwise provided in (a) above, the depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the securities held by it.
- (iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

f) Service of documents

Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

g) Transfer of securities

Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

h) Allotment of securities dealt with in a depository

Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

i) Distinctive numbers of securities held in a depository

Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository.

j) Register and Index of Beneficial owners

The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles.

k) Company to recognise the rights of registered holders as also the beneficial owners in the records of the depository

Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of

competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.

CAPITALISATION OF PROFITS

39. Capitalisation of Profits

- a. The Company in General Meeting, may on the recommendation of the Board, resolve:
 1. that the whole or any part of any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Fund or any money, investment or other asset forming part of the undivided profits, including profits or surplus moneys arising from the realisation and (where permitted by law) from the appreciation in value of any Capital assets of the Company standing to the credit of the General Reserve, Reserve or any Reserve Fund or any amounts standing to the credit of the Profit and Loss Account or any other fund of the Company or in the hands of the Company and available for the distribution as dividend capitalised; and
 2. that such sum be accordingly set free for distribution in the manner specified in under the act amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.
- b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained under the act either in or towards:
 1. paying up any amount for the time being unpaid on any share held by such members respectively;
 2. paying up in full unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; or
 3. Partly in the way specified in Sub-clause (1) and partly in that specified in Sub-clause (2).
- c. A share premium account and a capital redemption reserve account may for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
- d. The Board shall give effect to resolutions passed by the Company in pursuance of this Article.

40. Powers of Directors for declaration of Bonus

- a. Whenever such a resolution as aforesaid shall have been passed, the Board shall:
 1. make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue or fully paid shares if any; and
 2. generally do all acts and things required to give effect thereto.
- b. The Board shall have full power:
 1. to make such provision by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions and also;
 2. to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on the existing shares.
- c. Any agreement made under such authority shall be effective and binding on all such members.

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

Annual General Meeting

42. The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Act.

Extraordinary General Meeting

43. (i) Extraordinary General Meetings may be held either at the Registered Office of the Company or at such convenient place as the Board or the Managing Director (subject to any directions of the Board) may deem fit.

Right to summon Extraordinary General Meeting

- (ii) The Chairman or Vice Chairman may, whenever they think fit, and shall if so directed by the Board, convene an Extraordinary General Meeting at such time and place as may be determined.

Extraordinary Meeting by requisition

- (iii) a. The Board shall, on the requisition of such number of members of the Company as is specified below, proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.
- b. The requisition shall set out matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office.
- c. The requisition may consist of several documents in like forms, each signed by one or more requisitionists.
- d. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold, on the date of the deposit of the requisition, not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of the voting in regard to the matter set out in the requisition.
- e. If the Board does not, within 21 days from the date of receipt of deposit of the requisition with regard to any matter, proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such of the requisitionists, as represent either majority in the value of the paid-up share capital held by them or of not less than one tenth of such paid-up capital of the Company as is referred to in Sub-clause (d) above, whichever is less.

Length of notice for calling meeting

- (iv) A General Meeting of the Company may be called by giving not less than twenty one days notice in writing, provided that a General Meeting may be called after giving shorter notice of seven days or less if consent thereto is accorded by the members holding not less than 95 per cent of the part of the paid-up share capital which gives the right to vote on the matters to be considered at the meeting. Provided that where any member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members, shall be taken into account for purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter.

Accidental omission to give notice not to invalidate meeting

- (v) The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of any resolution passed at such meeting.

Special business and statement to be annexed

- (vi) All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.

PROCEEDINGS AT GENERAL MEETINGS

Quorum

- 44. i. The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business:

Number of members upto 1000: 5 members personally present

Number of members 1000-5000: 15 members personally present

Number of members more than 5000: 30 members personally present

If quorum not present, when meeting to be dissolved and when to be adjourned

- ii. If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week and at the same time and place or to such other day and to be at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

Chairman of General Meeting

- 45. The Chairman of the Board of Directors shall preside at every General Meeting of the Company and if he is not present within 15 minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman, the Vice Chairman of the Board of Directors shall preside over the General Meeting of the Company.

When Chairman is absent

- 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.
- 48. Not Applicable

ADJOURNMENT OF MEETING

- 49. The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

- 50. (i.) At a General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands/result of electronic voting as per the provisions of Section 108, unless a poll is (before or on the declaration of the result of the show of hands/ electronic voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.
 - (ii) a. Every member of the Company holding Equity Share(s), shall have a right to vote in respect of such capital on every resolution placed before the Company. On a show of hands, every such member present shall have one vote and shall be entitled to vote in person or by proxy and his voting right on a poll or on e-voting shall be in proportion to his share of the paid-up Equity Capital of the Company.
 - b. Every member holding any Preference Share shall in respect of such shares have a right to vote only on resolutions which directly affect the rights attached to the Preference Shares and subject as aforesaid, every such member shall in respect of such capital be entitled to vote in person or by proxy, if the dividend due on such preference shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of the meeting. Such dividend shall be deemed to be due on Preference Shares in respect of any period, whether a dividend has been declared by the Company for such period or not, on the day immediately following such period.
 - c. Whenever the holder of a Preference Share has a right to vote on any resolution in accordance with the provisions of this article, his voting rights on a poll shall be in the same proportion as the capital paid-up in respect of such Preference Shares bear to the total equity paid-up capital of the Company.
- 51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

Joint holders

52. In the case of joint holders, the vote of the first named of such joint holders who tender a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

Member of unsound mind

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.

Taking of poll

54. (i) If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

In what cases poll taken without adjournment

- (ii) A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. Where a poll is demanded on any other question, adjournment shall be taken at such time not being later than forty-eight hours from the time which demand was made, as the Chairman may direct.

Business may proceed notwithstanding demand for poll

- (iii) A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded; the demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Proxies permitted on polls

- (iv) On a poll, votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as resolution of its Directors in accordance with provisions of Section 113 is in force.

No member entitled to vote while call due to Company

55. No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
56. 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.

Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

Instrument of proxy

57. a. The instrument appointing a proxy shall be in writing under the hand of the appointer or of the attorney duly authorised in writing, or if the appointer is a Corporation, either under the common seal or under the hand of an officer or attorney so authorised. Any person may act as a proxy whether he is a member or not.
- b. A body corporate (whether a company within the meaning of this Act or not) may:
1. If it is a member of the Company by resolution of its Board of Directors or other governing body, authorise such persons as it thinks fit to act as its representatives at any meeting of the Company, or at any meeting of any class of members of the Company;
 2. If it is a creditor (including a holder of debentures) of the Company, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.
- c. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as if he were personally the member, creditor or debenture holder.

Form of proxy

58. Any instrument appointing a proxy may be a two way proxy form to enable the shareholders to vote for or against any resolution at their discretion. The instrument of proxy shall be in the prescribed form as given in Form MGT-11.

Validity of vote by proxy

59. i. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the appointer, or revocation of the proxy, or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.

Instrument of proxy to be deposited at the office

- ii. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of authority shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, and in default, the instrument of proxy shall not be treated as valid.

BOARD OF DIRECTORS

Number of Directors

60. Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 and not more than 15.

The Present Directors* of the Company are:

- a) GAUTAM VALLABHBHAI SIHORA
- b) PRIYAL GAUTAMKUMAR SIHORA
- c) CHIRAG RAMESHBHAI DHAMELIYA

Subject to the provisions of the Act as may be applicable, the Board may appoint any person as a Managing Director to perform such functions as the Board may decide from time to time. Such Director shall be a Member of the Board.

* Present Directors means Directors of the Company as on the date of adoption of this Articles of Association of the Company i.e. *June 12, 2024*.

Director's remuneration

61. a. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 and schedule V of the Act, and the Rules made thereunder. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-time Director of the Company who is a full time employee, drawing remuneration will not be paid any fee for attending Board Meetings.
- b. Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit.
- c. Subject to the provisions of the Act, the Company in General Meeting may by Special Resolution sanction and pay to the Director in addition to the said fees set out in sub clause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held office respectively as such Directors.
- d. Subject to the provisions of Section 188 of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of this Article.
62. The Board may pay all expenses incurred in getting up and registering the company.

63. Rights of Directors

- (a) Except as otherwise provided by these Articles and subject to the provisions of the Act, all the Directors of the Company shall have in all matters equal rights and privileges, and be subject to equal obligations and duties in respect of the affairs of the Company.

Directors to comply with Section 184

- (b) Notwithstanding anything contained in these presents, any Director contracting with the Company shall comply with the provisions of Section 184 of the Companies Act, 2013.

Directors power of contract with Company

- (c) Subject to the limitations prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid.

Register of Directors and KMP and their shareholding

- (d) The Company shall keep at its Registered Office a register containing the addresses and occupation and the other particulars as required by Section 170 of the Act of its Directors and Key Managerial Personnel and shall send to the Registrar of Companies returns as required by the Act.

Business to be carried on

- (e) The business of the Company shall be carried on by the Board of Directors.

General Powers of Company vested in Directors

- (f) The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting, shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

Attorney of the Company

- (g) The Board may appoint at any time and from time to time by a power of attorney under the Company's seal, any person to be the Attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time to time think fit and any such appointment, may, if the Board thinks fit, be made in favour of the members, or any of the members of any firm or company, or the members, Directors, nominees or managers of any firm or company or otherwise in favour of any body or persons whether nominated directly or indirectly by the Board and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit.

Power to authorise sub delegation

- (h) The Board may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in him.

Directors' duty to comply with the provisions of the Act

- (i) The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and keep a register of the Directors, and send to the Registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital and copies of special resolutions, and such other resolutions and agreements required to be filed under Section 117 of the Act and a copy of the Register of Directors and notifications of any change therein.

To acquire and dispose of property and rights

- (j) To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit and to sell, let, exchange, or otherwise dispose of the property, privileges and undertakings of the Company upon such terms and conditions and for such consideration as they may think fit.

To pay for property in debentures, etc.

- (k) At their discretion to pay for any property, rights and privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid-up or with such amount credited as paid-up, the sum as may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

To secure contracts by mortgages

- (l) To secure the fulfillment of any contracts or agreements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they think fit.

To appoint officers, etc.

- (m) To appoint and at their discretion remove, or suspend such agents, secretaries, officers, clerks and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties and fix their powers and duties and fix their salaries or emoluments and to the required security in such instances and to such amount as they think fit.
- (n) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payments or satisfaction of any dues and of any claims or demands by or against the Company.

To refer to arbitration

- (o) To refer to, any claims or demands by or against the Company to arbitration and observe and perform the awards.

To give receipt

- (p) To make and give receipts, releases and other discharges for money payable to the Company and of the claims and demands of the Company.

To act in matters of bankrupts and insolvents

- (q) To act on behalf of the Company in all matters relating to bankrupts and insolvents.

To give security by way of indemnity

- (r) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.

To give commission

- (s) To give any person employed by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company.

To make contracts etc.

- (t) To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

To make bye-laws

- (u) From time to time, make, vary and repeal bye-laws for the regulations of the business for the Company, its officers and servants.

To set aside profits for provided fund

- (v) Before recommending any dividends, to set-aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities or compensations; or to create any provident fund or benefit fund in such or any other manner as the Directors may deem fit.

To make and alter rules

- (w) (i) To make and alter rules and regulations concerning the time and manner of payments of the contributions of the employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit.
- (ii) And generally, at their absolute discretion, to do and perform every act and thing which they may consider

necessary or expedient for the purpose of carrying on the business of the Company, excepting such acts and things as by Memorandum of Association of the Company or by these presents may stand prohibited.

Powers as to commencement of business

- (x) Subject to the provisions of the Act, any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as it shall think fit and further may be suffered by it to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

Delegation of power

- (y) Subject to Section 179 the Board may delegate all or any of its powers to any Director, jointly or severally or to any one Director at its discretion or to the Executive Director.

Borrowing Powers

- (z) The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 179 of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security.

Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company or by such other means as them may seem expedient.

Assignment of debentures

- (aa) Such debentures, debenture stock, bonds or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.

Terms of debenture issue

- (bb) i. Any such debenture, debenture stock, bond or other security may be issued at a discount, premium or otherwise, and with any special privilege as the redemption, surrender, drawing, allotment of shares of the Company, or otherwise, provided that debentures with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.
- ii. Any trust deed for securing of any debenture or debenture stock and or any mortgage deed and/or other bond for securing payment of moneys borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner may provide for the appointment from time to time, by any such mortgagee, lender, trustee of or holders of debentures or contracting party as aforesaid, of one or more persons to be a Director or Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a Director as aforesaid may, from time to time, remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debenture or on the termination of such contract and

any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.

- iii. The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a Mortgage Director or Mortgage Directors and the Director if appointed as aforesaid under the provisions of a debenture trust deed shall be called "Debenture Director". The words "Mortgage" or "Debenture Director" shall mean the Mortgage Director for the time being in office. The Mortgage Director or Debenture Director shall not be required to hold any qualification shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provision as may be arranged between the Company and mortgagee lender, the trustee or contracting party, as the case may be, and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Act.
- iv. The Directors appointed as Mortgage Director or Debenture Director or Corporate Director under the Article shall be deemed to be ex-officio Directors.
- v. The total number of ex-officio Directors, if any, so appointed under this Article together with the other ex-officio Directors, if any, appointment under any other provisions of these presents shall not at any time exceed one-third of the whole number of Directors for the time being.

Charge on uncalled capital

- (cc) Any uncalled capital of the Company may be included in or charged by mortgage or other security.

Subsequent assignees of uncalled capital

- (dd) Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject such prior charge, and shall not be entitled, by notice to the shareholder or otherwise, to obtain priority over such prior charge.

Charge in favour of Director of indemnity

- (ee) If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other person so becoming liable as aforesaid from any loss in respect of such liability.

Powers to be exercised by Board only at meeting

- (ff) A. Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said power shall be exercised only by resolution passed at the meetings of the Board.
 - i. to make calls on shareholders in respect of money unpaid on their shares;
 - ii. to authorise buy-back of securities under section 68;
 - iii. to issue securities, including debentures, whether in or outside India;
 - iv. to borrow monies;
 - v. to invest the funds of the company;
 - vi. to grant loans or give guarantee or provide security in respect of loans;
 - vii. to approve financial statement and the Board's report;
 - viii. to diversify the business of the company;
 - ix. to approve amalgamation, merger or reconstruction;
 - x. to take over a company or acquire a controlling or substantial stake in another company;
 - xi. to make political contributions;
 - xii. to appoint or remove key managerial personnel (KMP);
 - xiii. to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;
 - xiv. to appoint internal auditors and secretarial auditor;
 - xv. to take note of the disclosure of director's interest and shareholding;

- xvi. to buy, sell investments held by the company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company;
 - xvii. to invite or accept or renew public deposits and related matters;
 - xviii. to review or change the terms and conditions of public deposit;
 - xix. to approve quarterly, half yearly and annual financial statements or financial results as the case may be.
 - xx. such other business as may be prescribed by the Act.
- B. The Board may by a meeting delegate to any Committee of the Board or to the Managing Director the powers specified in Sub-clauses iv, v and vi above.
 - C. Every resolution delegating the power set out in Sub-clause iv shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the said delegate.
 - D. Every resolution delegating the power referred to in Sub-clause v shall specify the total amount up to which the funds may be invested and the nature of investments which may be made by the delegate.
 - E. Every resolution delegating the power referred to in Sub-clause vi above shall specify the total amount up to which loans may be made by the delegate, the purposes for which the loans may be made, and the maximum amount of loans that may be made for each such purpose in individual cases.

Register of mortgage to be kept

- (gg) The Directors shall cause a proper register and charge creation documents to be kept in accordance with the provisions of the Companies Act, 2013 for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.

Register of holders of debentures

- (hh) Every register of holders of debentures of the Company may be closed for any period not exceeding on the whole forty five days in any year, and not exceeding thirty days at any one time. Subject as the aforesaid, every such register shall be open to the inspection of registered holders of any such debenture and of any member but the Company may in General Meeting impose any reasonable restriction so that at least two hours in every day, when such register is open, are appointed for inspection.

Inspection of copies of and Register of Mortgages

- (ii) The Company shall comply with the provisions of the Companies Act, 2013, as to allow inspection of copies kept at the Registered Office in pursuance of the said Act, and as to allowing inspection of the Register of charges to be kept at the office in pursuance of the said Act.

Supplying copies of register of holder of debentures

- (jj) The Company shall comply with the provisions of the Companies Act, 2013, as to supplying copies of any register of holders of debentures or any trust deed for securing any issue of debentures.

Right of holders of debentures as to Financial Statements

- (kk) Holders of debentures and any person from whom the Company has accepted any sum of money by way of deposit, shall on demand, be entitled to be furnished, free of cost, or for such sum as may be prescribed by the Government from time to time, with a copy of the Financial Statements of the Company and other reports attached or appended thereto.

Managing Director's power to be exercised severally

- (ll) All the powers conferred on the Managing Director by these presents, or otherwise may, subject to any directions to the contrary by the Board of Directors, be exercised by any of them severally.
- 64. All cheques, promissory notes, drafts, hund is, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
 - 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.

Additional Directors

66. i. The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the maximum number of Directors fixed under Article 60 above. Any person so appointed as an Additional Director shall hold office up to the date of the next Annual General Meeting of the Company.

Managing Director

- ii. a. Subject to the provisions of Section 196, 197, 2(94), 203 of the Act, the following provisions shall apply:
- b. The Board of Directors may appoint or re-appoint one or more of their body, not exceeding two, to be the Managing Director or Managing Directors of the Company for such period not exceeding 5 years as it may deem fit, subject to such approval of the Central Government as may be necessary in that behalf.
- c. The remuneration payable to a Managing Director shall be determined by the Board of Directors subject to the sanction of the Company in General Meeting and of the Central Government, if required.
- d. If at any time there are more than one Managing Director, each of the said Managing Directors may exercise individually all the powers and perform all the duties that a single Managing Director may be empowered to exercise or required to perform under the Companies Act or by these presents or by any Resolution of the Board of Directors and subject also to such restrictions or conditions as the Board may from time to time impose.
- e. The Board of Directors may at any time and from time to time designate any Managing Director as Deputy Managing Director or Joint Managing Director or by such other designation as it deems fit.
- f. Subject to the supervision, control and directions of the Board of Directors, the Managing Director/Managing Directors shall have the management of the whole of the business of the Company and of all its affairs and shall exercise all powers and perform all duties and in relation to the management of the affairs, except such powers and such duties as are required by Law or by these presents to be exercised or done by the Company in General Meeting or by the Board and also subject to such conditions and restrictions imposed by the Act or by these presents or by the Board of Directors. Without prejudice to the generality of the foregoing, the Managing Director/Managing Directors shall exercise all powers set out in Article 63 above except those which are by law or by these presents or by any resolution of the Board required to be exercised by the Board or by the Company in General Meeting.

Whole-time Director

- iii. a. Subject to the provisions of the Act and subject to the approval of the Central Government, if any, required in that behalf, the Board may appoint one or more of its body, as Wholetime Director or Wholetime Directors on such designation and on such terms and conditions as it may deem fit. The Whole-time Directors shall perform such duties and exercise such powers as the Board may from time to time determine which shall exercise all such powers and perform all such duties subject to the control, supervision and directions of the Board and subject thereto the supervision and directions of the Managing Director. The remuneration payable to the Whole-time Directors shall be determined by the Company in General Meeting, subject to the approval of the Central Government, if any, required in that behalf.
- b. A Whole-time Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be Whole-time Director, if he ceases to hold the Office of Director from any cause except where he retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Director at that Meeting.

Alternate Directors

- iv. (a) The Board may appoint an Alternate Director to act for a Director hereinafter called in this clause “the Original Director” during his absence for a period of not less than 3 months from India.
- (b) An Alternate Director appointed as aforesaid shall vacate office if and when the Original Director returns to India.

Independent Directors

- v. (a) The Directors may appoint such number of Independent Directors as are required under Section 149 of the Companies Act, 2013 or applicable Regulations of SEBI(LODR) Regulations, 2015, whichever is higher, from time to time.
- (b) Independent directors shall possess such qualification as required under Section 149 of the companies Act, 2013.

- (c) Independent Director shall be appointed for such period as prescribed under relevant provisions of the companies Act, 2013 and shall not be liable to retire by rotation.

Women Director

- vi. The Directors shall appoint one women director as per the requirements of section 149 of the Act.

Debenture Director

- vii. Any trust deed for securing debentures or debenture-stocks may, if so arranged, provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person to be a Director of the Company and may empower such Trustees, holder of debentures or debenture-stocks, from time to time, to remove and reappoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company.

The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any other provisions herein contained.

Corporation/Nominee Director

- viii. a. Notwithstanding anything to the contrary contained in the Articles, so long as any moneys remain owing by the Company the any finance corporation or credit corporation or body, (herein after in this Article referred to as "The Corporation") out of any loans granted by them to the Company or as long as any liability of the Company arising out of any guarantee furnished by the Corporation, on behalf of the Company remains defaulted, or the Company fails to meet its obligations to pay interest and/or instalments, the Corporation shall have right to appoint from time to time any person or person as a Director or Directors (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any person so appointed, any person or persons in his or their place(s).
- b. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s as long as such default continues. Such Nominee Director/s shall not be required to hold any share qualification in the Company, and such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s appointed shall hold the said office as long as any moneys remain owing by the Company to the Corporation or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, and of the Meeting of the Committee of which the Nominee Director/s is/are member/s.

The Corporation shall also be entitled to receive all such notices. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Director/s of the Company are entitled, but if any other fee, commission, monies or remuneration in any form is payable to the Director/s of the Company, the fee, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment to Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.

Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall so accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

- c. The Corporation may at any time and from time to time remove any such Corporation Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as a Corporation Director in his place. Such appointment or removal shall be made in writing signed by the Chairman or Joint Chairman of the Corporation or any person and shall be delivered to the Company at its Registered office. It is clarified that every Corporation entitled to appoint a Director under this Article may appoint such number of persons as Directors as may be authorised by the Directors of the Company, subject to Section 152 of the Act and so that the number does not exceed 1/3 of the maximum fixed under Article 60.

Disclosure of interest of Directors

- ix. a. Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but the nature of the interest must be disclosed by the Director at the meeting of the Board at which the contract or arrangements is determined or if the interest then exists in any other case, at the first meeting of the Board after the acquisition of the interest.

Provided nevertheless that no Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid or take part in the proceedings thereat and he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to indemnify the Directors or any of them against any loss they may suffer by becoming or being sureties for the Company.

- b. A Director may be or become a Director of any company promoted by this Company or in which this Company may be interested as vendor, shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such company.

Rotation and retirement of Directors

- x. At every annual meeting, one-third of the Directors shall retire by rotation in accordance with provisions of Section 152 of the Act.

Retiring Directors eligible for re-election

- xi. A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up vacated office by electing a person thereto.

Which Directors to retire

- xii. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.

Retiring Directors to remain in office till successors are appointed

- xiii. Subject to Section 152 of the Act, if at any meeting at which an election of Directors ought to take place, the place of the vacating or deceased Directors is not filled up and the meeting has not expressly resolved not to fill up or appoint the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday at the same time, place, and if at the adjourned meeting the place of vacating Directors is not filled up and the meeting has also not expressly resolved not to fill up the vacancy, then the vacating Directors or such of them as have not had their places filled up shall be deemed to have been reappointed at the adjourned meeting.

Power of General Meeting to increase or reduce number of Directors

- xiv. Subject to the provisions of Sections 149, 151 and 152 the Company in General Meeting may increase or reduce the number of Directors subject to the limits set out in Article 60 and may also determine in what rotation the increased or reduced number is to retire.

Power to remove Directors by ordinary resolution

- xv. Subject to provisions of Section 169 the Company, by Ordinary Resolution, may at any time remove any Director except Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his place. The person so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforementioned. A Director so removed from office shall not be re-appointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed.

Rights of persons other than retiring Directors to stand for Directorships

- xvi. Subject to the provisions of Section 160 of the Act, a person not being a retiring Director shall be eligible for appointment to the office of a Director at any general meeting if he or some other member intending to propose him as a Director has not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director, or the intention of such member to propose

him as a candidate for that office, as the case may be “along with a deposit of such sum as may be prescribed by the Act or the Central Government from time to time which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than 25% of total valid votes cast either on show of hands or electronically or on poll on such resolution”.

Vacation of office by Directors

xvii. Office of a Director shall be vacated if:

1. he is found to be unsound mind by a Court of competent jurisdiction;
2. he applies to be adjudicated as an insolvent;
3. he is an undischarged insolvent;
4. he is convicted by a Court of any offence whether involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;
5. he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call;
6. an order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force.
7. he has not complied with Subsection (3) of Section 152
8. he has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years.
9. he absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board;
10. he acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184.
11. he becomes disqualified by an order of a court or the Tribunal
12. he is removed in pursuance of the provisions of the Act,
13. having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;

Notwithstanding anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect:

- (a) for thirty days from the date of the adjudication, sentence or order;
- (b) where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off; or
- (c) where within the seven days as aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.

PROCEEDINGS OF THE BOARD

Meeting of the Board

67. (i) The Board may meet for the dispatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, provided that a meeting of the Board shall be held at least once in every one hundred and twenty days; and at least four such meetings shall be held in every year.

Director may summon meeting

- (ii) A Director may at any time request the Secretary to convene a meeting of the Directors and seven days' notice of meeting of directors shall be given to every director and such notice shall be sent by hand delivery or by post or by electronic means.

Question how decided

68. a. Save as otherwise expressly provided in the Act, a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board.
- b. In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.

Right of continuing Directors when there is no quorum

69. (i) The continuing Directors may act notwithstanding any vacancy in the Board, but if and as long as their number if reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company and for no other purpose.

Quorum

- (ii) The quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one third being rounded off as one) or two Directors whichever is higher; provided that where at any time the number of interested Directors is equal to or exceeds two thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time.

Qualification of Directors

- (iii) Any person, whether a member of the Company or not, may be appointed as a Director. No qualification by way of holding shares in the capital of the Company shall be required of any Director.

Directors may act notwithstanding vacancy

- (iv) The continuing Directors may act notwithstanding any vacancy in their body, but subject to the provisions contained in Article 69(i) above:

Chairman or Vice-chairman of the Board

- (v) a. Notwithstanding anything contained in these Articles and pursuant to provisions of the Act, Managing Director of the company will act as Chairman of the board and Deputy Managing Director will act as Vice chairman of the board.
- b. Subject to the provisions of the Act, the Chairman and the Vice Chairman may be paid such remuneration for their services as Chairman and Vice Chairman respectively, and such reasonable expenses including expenses connected with travel, secretarial service and entertainment, as may be decided by the Board of Directors from time to time.

Casual vacancy

- (vi) If the office of any Director becomes vacant before the expiry of the period of his Directorship in normal course, the resulting casual vacancy may be filled by the Board at a Meeting of the Board subject to Section 161 of the Act. Any person so appointed shall hold office only upto the date which the Director in whose place he is appointed would have held office if the vacancy had not occurred as aforesaid.

Election of Chairman to the Board

70. If no person has been appointed as Chairman or Vice Chairman under Article 69(v)(a) or if at any meeting, the Chairman or Vice Chairman of the Board is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the meeting.

Power to appoint Committees and to delegate

71. a. The Board may, from time to time, and at any time and in compliance with provisions of the act and listing agreement constitute one or more Committees of the Board consisting of such member or members of its body, as the Board may think fit.

Delegation of powers

- b. Subject to the provisions of Section 179 the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit and subject to provisions of the act and listing agreement.
- c. The Board may from, time to time, revoke, add to or vary any powers, authorities and discretions so delegated subject

to provisions of the act and listing agreement.

Proceedings of Committee

- d. The meeting and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto, and not superseded by any regulations made by the Directors under the last proceeding Article.

Election of Chairman of the Committee

- 72. a. The Chairman or the Vice Chairman shall be the Chairman of its meetings, if either is not available or if at any meeting either is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Chairman of the meeting.
- b. The quorum of a Committee may be fixed by the Board and until so fixed, if the Committee is of a single member or two members, the quorum shall be one and if more than two members, it shall be two.

Question how determined

- 73. a. A Committee may meet and adjourn as it thinks proper.
- b. Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.

Acts done by Board or Committee valid, notwithstanding defective appointment, etc.

- 74. All acts done by any meeting of the Board or a Committee thereof, or by any person acting as a Director shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or any person acting as aforesaid, or that any of them was disqualified, be as valid as if every such Director and such person had been duly appointed and was qualified to be a Director.

Resolution by circulation and Minutes

- 75. (i) Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with necessary papers, if any, to all the members of the Committee then in India (not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may) and to all other Directors or members at their usual address in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.

Minutes

- (ii) a. The Company shall comply with the requirements of Section 118 of the Act, in respect of the keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board.
- c. The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.

76. Not applicable

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

Key Managerial Personnel

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 be appointed as chief executive officer, manager, company secretary or chief financial officer.
- (iii) The Managing Director shall act as the Chairperson of the Company for all purposes subject to the provisions contained in the Act and these articles.

Manager

Subject to the provisions of the Act, the Directors may appoint any person as Manager for such term not exceeding five years at a time at such remuneration and upon such conditions as they may think fit and any Manager so appointed may be removed by the Board.

Secretary

The Board shall have power to appoint a Secretary a person fit in its opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as it may determine. The Secretary shall have such powers and duties as may, from time to time, be delegated or entrusted to him by the Board.

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 officers 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

Common Seal

79. (i) The Board may provide for a common seal of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal shall be kept at the Registered Office of the Company and committed to the custody of the Directors.

Affixture of Common Seal

- (ii) The seal shall not be affixed to any instrument except by the authority of a resolution of the Board or Committee and unless the Board otherwise determines, every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company, be signed by one Director and the Secretary in whose presence the seal shall have been affixed or such other person as may, from time to time, be authorised by the Board and provided nevertheless that any instrument bearing the seal of the Company issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority to issue the same provided also the counter signature of the Chairman or the Vice Chairman, which shall be sealed in the presence of any one Director and signed by him on behalf of the Company.

DIVIDENDS AND RESERVES

Rights to Dividend

80. i. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the equity shareholders.

Declaration of Dividends

- ii. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

What to be deemed net profits

- iii. The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.

Interim Dividend

81. i. 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.

Dividends to be paid out of profits only

- ii. No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Act.

Reserve Funds

82. a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends and pending such application may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
- b. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as Reserve.

Method of payment of dividend

83. a. Subject to the rights of persons, if any, entitled to share with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid.
- b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share.
- c. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date, such shares shall rank for dividend accordingly.

Deduction of arrears

84. (a) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls in relation to the shares of the Company or otherwise.

Adjustment of dividend against call

- (b) Any General Meeting declaring a dividend or bonus may make a call on the members of such amounts as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and themselves, be set off against the call.

Payment by cheque or warrant

85. a. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post directly to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named in the Register of Members or to such person and to such address of the holder as the joint holders may in writing direct.
- b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- c. Every dividend or warrant or cheque shall be posted within thirty days from the date of declaration of the dividends.

Retention in certain cases

86. (A) The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member in respect thereof or shall duly transfer the same.

Receipt of joint holders

- (B) Where any instrument of transfer of shares has been delivered to the Company for registration on holders, the Transfer of such shares and the same has not been registered by the Company, it shall, and notwithstanding anything contained in any other provision of the Act:
- i. transfer the dividend in relation to such shares to the Special Account referred to in Sections 123 and 124 of the Act, unless the Company is authorised by the registered holder, of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and
- ii. Keep in abeyance in relation to such shares any offer of rights shares under Clause(a) of Sub-section (1) of Section 62 of the Act, and any issue of fully paid-up bonus shares in pursuance of Sub-section (3) of Section 123 of the Act”.
- (C) Any one of two of the joint holders of a share may give effectual receipt for any dividend, bonus, or other money payable in respect of such share.

Notice of Dividends

87. Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.

Dividend not to bear interest

88. (a) No dividend shall bear interest against the Company.

Unclaimed Dividend

- (b) No unclaimed dividends shall be forfeited. Unclaimed dividends shall be dealt with in accordance to the provisions of Sections 123 and 124 of the Companies Act, 2013.

Transfer of share not to pass prior Dividend

- (c) Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

ACCOUNTS

Books of account to be kept

89. a. The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.
- b. All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain in transactions.
- c. The books of accounts shall be open to inspection by any Director during business hours.

Where books of account to be kept

- d. The books of account shall be kept at the Registered Office or at such other place as the Board thinks fit.

Inspection by members

- e. The Board shall, from time to time, determine whether and to what extent and at what time and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspection any account or book or document of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.

Statement of account to be furnished to General Meeting

- f. The Board shall lay before such Annual General Meeting, financial statements made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extension of time as shall have been granted by the Registrar under the provisions of the Act.

Financial Statements

- g. Subject to the provisions of Section 129, 133 of the Act, every financial statements of the Company shall be in the forms set out in Parts I and II respectively of Schedule III of the Act, or as near thereto as circumstances admit.

Authentication of Financial Statements

- h. i. Subject to Section 134 of the Act, every financial statements of the Company shall be signed on behalf of the Board by not less than two Directors.
- ii. The financial statements shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.

Auditors Report to be annexed

- i. The Auditor's Report shall be attached to the financial statements.

Board's Report to be attached to Financial Statements

- j. Every financial statement laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any reserve either in such Balance Sheet or in a subsequent Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend.
- k. The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any change which has occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries and generally in the classes of business in which the Company has an interest and material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report.
- l. The Board shall also give the fullest information and explanation in its report or in case falling under the provision of Section 134 of the Act in an addendum to that Report on every reservation, qualification or adverse remark contained in the Auditor's Report.
- m. The Board's Report and addendum, if any, thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not authorised, shall be signed by such number of Directors as is required to sign the Financial Statements of the Company under Article 88(h).

- n. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-clauses (j) to (n) of this Article are complied with.

Right of member to copies of Financial Statements

- o. The Company shall comply with the requirements of Section 136.

Accounts to be audited

- p. i. Every Financial Statement shall be audited by one or more Auditors to be appointed as hereinafter mentioned.
- ii. Subject to provisions of the Act, The Company at the Annual General Meeting shall appoint an Auditor or Firm of Auditors to hold office from the conclusion of that meeting until the conclusion of the fifth Annual General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.
- iii. At every Annual General Meeting, reappointment of such auditor shall be ratified by the shareholders.
- iv. Where at an Annual General Meeting no Auditors are appointed or reappointed, the Central Government may appoint a person to fill the vacancy.
- v. The Company shall, within seven days of the Central Government's power under Subclause (iv) becoming exercisable, give notice of that fact to that Government.
- vi. 1. The first Auditor or Auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.

Provided that the Company may at a General Meeting remove any such Auditor or all or any of such Auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any such member of the Company and of whose nomination notice has been given to the members of the Company, not less than 14 days before the date of the meeting; and

2. If the Board fails to exercise its power under this Sub-clause, the Company in General Meeting may appoint the first Auditor or Auditors.
- vii. The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors, if any, may act, but where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.
- viii. A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless Special Notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 115 of the Act and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all other provisions of Section 140 of the Act shall apply in the matter. The provisions of this Sub-clause shall also apply to a resolution that retiring Auditor shall be reappointed.
- ix. The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.
- x. Subject to the provisions of Section 146 of the Act, the Auditor of the company shall attend general meetings of the company.

Audit of Branch Offices

- q. The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of Branch Offices of the Company.

Remuneration of Auditors

- r. The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditor appointed to fill a casual vacancy may be fixed by the Board.

Rights and duties of Auditors

- s. a. Every Auditor of the Company shall have a right of access at all times to the books of accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanations as may be necessary for the performance of his duties as Auditor.
- b. All notices of, and other communications relating to any General Meeting of a Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor, and the Auditor shall be

entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.

- c. The Auditor shall make a report to the members of the Company on the accounts examined by him and on Financial statements and on every other document declared by this Act to be part of or annexed to the Financial statements, which are laid before the Company in General Meeting during his tenure of office, and the report shall state whether, in his opinion and to the best of his information and according to explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view:
 - 1. in the case of the Balance Sheet, of the state of affairs as at the end of the financial year and
 - 2. in the case of the Statement of Profit and Loss, of the profit or loss for its financial year.
- d. The Auditor's Report shall also state:
 - (a) whether he has sought and obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit and if not, the details thereof and the effect of such information on the financial statements;
 - (b) whether, in his opinion, proper books of account as required by law have been kept by the company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him;
 - (c) whether the report on the accounts of any branch office of the company audited under sub-section (8) by a person other than the company's auditor has been sent to him under the proviso to that sub-section and the manner in which he has dealt with it in preparing his report;
 - (d) whether the company's balance sheet and profit and loss account dealt with in the report are in agreement with the books of account and returns;
 - (e) whether, in his opinion, the financial statements comply with the accounting standards;
 - (f) the observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company;
 - (g) whether any director is disqualified from being appointed as a director under subsection (2) of section 164;
 - (h) any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;
 - (i) whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;
 - (j) whether the company has disclosed the impact, if any, of pending litigations on its financial position in its financial statement;
 - (k) whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
 - (l) whether there has been any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
- e. Where any of the matters referred to in Clauses (i) and (ii) of Sub-section (2) of Section 143 of the Act or in Clauses (a), (b) and (c) of Sub-section (3) of Section 143 of the Act or Sub-clause (4) (a) and (b) and (c) hereof is answered in the negative or with a qualification, the Auditor's Report shall state the reason for such answer.
- f. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

Accounts whether audited and approved to be conclusive

- t. Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the accounts shall forthwith be corrected, and henceforth be conclusive.

WINDING UP

Winding up

90. i. Subject to the provisions of the Act as to preferential payments, the assets of a Company shall, on its winding-up be applied in satisfaction of its liabilities pari-passu and, subject to such application, shall, unless the articles otherwise provide, be distributed among the members according to their rights and interests in the Company.

Division of assets of the Company in specie among members

- ii. If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, and part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators with the like sanction shall think fit. In case any shares, to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the Special Resolution by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.

INDEMNITY AND RESPONSIBILITY

Directors' and others' right to indemnity

91. a. Subject to the provisions of Section 197 of the Act every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, and expenses (including travelling expenses) which Service of documents on the Company any such Director, officer or employee may incur or becomes liable to by reason of any contract entered into or act or deed done by him or any other way in the discharge of his duties, as such Director, officer or employee.
- b. Subject as aforesaid, every Director, Manager, Secretary, or other officer/employee of the Company shall be indemnified against any liability, incurred by them or him in defending any proceeding whether civil or criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is given to him by the Court and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies, or complying with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company.

Subject to the provisions of Section 197 of the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company, or for the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any money invested, or for any loss or damages arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part or for any loss or damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own act or default.

OTHERS

SECRECY CLAUSE

92. a. No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interests of the Company to communicate to the public.
- b. Every Director, Managing Director, Manager, Secretary, Auditor, Trustee, Members of a Committee, Officers, Servant, Agent, Accountant or other person employed in the business of the Company, shall, if so required by the Directors before entering upon his duties, or at any time during his term of office sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required so to do by the Board or by any General Meeting or by a Court of Law or by the persons to whom such matters relate and except so far as may be necessary, in order to comply with any of the provisions contained in these Articles.

REGISTERS, INSPECTION AND COPIES THEREOF

93. a. Any Director or Member or person can inspect the statutory registers maintained by the company, which may be available for inspection of such Director or Member or person under provisions of the act by the company, provided he gives fifteen days' notice to the company about his intention to do so.
- b. Any Director or Member or person can take copies of such registers of the company by paying ₹ 10 per page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt of money.

GENERAL AUTHORITY

94. Wherever in the applicable provisions under the Act, it has been provided that, any Company shall have any right, authority or that such Company could carry out any transaction only if the Company is authorised by its Articles, this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific regulation or clause in that behalf in this articles.

AUTHENTICATION OF DOCUMENTS

Authentication of document and proceeding

95. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, or the Managing Director or an authorised officer of the Company and need not be under its seal.

ANNUAL RETURNS

Annual Returns

96. The Company shall make the requisite annual return in accordance with Section 92 of the Act.

SERVICE OF NOTICE

Service of documents on the Company

97. A document may be served on the Company or any officer thereof by sending it to the Company or officer at the Registered Office of the Company by Registered Post, or by leaving it at the Registered Office or in electronic mode in accordance with the provisions of the act.

How documents to be served to members

98. a. A document (which expression for this purpose shall be deemed to included and shall include any summons, notice, requisition, process, order judgement or any other document in relation to or the winding up of the Company) may be served personally or by sending it by post to him to his registered address or in electronic mode in accordance with the provisions of the act., or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notices to him.
- b. All notices shall, with respect to any registered shares to which persons are entitled jointly, be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.
- c. Where a document is sent by post:
- service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a Certificate of Posting or by Registered Post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member, and such service shall be deemed to have been effected;
 - in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted, and
 - in any other case, at the time at which the letter should be delivered in the ordinary course of post.

Members to notify address in India

99. Registered holder of share(s) shall, from time to time, notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

Service on members having no registered address in India

100.If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.

Service on persons acquiring shares on death or insolvency of members

101.A document may be served by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of deceased or assignees of the insolvent or by any like descriptions at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.

Notice valid though member deceased

102.Any notice of document delivered or sent by post or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member by then deceased and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or on her heirs, executors or administrators, and all other persons, if any, jointly interested with him or her in any such share.

Persons entitled to Notice of General Meeting

103.Subject to the provisions of Section 101 the Act and these Articles, notice of General Meeting shall be given to;

- (a) every member of the company, legal representative of any deceased member or the assignee of an insolvent member;
- (b) the auditor or auditors of the company; and
- (c) every director of the company.

Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

Advertisement

104. a. Subject to the provisions of the Act, any document required to be served on or sent to the members, or any of them by the Company and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district where the Registered Office of the Company is situated.
- b. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered in the Register shall be duly given to the person from whom he derived his title to such share or stock.

Transference, etc. bound by prior notices

105.Every person, who by the operation of law, transfer, or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which previously to his name and address being entered in the Register, shall have been duly served on or sent to the person from whom he derives his title to the share.

How notice to be signed

106.Any notice to be given by the Company shall be signed by the Managing Director or by such Director or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

SECTION XII – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our company or contracts entered into more than two (2) years before the date of filing of this Draft Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Prospectus, will be delivered to the ROC for registration/submission of the Prospectus and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Plot 34/D-1, Laxminarayan, BRC Compound, Udhna, Mangrol, Surat-394210, Gujarat, India from the date of filing the Prospectus with ROC on all Working Days until the Issue Closing Date. Copies of below Material Contracts and Documents are also available on the website of the company on www.sihoragroup.com

A. MATERIAL CONTRACTS

1. Issue Agreement dated August 08, 2025, executed between our Company and Lead Manager to the Issue.
2. Registrar and Transfer Agent Agreement dated December 17, 2024, executed between our Company and the Registrar to the Issue.
3. Market Making Agreement dated [●], executed between our Company, Lead Manager and Market Maker to the Issue.
4. Banker to the Issue Agreement dated [●], executed between our Company, Lead Manager, Banker to the Issue and the Registrar to the Issue.
5. Underwriting Agreement dated [●], executed between our Company, Lead Manager, and Underwriter.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated December 19, 2023.
7. Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated January 25, 2024.

B. MATERIAL DOCUMENTS

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Board Resolution dated December 9, 2024 and Special Resolution passed pursuant to Section 62(1)(C) of the Companies Act, 2013 at the EGM by the shareholders of our Company held on December 12, 2024.
3. Statement of Tax Benefits dated July 10, 2025 issued by our Statutory Auditors M/s. Lakhankiya & Dosi LLP, Chartered Accountants.
4. Copy of Restated Financial Statement and along with Report from the peer review certified auditor M/s. Lakhankiya & Dosi LLP, Chartered Accountants for the financial year ended on March 31, 2025, period from 10th August 2023 to 31st March 2024, period from April 1st, 2023 to 17th October, 2023 and financial year ended on March 31, 2023 included in this Draft Prospectus.
5. Copy of Audited Standalone Financial Statement for the year ended on March 31, 2025 and the period ended on March 2024 and Special Purpose Audit Report for the period ended on October 17, 2023 and year ended on March 31, 2023.
6. Certificate dated July 10, 2025 certifying Key Performance Indicators as disclosed in chapter titled Basis of Issue Price issued by M/s. Lakhankiya & Dosi LLP, Chartered Accountants.
7. Certificate dated August 08, 2025 certifying Working Capital Requirements of the company as disclosed in the chapter titled Object of the Issue issued by M/s. Lakhankiya & Dosi LLP, Chartered Accountants.
8. Consents of Promoter, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, the Lead Manager to the Issue, Registrar to the Issue, Banker to the Issue*, Market Maker* and Underwriter to the Issue* to act in their respective capacities.
**to be obtained prior filing of Prospectus.*

9. Site Visit Report from Lead Manager addressing BSE.
10. Copy of In-principle approval letter dated [●] from the BSE Limited.
11. Due Diligence Certificate from Lead Manager dated August 08, 2025 filed with SEBI after filing the prospectus with RoC.
12. In principle Approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of Equity Shares on the BSE SME.
13. Board Resolution dated August 08, 2025, for approval of Draft Prospectus and dated [●] for approval of Prospectus.

Any of the contracts or documents mentioned in the 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, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, 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 Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Draft Prospectus/Prospectus are true and correct.

SIGNED BY THE Chairman and Managing Director

Sd/-

**Gautam Vallabhbhai Sihora
Chairman and Managing Director
DIN 10275231**

Date: August 08, 2025

Place: Surat

DECLARATION

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, 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 Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Draft Prospectus/Prospectus are true and correct.

SIGNED BY THE Whole-time Director

Sd/-

**Priyal Gautamkumar Sihora
Whole-time Director
DIN 10275230**

**Date: August 08, 2025
Place: Surat**

DECLARATION

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, 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 Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Draft Prospectus/Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Chirag Rameshbhai Dhameliya
Non-Executive Director
DIN 10622026

Date: August 08, 2025

Place: Surat

DECLARATION

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, 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 Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Draft Prospectus/Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Rajesh Kalubhai Mepani
Independent Director
DIN 07841263

Date: August 08, 2025
Place: Surat

DECLARATION

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, 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 Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Draft Prospectus/Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Pratik Mansukhbhai Radadiya
Independent Director
DIN 10830954

Date: August 08, 2025

Place: Surat

DECLARATION

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, 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 Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Draft Prospectus/Prospectus are true and correct.

SIGNED BY THE KMP OF OUR COMPANY

Sd/-

Paresh Haribhai Mangukiya
Chief Finance Officer

Date: August 08, 2025

Place: Surat

DECLARATION

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, 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 Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Draft Prospectus/Prospectus are true and correct.

SIGNED BY THE KMP OF OUR COMPANY

Sd/-

Dhara Jatin Vaghasiya
Company Secretary cum Compliance Officer

Date: August 08, 2025

Place: Surat